Insights from DoubleClick - Video advertising momentum

Video ads: A story of growth

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Introduction

The digital video landscape is rapidly changing as more and more advertisers and publishers jump into video advertising. Over 2012 and the first quarter of 2013, advertiser demand was strong across all publisher content verticals.

This section takes a snapshot of the global in-stream video advertising market comparing Jan - Mar 2012 with 2013, contrasting growth in top advertiser categories and publisher verticals.

Some notes about the findings:

Advertising that runs on YouTube or other Google-owned web properties is not included.

All analyses are based on instream video ads displayed within a video player, either as a pre-roll, mid-roll, or post-roll. Not included: overlays, text ads, or video ads played in rich media ad units outside a video player.

All the metrics in this report are sourced in aggregate from Google video advertising platforms, including DoubleClick for Advertisers (DFA), DoubleClick for Publishers (DFP), the DoubleClick Ad Exchange, and the Google Display Network.

Each advertiser’s category and each publisher’s vertical are determined by their top-level web property subject matter.

We haven't included video ad networks or demand-side platforms that bought video ad campaigns where our platforms cannot identify the originating advertiser’s category.

This global analysis is based on billions of served video ads which are aggregated to preserve confidentiality.

Brand advertisers dominate the video ad landscape

Brand advertisers rule video share-of-voice

68% of all video impressions came from the top 4 advertiser categories: Automotive, Retail, Technology, and CPG. These categories are dominated by large advertisers looking to maximize branding opportunities.

New advertisers are catching up

2 out of 5 of all video ad impressions during Jan - Mar 2013 came from advertisers new to digital video. Most of these were large brand advertisers.

Top advertiser categories by video advertising share-of-voice	Automotive	Retail	Technology	Consumer Packaged Goods
Share of total video ads	19%	18%	17%	14%

Top advertiser categories by video advertising growth	Retail	Finance	Healthcare	Classified & Local
Growth in video ads year-on-year change	197%	225%	193%	256%

It's a close race. Brand advertisers are jumping into digital video, finding their audiences across the web. The top video ad buyers switch between Automotive, Retail, Technology, and CPG throughout the year, with most of these categories posting double-digit year-on-year growth.

Source: Video ads served on DFA and the Ad Exchange, Mar 2012 - March 2013

Of the big players, **Retail advertisers have been gaining share**, nearly **tripling** their video advertising impressions year-on-year. Finance, Healthcare, and Classifieds & Local advertisers also posted video ad growth that was higher than the rest of the market.

Source: Video ads served on DFA and the Ad Exchange, Jan 2012 - March 2013

Who are the top publishers in video monetization?

Publishers are selling more video

x2 In-stream video advertising doubled year on year.

Digital video a winner for News sites

x3 News publishers tripled video monetization volume

Top publisher verticals by video ad impressions	Arts & Entertainment	News	Sports	Computers & Electronics
Growth in monetized video ads year-on-year change	66%	201%	165%	450%

The majority of video monetization occurs on Arts & Entertainment sites. These publishers account for the majority of all video ad impressions, with a healthy 66% YoY growth rate. Approximately two-thirds of these sites are traditional TV and cable networks. The rest are predominantly music and entertainment video aggregator sites.

But strong growth from major publisher verticals **News, Sports,** and **Computers & Electronics** sites are helping these publishers expand their share. These sites grew above market rates, indicating that digital video is becoming a major revenue source for these publishers.

Autos & Vehicles sites are in demand. Autos & Vehicles sites were the largest beneficiary of strong Automotive advertiser demand for their audiences, going from essentially zero inventory to being a top 10 vertical.

Shopping and **People & Society** sites accounted for smaller shares of impressions, but showed significant yearly video monetization growth.

Source: Video ads served on DFA and the Ad Exchange, Jan 2012 - March 2013

What does this mean for me?

Advertisers:

- **Digital video advertising is essential for brand campaigns,** especially if you're an Automotive, Retail, Technology, or CPG advertiser. Advertisers are finding their audiences in digital video and are posting double-digit impression increases.

- **New to video? You're in good company.** If you're an advertiser new to digital video, you're surfing the trend: 2 in 5 video ads in Jan - Mar 2013 came from advertisers new to digital video. Advertiser categories outside the big four are posting double-digit growth rates.

Publishers:

- **Video content attracts brand advertisers.** Invest in a video content strategy. News publishers are leading the way by developing their own original content, growing their viewership, and tripling their video ad monetization. If you are not a video content creator, partner with aggregators and syndicators to drive viewership on your site.

- **Grow video viewership.** Brands are looking for their audiences all over the web. Deliver new audiences by finding potential viewers on distribution channels or syndicators.

Google's video solutions

DoubleClick

Google's DoubleClick products provide ad management and ad serving solutions to companies that buy, create or sell online advertising. The world's top marketers, publishers, ad networks and agencies use DoubleClick products as the foundation for their online advertising businesses. With deep expertise in ad serving, media planning, search management, rich media, video and mobile, our DoubleClick products help customers execute their digital media strategy more effectively.

For more information, visit www.google.com/doubleclick

YouTube

As the world's largest video platform, YouTube is where an entire generation is shaping what matters in content and culture today. By connecting brands, creators and over a billion users each month, YouTube provides a forum for creative expression, meaningful participation and unprecedented choice. Together, we are reinventing the way video is produced, distributed and consumed.

For more information, visit www.youtube.com

DoubleClick Ad Exchange

DoubleClick Ad Exchange (AdX) connects the world's top publishers and buyers in a massive, transparent marketplace. For advertisers, agencies and ad networks, AdX makes it easy to reach target audiences at scale and across every device and format. And for publishers, AdX provides robust insights and controls, and it connects seamlessly with the DoubleClick for Publishers (DFP) ad management platform so it's easy to maximize revenue across all sales channels.

For more information, visit www.google.com/doubleclick

Google Display Network

The Google Display Network reaches 80 percent of internet users worldwide, serving hundreds of billions of impressions to more than 500 million users each month – spanning just about everywhere around the globe. From mass media to niche sites, advertisers can find engaged audiences and achieve performance at scale through our innovative targeting technology. Using our tools, advertisers can build ads, measure results, optimize campaigns, and expand their advertising reach to specific audiences all over the web.

For more information, visit www.google.com/displaynetwork