

From Clicks To Completion: Online Video Ad Effectiveness

Contributed by eMarketer
Monday, 23 April 2012

New technology and creative thinking will foster deeper ad engagement from viewers

With video advertising the fastest-growing online ad format, brands need to pay close attention to their video ad campaigns. Ad server VINDICO found that marketers may be placing too much emphasis on clickthrough rates (CTR) to measure campaign performance.

The study, which examined video ads served in the US in 2011, found that ad completion rate was a much more useful metric of ad effectiveness than CTR. And high CTRs for video ads are being misinterpreted as a sign of success, since many users are clicking on ads in an attempt to make them go away.

VINDICO's study compared ads featured in long-form video content, which it defined as having a narrative arc and lasting at least 10 minutes, with those placed in short-form video, described as being 10 minutes or shorter. The company found that ads in short-form content had a CTR of 1.31%, compared with 0.83% for long-form content.

However, ads served in long-form video had a higher completion rate, 88%, compared with 76% for ads placed in short-form content. That's because viewers who have committed to watching a long-form program are more willing to sit through ads, especially mid-roll ads.

Video ad completion translated to deeper interaction by customers with brand pages, according to VINDICO. Users who had watched a video ad to completion and then went to the advertiser's brand site were more likely to go beyond a brand's landing page to product and checkout pages, compared to customers who arrived at a landing page by clicking on an initial ad.

The research also found that video ads were evolving to take advantage of mobile users and the web's interactivity. In 2010, 98% of online video ads had simply been repurposed from television campaigns.

But in 2011, that figure dipped to 90%. Of the nontelevision-derived ads, in 2011, 2% were optimized to be viewed on a mobile device, while 8% took advantage of the web by including some kind of interactivity either within the ad, or by surrounding the ad video with static or interactive branded content. Marketers can expect ad functionality to change and improve as video ad technology, and the way it is applied, continues to develop.

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