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Video Ad Benchmarks: Average Campaign Performance Metrics

A DoubleClick Rich Media and Video Report

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Executive Summary

Video is the hottest new format for online advertising. With DoubleClick’s acquisition of Klipmart last year, the company is now in a leading position to observe trends in this exciting new market.

What follows are aggregated campaign performance metrics of online video ad placements from more than 300 campaigns. Those campaigns were placed by more than 130 advertisers over a four month period in 2006. (For more details on how these data were compiled, refer to the Methodology section at the end of this report.)

Our objective in conducting this analysis was to identify major trends in the performance metrics of video ad campaigns according to campaign features such as vertical industry sector, ad format, ad size, and ad length.

Some highlights from this analysis include the following:

A healthy portion of exposed audiences interact with video ads. On average, 8% of video ads generate a user interaction.

Users click video “Play” button more than they click on image ads. Video ads generate about three times the replay rate as image ads generate clicks through to advertisers’ sites.

On average, video ads play two thirds of the way through. Play-through rates do not vary greatly by expandable or standard video ad formats.

Video click rates are far higher than image format ads. Users click on video ads about five times as often as they do on image ads.

Key Findings

A healthy portion of exposed audiences interact with video ads

The interaction rate is the “all in” metric: It includes the sum total of all interactions people have with the video ad units, including expansions, interactions with the video control button, and custom interactions and clicks – divided by the total impressions served.

The overall average interaction rate for ads studied in this analysis is 8%. **Figure 1** shows how interaction rate breaks out by ad unit size. The best performer is the 120x90, but that likely has less to do with the size of the unit (roughly the size of two postage stamps) than with the placement: For the campaigns in this analysis, all of the 120x90 units ran within instant message chat windows.

Users click video “Play” button more than they click on image ads

All DoubleClick video ads include a panel of control buttons, including Play, Pause, Stop, and Mute/Unmute. The rates of play for those actions, shown in **Figure 2**, are calculated as a percentage of total impressions served. Because almost all ads included in this analysis consisted of auto-play ads

(in unexpanded ad units, without sound), presses of the Play button are reported here as Replay.

As the chart shows, the video control consumers are most likely to click is the Play button. At 0.32%, consumers are approximately three times as likely to replay an online video ad unit as they are to click through on a standard JPG or GIF ad (the standard CTR for image ads is approximately 0.1%).

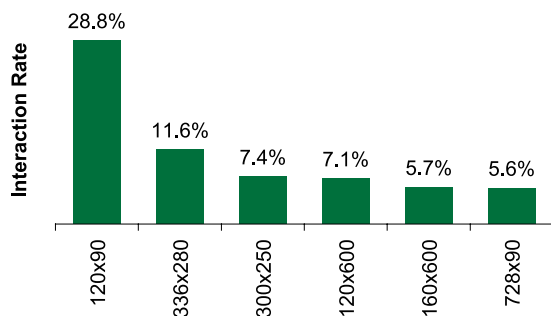
On average, video ads play two thirds of the way through

The majority of the video ad units observed in this analysis were in-page units as opposed to in-stream units (that is, video ads embedded in web pages, not within streaming video content). For those in-page units, the most common length of play was 30 seconds; the next most common length was 15 seconds.

Figure 3 (see next page) shows the average number of seconds of play for those two most common types of in-page formats. There is little difference in the length of play between ads that expand to a larger display window and standard video ads that do not expand. In both cases, on average, video ads

Figure 1 Most ad units see healthy single-digit interaction rates

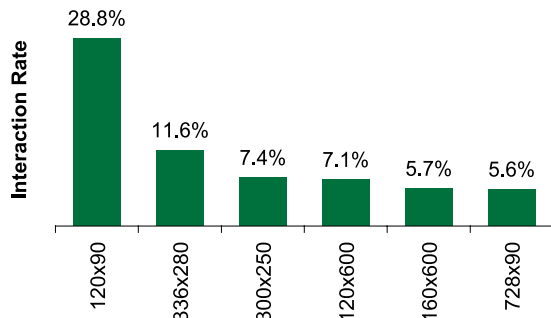
Interaction Rate by Ad Unit Size



Source: DoubleClick, 2006; aggregate analysis of video placements in 301 campaigns

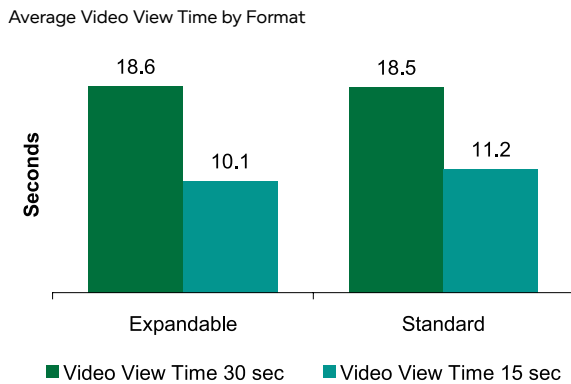
Figure 2 The action consumers take most often with video ads is to replay them

Video Control Panel Interaction Rates



Source: DoubleClick, 2006; aggregate analysis of video placements in 301 campaigns

Figure 3 Standard and expandable video ads see roughly the same rate of play through as one another



Source: DoubleClick, 2006; aggregate analysis of video placements in 301 campaigns; in-page units only

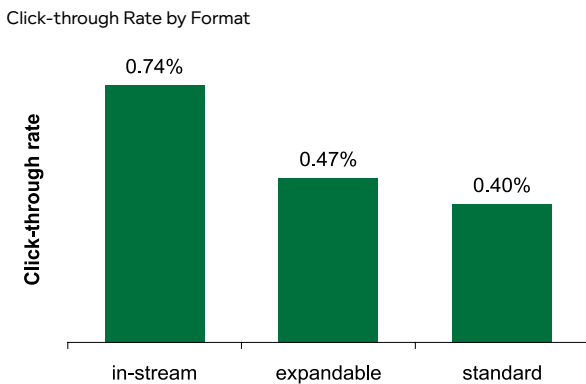
play approximately two thirds of the way through.

It should be noted that consumers do not appear to be stopping the ads before the end of play by clicking the Stop button. As shown in **Figure 2**, clicks of the Stop button occur in less than 1% of total ad impressions. Rather, in most cases, consumers are probably navigating away from the content pages before the end of the ad unit’s play.

Video click rates are far higher than image format ads

Most advertisers probably think of online video ads as being a brand-oriented format. Of course, they are excellent for branding, with the opportunity for sound, motion, and story. But when judged on the basic direct-response metric for online advertising – the click-through rate – online video ads perform extremely well.

Figure 4 Click-through rates highest for in-stream ads, but high for all video formats relative to image ads



Source: DoubleClick, 2006; aggregate analysis of video placement in 301 campaigns

Figure 4 shows that online video ads experience click-through rates ranging from 0.4% to 0.74%, depending on the online video format. By comparison, the click-rate for plain GIF or JPG image ads based on DoubleClick data is approximately 0.1% (DoubleClick plans to release official numbers for a range of other ad formats later this year).

Methodology

This analysis was based on aggregated and cleansed data from video placements of 301 ad campaigns by 131 advertisers, representing 2.7 billion video ad impressions. Those campaigns ran on the Klipmart ad system between June and September 2006.

Almost all video units in this analysis were auto-play ads. Almost all of those ads played with the sound off until users interacted to trigger sound.

About DoubleClick

DoubleClick is a global leader in digital marketing technology and services. From its position at the nerve center of digital marketing, DoubleClick provides unique insights and insider knowledge no one else can. Headquartered in New York, and with 17 offices and development hubs and 15 data centers worldwide, the company employs more than 1000 people. Learn more at www.doubleclick.com.



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