



A PERFORMANCE MARKETER'S GUIDE TO YOUTUBE ADS



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INSIDER TIPS: THE BEST OF THE BEST
ADVICE FROM OUR EXPERTS, BASED ON OUR
YEARS OF EXPERIENCE GETTING YOUTUBE
ADS TO PERFORM BETTER FOR OUR CLIENTS.

CAN YOUTUBE BE A PERFORMANCE CHANNEL?

As a performance digital marketing agency, we're often asked to solve this challenge for our clients. Though the concept of "performance" to us goes well beyond new buyers and leads, if we're realistic, that's the implication.

So, can YouTube drive sales? **Unequivocally, yes!** What's most important in order to get sales from your YouTube investment is to understand what you're accomplishing with every campaign and create a plan of audience, message, and ad products to get there. You might be building your YouTube campaigns in the same interface as Google search campaigns, but YouTube is most definitely not search, and your expectations around CPA or ROAS should be different. Most brands fail to achieve success on YouTube because they're launching it in a vacuum. That approach might work on search or social ads (even if it's not recommended), but it's not likely to work with YouTube.

Because of this broad experience, most marketers view YouTube as a brand awareness play only. But we've learned that it's useful for everything from introducing a brand to closing new and returning customers. We've even built a reputation among Google strategists on proving this.

Like the trajectory of so many emerging digital ad channels, YouTube's potential for direct response performance has grown over time. New ad products from Google are geared toward direct response, audiences have grown more accustomed to ads, and perhaps most importantly, the ads are just better now. It's still more challenging to drive direct response from YouTube ads than core performance channels, but with the right strategy, campaigns, and ad creative, it's possible for any advertiser. So, if you tested YouTube previously and didn't see the results you were hoping for, it's time for you to take another look.

To help get you started, we've created this guide. No matter how much you've used YouTube ads before, or if you manage a B2C or B2B brand, we're willing to bet you'll find loads of new ideas, tips, and tactics you haven't tried before.



AD FORMATS

The evolution of YouTube advertising has brought with it a wide variety of campaign and ad formats that you can deploy for all stages of your marketing funnel. To simplify your choices for building campaigns, we've created this visual guide that includes a Direct Response Score (our experts' insight on the relative strength of each ad type for generating direct performance). For more, you can read our [blog post](#) that reviews each format in detail. These go from 1 (less impactful) to 5 (most impactful for direct response).

TrueView for Reach



- Shown before other YouTube videos and can be skipped after 5 seconds
- Can use a CTA overlay
- Reach as many people in your target audience as possible
- Generate brand awareness with efficient CPMs
- Promote new launches

DR SCORE

1

Bumper Ads



- 6-second, non-skippable
- Play at start or end of YouTube videos
- Generally don't drive direct action, but can improve recall and consideration
- Work best as companions to larger campaigns or for sequential messaging
- Tease new releases

DR SCORE

2

TrueView Discovery



- Displayed next to video being watched
- Video and text ad unit
- Sends user to full video on YouTube rather than landing page
- Ad click counts as a view
- People who click are self-selecting into higher intent
- Good for driving consideration, education about brand

DR SCORE

2

Non-Skippable In-Stream



- 15-to-20-second ad slots (15 seconds max in US)
- Shown before other videos, but cannot be skipped
- Higher CPMs than other TrueView formats
- More engagement and brand recall since viewers have to watch the ad to completion
- Use to drive brand awareness and consideration

DR SCORE

2

TrueView In-Stream



- Format most synonymous with YouTube ads
- Shown before videos, skippable after 5 seconds
- Optimizes toward people who are viewing the content
- CTA overlay optional
- Versatile: can be used to drive awareness, consideration, action depending on targeting

DR SCORE

3

TrueView for Shopping



- In-Stream ad that features product cards for items in your Google Merchant Center feed as the CTA overlay
- Encourage exploration and consideration of products
- When products in cards are clicked on, people are taken to the product page on website

DR SCORE

4

TrueView for Action



- Similar to TrueView In-Stream
- CTA overlay required
- Can optimize for action through conversion-based bidding
- Messaging and targeting should focus on taking action rather than branding

DR SCORE

5

Often ignored, there are also other ways to incorporate YouTube into your performance marketing ecosystem:

Universal App Campaigns: For mobile app advertisers. We discuss UAC and mobile app ads on YouTube later in a special section of the guide.

MT Insider Tip



Search Remarketing to YouTube Ad Viewers: A very common gap in YouTube ad strategy. Overlay video viewers audiences on search campaigns to observe performance and understand how they influence the performance of direct-response campaigns. You can also adjust bidding based on performance, or choose to target certain keywords only to this audience in separate campaigns.

Display Ads on YouTube: YouTube also offers display ads! They'll either run as banners that overlay on top of a video or alongside it as it plays. Create a Google Display campaign targeted to YouTube as the only placement. You can target core Google audiences (e.g. in-market audiences), or use email lists or behavioral remarketing audiences to create companion ads to a main campaign. If you have a specific enough audience, you can oversaturate for a "takeover"-like effect.

Other Remarketing to YouTube Ad Viewers: Remarketing is also available for Gmail ads as well as YouTube itself, and it should continue to be made available on Google-owned properties. It's no longer available on the Display Network, however; that was deprecated in 2019 as a user privacy measure.

BIDDING OPTIONS & STRATEGIES

MT Insider Tip



Bidding on YouTube shares similar names to the bidding types on other Google Ads networks, like Search and Display, though operationally, it acts quite differently. For manual bidding like CPM or Cost-Per-View, what you pay on YouTube is much more likely to be the same as or only slightly less than your bid. One reason for this is that competition for YouTube impressions is broader - many more advertisers are bidding on that video view than, say, for a specific keyword on SEM.

Another reason might be that advertisers on YouTube are either not targeting in a very sophisticated manner, or that the system at large is very reliant on automated bidding, like Target CPA. But this is something you can take advantage of, because when you do find an audience that works on YouTube, you can often name your price to reach them. In this way, bidding serves mostly as a vehicle to dial up and down the amount of volume you can get.

One other note on YouTube bidding: TrueView for Action campaigns that are geared toward conversion actions like sales, signups, or leads, require either Target CPA or Maximize Conversions auto-bidding. See the next page for tips on choosing between them, and when to use manual bidding options.

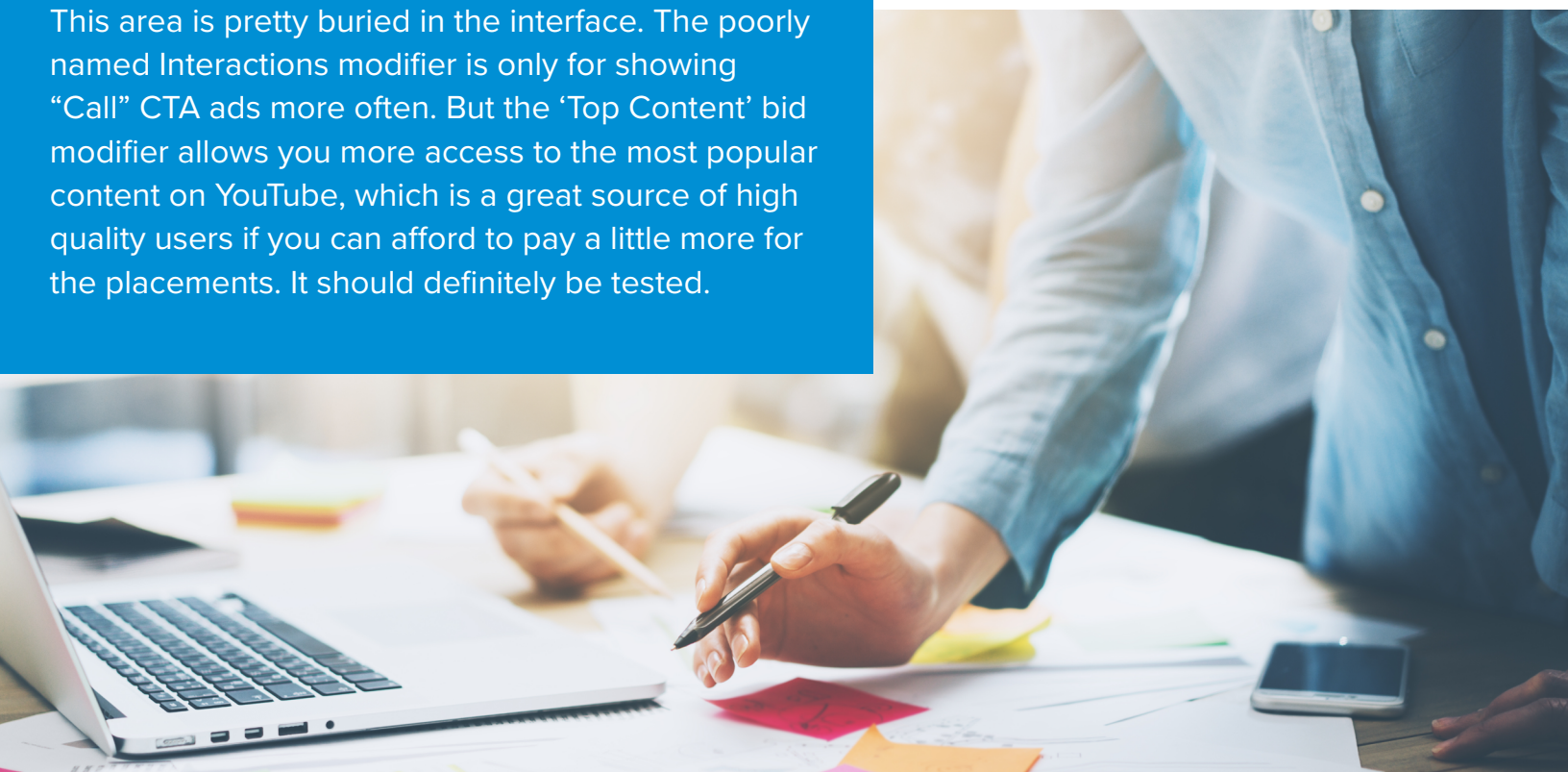
* An additional bid type called Maximize Lift is branding-oriented and only available for YouTube Brand Lift Studies and therefore is not covered here.

MT Insider Tip



Advanced Bid Adjustments

This area is pretty buried in the interface. The poorly named Interactions modifier is only for showing “Call” CTA ads more often. But the ‘Top Content’ bid modifier allows you more access to the most popular content on YouTube, which is a great source of high quality users if you can afford to pay a little more for the placements. It should definitely be tested.



CPM

USE CPM BIDDING WITH THESE CAMPAIGNS

- TrueView for Reach
- Bumper Ads
- Non-Skippable In-Stream

HOW IT WORKS

Want a lot of people to see your ad?

Set the max amount you want to pay for 1,000 impressions on your ads, whether they engaged with it or not.

ADVICE

Pair with campaign types focused on brand awareness. Because people might not engage with or watch much of the ad, this strategy isn't often used for direct response. We typically set starting CPM bids at \$5-\$7. Generally, higher bids will get you more reach.

COST-PER-VIEW (CPV)

USE WITH

- TrueView In-Stream
- TrueView Discovery
- TrueView for Shopping

HOW IT WORKS

Pay for video views or interactions like clicks on CTA overlays, cards, and companion banners. A view is counted at 30 seconds or the duration if video is shorter than 30 seconds. Interaction with the ad counts as a "view".

ADVICE

Longer views don't necessarily mean more conversions, but do indicate openness to marketing messages from the brand/product. Base your bid on the reach estimates provided by Google when selecting targeting settings within Google Ads. We've seen typical CPVs range from \$0.05-\$0.10, and increasing CPVs will allow you to compete in more auctions and scale your campaign volume.

TARGET CPA (tCPA)

USE WITH

- TrueView for Action

HOW IT WORKS

Set bids to help get as many conversions as possible at or below the target CPA you set. Conversion data from all campaigns is used to predict how likely an engagement with the video will lead to a conversion.

ADVICE

Ensure daily budget is at least 5-10x the CPA target, and ideally higher, to allow the bidding algorithm enough room to work.

Taking comparable CPAs from display or social prospecting can be a good starting point if you don't have existing YouTube CPA data.

MAXIMIZE CONVERSIONS

USE WITH

- TrueView for Action

HOW IT WORKS

Google's machine learning gets the most conversions possible out of a limited campaign budget. As with search campaigns, Maximize Conversions gives you no control over setting bids.

ADVICE

MT Insider Tip



Good alternative for advertisers who have limited budgets and can't meet the bid-to-budget ratio needed for tCPA bidding to be effective. Since it isn't tied to a specific CPA goal, you might see CPA increase, particularly in the short term while the algorithm is learning. Aims to spend your full budget every day even if it needs to inflate bids to get there, so be mindful of the budgets you set.

AUDIENCE TARGETING

One of the performance challenges advertisers face launching YouTube ads for the first time is how vast it is. Globally, YouTube serves over a [billion hours of video daily](#). Without a thoughtful targeting strategy, your budget and hopes for performance can get away from you really quickly.

There are platform targeting options for action, intent, and interest, and then of course you also have behavioral remarketing and email list audiences, which Google calls Customer Match. While YouTube is a great ad platform for remarketing and message reinforcement, you'll inevitably want to venture into expanding your reach to new audiences. Layering your targeting on YouTube will help you to narrow your audience to find those more likely to interact and buy.

For building initial prospecting audience layers, you have a number of options to make educated choices to reduce the cost of learning.

MT Insider Tip



Start with the Audience Insights in the Google Ads interface. If you've had other Google campaigns running with good conversion tracking history, this tool will tell you what audiences most overlap with those that convert. You can also look at top-performing audiences on display or paid social campaigns to generate ideas.

Relevant audiences

People in this remarketing list are most often associated with the following audiences

IN-MARKET AUDIENCES

AFFINITY AUDIENCES

Select audiences to add to an ad group

☐	In-market audience	Index	Size
☐	Business Services > Business Technology > Web Services Domain Registration	8.2x	20M - 25M
☐	Business Services > Business Technology > Network Systems & Services Network Management	4.8x	100M - 150M
☐	Computers & Peripherals > Computer Accessories & Components Computer Monitors	4.3x	100M - 150M
☐	Computers & Peripherals > Computer Accessories & Components Memory & Storage	3.9x	100M - 150M
☐	Business Services > Business Technology > Web Services Web Hosting	3.8x	150M - 200M
☐	Business Services > Business Technology > Network Systems & Services Network & Enterprise Security	3.2x	250M - 300M
☐	Business Services > Business Technology > Network Systems & Services Network Equipment & Virtualization	3.2x	100M - 150M
☐	Software Business & Productivity Software	3x	300M - 350M
☐	Computers & Peripherals > Computers Desktop Computers	3x	150M - 200M
☐	Business Services > Business Technology > Enterprise Software Helpdesk & Customer Support Solutions	2.9x	200M - 250M

Audience Insights Interface



Building Audiences for Performance

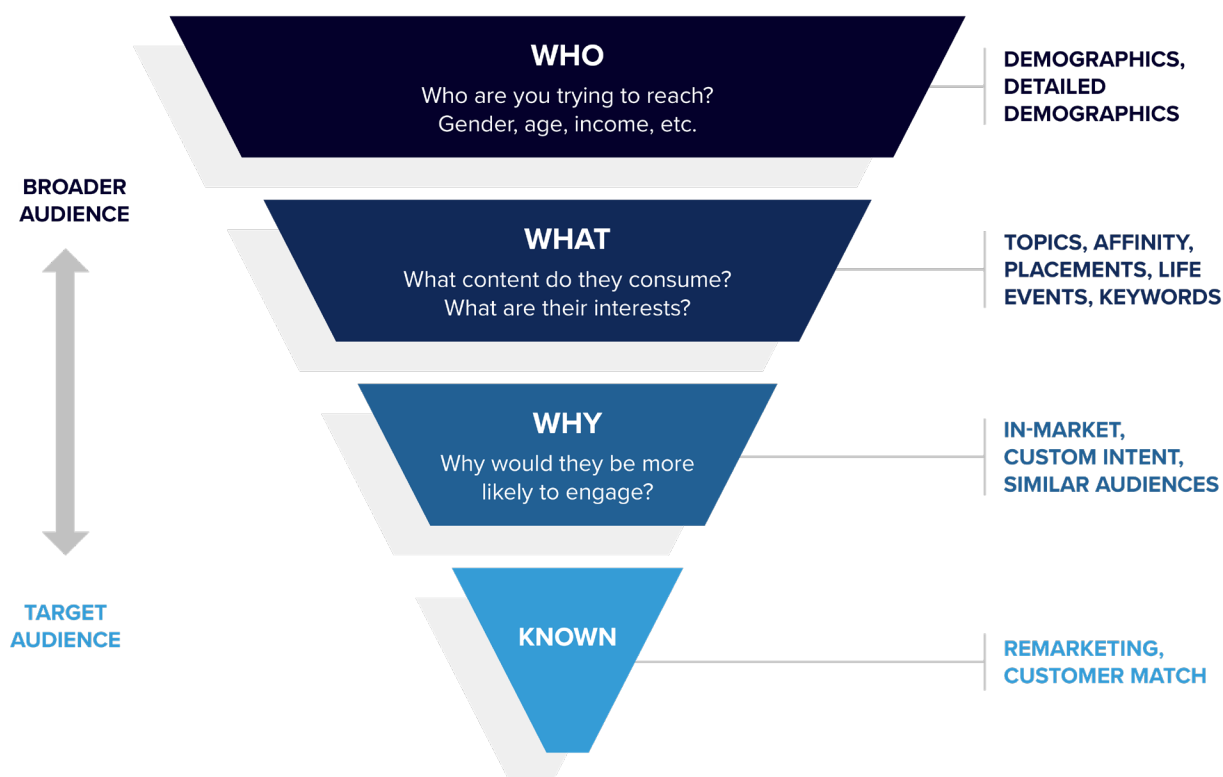
We created the below graphic to give you a visual reference for how YouTube audience types perform compared to one another.

Who grouping: includes the broadest audiences, **Demographics** and **Detailed Demographics**. Layer these on other targets to narrow the audience, so that you're controlling bids and messaging to improve performance. For instance, personalizing ads to a certain age and gender for a given audience target below. You should never target using these alone.

What grouping: includes targeting categories that draw upon Google's own insight into its users based on content consumption or purchases. There is a range of specificity in this set, but they are often best used as part of a layering strategy. **Topics** and **Placements** are content-focused, whereas **Affinity** and **Live Event** are user-focused. **Keywords** target users based on matching YouTube content, and not user searches on YouTube (with the exception of TrueView Discovery).

Why grouping: specifies that there is something about these audiences that make them more likely to be receptive to your message. **In-Market** and **Similar Audiences** are some of the more useful audience types for performance, and so make good bases for layering. Similar Audiences are custom "look-alike" sets that are often built using a seed list of email addresses, most commonly loyal customers or top X% of current customers. **Custom Intent** is chosen by keyword and based on a user's web search history, which is really powerful for performance. These are smaller, more targeted audiences, so additional layering can be too targeted and limit volume.

Known grouping: audiences where you have specific information that tells you how you should message and what to expect performance-wise. **Remarketing** and **Customer Match** are similar, since these are based on previous site visits and customer email addresses, respectively. As with other types of advertising, you should expect remarketing to perform comparatively well, generating more clicks and conversions.



To help you picture how audience layering and targeting works in a complete campaign ecosystem, have a look at these examples for common B2C retail and B2B technology use cases.

FUNNEL STAGE	LUXURY HOME DECOR RETAILER (B2C/RETAIL)	ENTERPRISE PROJECT MANAGEMENT TOOL (B2B/LEAD GEN)
AWARENESS	- Life event for recently purchased a home + top 20% income - Managed placements for home decor vloggers/influencers	- In-market for productivity software + large & very large employer size - Topic for project management + similar to past converters audience
CONSIDERATION	Custom Intent audience using top 50 revenue-generating SEM keywords	Custom Intent audience for those searching competitor products
ACTION	- Remarketing to non-converting site visitors from the last 7 days - Remarketing to users who abandoned their shopping cart in the last 3 days	Remarketing to non-converting site visitors from the last 14 days
NURTURE	Using Customer Match to target past purchasers with messaging around a related item	Remarketing to trial downloaders with messaging around free demo

Audience Optimization

Performance optimization on YouTube also improves from testing audience layering combinations, similar to Display campaigns. You can always start more granular, and remove audience layers if volume is too limited. But like with other types of advertising, long-run performance requires ongoing monitoring and refining. The most successful YouTube campaigns are ones with regular targeting optimization work in the following areas.

Audience Monitoring: Review your audiences that are performing well to continue iterating on your targeting strategy. For example, if you're testing several In-Market audiences and find that audiences around air travel are performing comparatively well, look for audiences that would reach people that would be similar or correlated, like In-Market for rental cars or hotels.

Placement Exclusions: Ensures ads are shown on appropriate channels. Create an account-level shared placements exclusion list as you are launching campaigns to prevent any wasted spend. Common exclusions include Kids', Gaming, and Music Videos.

MT Insider Tip



Note: As of our publish date for this guide, you can create a topic-level exclusion for Music Videos, but not Kids' or Gaming content. However, this won't actually catch all music video placements, so regular placement audits are still necessary for reducing exposure.

Placement Farming: Look for placements that are doing particularly well by either direct response or even engagement rates like View Rate. These can be a clue to larger themes of content that your audience is watching, helping build future targeting. Consider segmenting out top performing placements into their own campaign or ad group to have more control over bids and scale.

PRODUCING YOUTUBE ADS THAT PERFORM

Every YouTube advertiser is going to have a different level of resources and depth of investment in YouTube as an ad channel. Some advertisers are creating video ads with self-service tools like YouTube Video Builder, others are repurposing social or TV video ads, and still others are dedicating entire shoots solely to a YouTube campaign. Advertisers variably have in-house or outsourced help for each stage of the process. **It's possible for any of them to create ads that drive performance.** It's a whole guide unto itself to detail success factors for each of those scenarios, but all will find helpful advice in this guide.



There are many guides that show you how to make a good video ad. We have one [on our blog](#). Much of Google's guidance on YouTube ads is really useful, though it's geared mostly toward brand awareness advertisers. What we're going to discuss here is how to create ads that move the needle on performance, focusing on the TrueView In-Stream format (the most common type of YouTube ad).



Planning a Shoot

Creating a successful campaign starts even before the shoot, during the vendor or talent search process. Many creative agencies and video companies will create and shoot ads that might be fine for TV, but aren't really optimized for YouTube performance. We'd recommend looking for specialists or those with portfolios that contain examples like what we describe in this section.

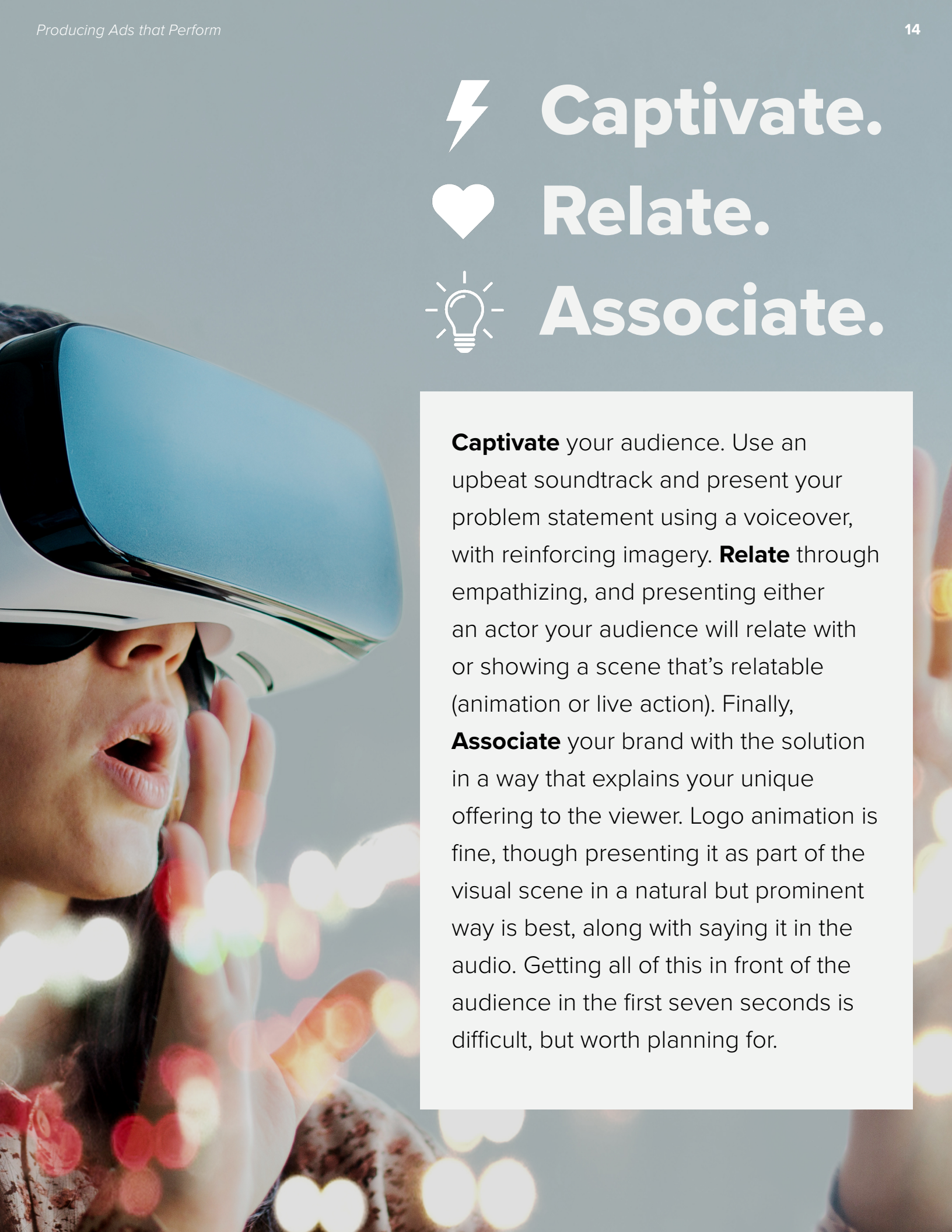
Even if your talent isn't specialized, you have this resource to help give direction on what you're looking for in the finished product! As part of pre-production, you should plan for what assets you want once a video shoot is over: the number of cuts, lengths, versions, and size formats. That includes scenes you want shot and the scripting.

The First Seven Seconds (Not Five!)

MT Insider Tip



Unless you've chosen a non-skippable ad, you have to make good use of the first seven seconds. Why seven seconds when users can skip an ad after just five? Because not all viewers are hovering over the skip button. Some are, but most aren't. Research conducted shows on average, you actually have just over seven seconds pre-skip. But your goal here isn't to prevent skips. Most people who skip the ad were always going to skip. Instead, focus on optimizing the video to maximize brand resonance for both skippers and full viewers.

 **Captivate.** **Relate.** **Associate.**

Captivate your audience. Use an upbeat soundtrack and present your problem statement using a voiceover, with reinforcing imagery. **Relate** through empathizing, and presenting either an actor your audience will relate with or showing a scene that's relatable (animation or live action). Finally, **Associate** your brand with the solution in a way that explains your unique offering to the viewer. Logo animation is fine, though presenting it as part of the visual scene in a natural but prominent way is best, along with saying it in the audio. Getting all of this in front of the audience in the first seven seconds is difficult, but worth planning for.

Ads That Drive Conversions

If you're running a sophisticated, full-funnel YouTube ad program, not all ads need to close the viewer on a sale or other action. You can still **Captivate**, **Relate**, and **Associate** successfully without expecting someone to immediately become a customer. But for especially targeted audiences or those who you already know are primed for taking an action, you should serve them ads that aim to achieve just that!

- 1 Give the viewer a taste.** Make sure that they see popular products or the new one you're promoting. If the next action isn't a purchase, but rather a demo, event, or some other action, provide an engaging clip as part of the video.
- 2 Show them the next move.** Use a stamp at the end of the video that includes a simple URL for the viewer to visit or remember the next time they're in-market for what you offer. If you want them to download an app, include where they can do that.
- 3 Add a promotion.** To close a new customer, include a promotion with your call-to-action that is prominently displayed on the video and reinforced by your audio track, and make sure to also include it in your CTA overlay. Take the user to a page that promotes the same offer.



AD TESTING & OPTIMIZATION



A large number of YouTube ad campaigns are abandoned simply based on the first video attempt failing. This has contributed to a misleading consensus that YouTube isn't powerful as a performance channel, when in truth advertisers simply aren't testing and optimizing their ads in the same way they are for core performance channels. We often say that **YouTube can perform for any advertiser, they just need to find the right ad**. If you don't strike gold on your first try, you have to iterate. And if you do, iterating can still make it better.

We'll grant that testing video ads is a bit more difficult for a lot of advertisers than other ad platforms, but it isn't impossible. We'll split our testing tips into two categories, Macro and Micro Testing. Macro tests you can think of as more conceptual, and more time- and resource-intensive to execute. Micro tests have to do with small elements that are easier to iterate, but can still have a big performance impact.

Macro Testing

If you plan ahead, or if you have a stable of brand videos or a nimble team, you can test two completely different video concepts against one another. You might wonder whether a video that uses humor or one that's more inspirational would deliver a higher view rate. Or, you might want to know if an animated video or live action would be better for bringing in conversions. You might be surprised by the outcome!

Metric Theory's run both of those tests with clients. We can't tell you what will work best for your brand, but we can offer some general guidance.

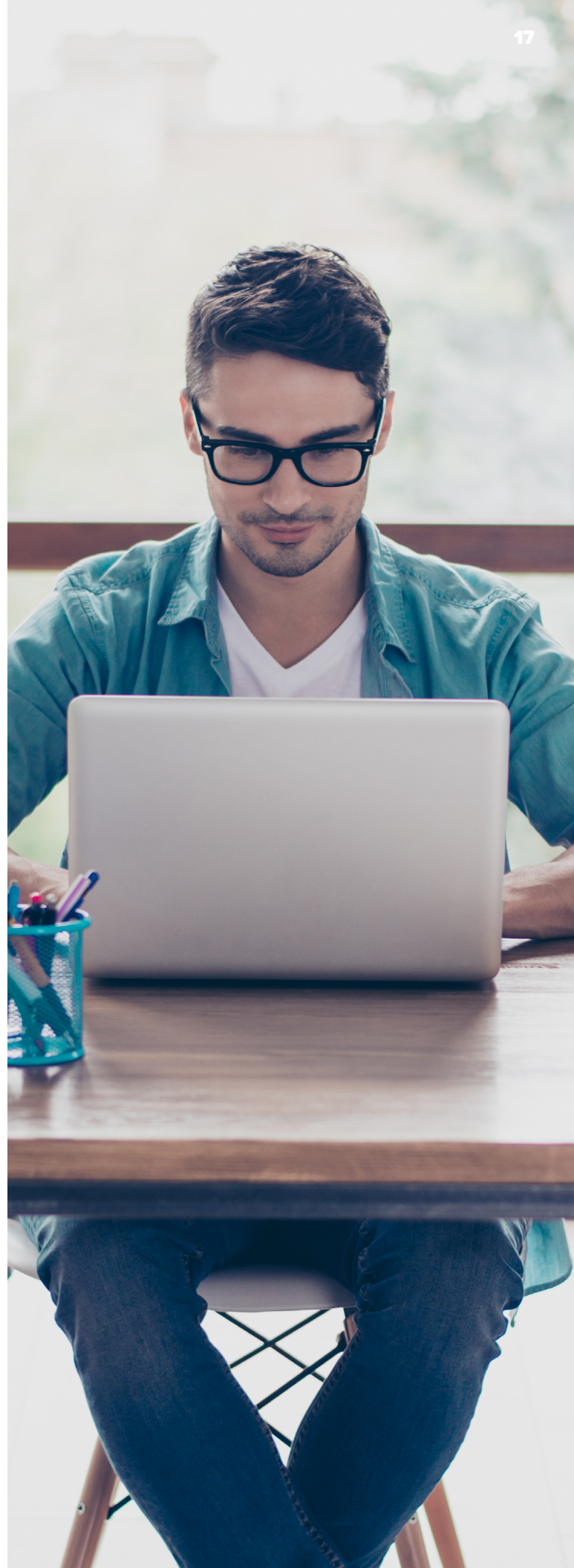
- Humor tends to work well for ad views in the awareness phase, but often isn't as good at driving conversions further down the funnel.
- Animated videos can be really helpful for explaining more complex businesses or value propositions to a highly targeted audience.

MT Insider Tip



- For prospecting campaigns, live action confers more brand credibility than animated videos.
- The more personalized you can make your choice of setting, actor, and even voiceover to your target audience, the better you can expect the ad to perform.

Testing videos of different lengths probably falls somewhere between macro and micro testing. Though we can't generalize performance around video length, videos can be more effective at shorter lengths the more familiar the audience is with your brand. YouTube affords you audience segmenting that a lot of other video ad channels can't, and building your video creative based on who you're reaching and what they already know about you can help to make your ads more impactful.





Micro Testing

You can accomplish a lot of micro testing yourself using video editing software, but it might also be something you leave to your outsourced partner. Messaging overlays on the video, soundtrack, voiceover, and post-production design elements can all be adjusted while leaving the core video the same. This could also include the text on YouTube ad units, where applicable.

- Offer testing is a great way to find a big performance change. We've found percent-off discounts for new customers is excellent for motivating direct purchase from YouTube.
- Music and voiceover choices can influence how likely the viewer is to continue watching, just try to find a tone that matches the narrative of the ad.
- Something as simple as the color of a message banner can really make a big change in CTR and conversion rate, but it won't make a poor-performing video successful.
- Making sure your CTA overlay matches your offer can make a big difference in direct conversions, especially where a special promotion is in play.
- For the Discovery Ad format, text changes can influence your View Rate (remember that a click on a Discovery ad counts as a view).

MT Insider Tip



Ad Size Formats

Most marketers only think of landscape videos for YouTube, but both square (1x1) videos and vertical videos are available. Especially where you're already producing them for social ads, you should try testing both to maximize your reach, but also for performance.



CAMPAIGN SETTINGS

The settings area is an often overlooked, but important part of YouTube campaign performance. You might expect geographic and day-parting modifiers to be part of the solution, and they are for broad awareness campaigns or geographic market saturation. But for TrueView for Action campaigns, which you'll likely be using for direct response, automated bidding incorporates those automatically. So what other settings are key for performance marketers?

MT Insider Tip

- **Network:** Options to show ads on YouTube search results, YouTube videos, or with video "partners" on Google's Display Network. This last option tends to be less effective for direct response. For performance advertisers, we advise opting out of it to start.

- **Frequency Cap:** Setting a frequency cap of 2 impressions per week is conservative and will help your budget reach more audience than 4 per day, but might also not be enough to drive engagement. For direct response, it's generally okay to test higher frequency, but always be mindful of the customer journey. If you see a spike in engagement on a new campaign launch that regresses quickly, your

frequency is likely too high. Frequent creative refreshing can limit this regression.

- **Device:** Over 70% of YouTube views (as of 2020) are on mobile devices, so bear that in mind if you're looking to scale a highly targeted audience.

MT Insider Tip

Since viewers aren't able to buy or navigate to a website directly from their TV, TV Screen modifiers should definitely be considered for performance advertisers. Just don't count those audiences out altogether - after all, they'll still have their phones. We recommend starting with a -50% bid adjustment on TV screens.

- **Inventory Type:** Allows you to adjust what type of content is acceptable for your ads to show alongside. "Standard inventory" is the default and our recommended starting point. You'll want to select "Limited inventory" if brand safety is particularly important. "Expanded inventory" may be worth testing if you want more ability to reach a strong audience, though performance is both a short-term and long-term proposition. You'll want to consider whether the potential for short-term gain is worth the potential long-term brand impact if your ads serve against content your typical customer would be unhappy with.

MEASUREMENT

Direct Measurement

Direct measurement for YouTube campaigns won't be as easy as just looking at conversions in Google Ads or revenue in Google Analytics, because a lot of what you're doing is filling the top of your marketing funnel and influencing the rest of it. But it's safe to say you'll need some way to compare YouTube's value versus other marketing investments. The easiest way to do that is by creating a valuation methodology for view-through conversions. As you'll see in the tips below, that doesn't need to be complicated or exact to still be useful.

Create a custom metric to combine click conversions and view-through conversions (VTCs)

MT Insider Tip



YouTube advertising is **not about clicks**. It's about people watching your awesome video ads! That's why, as a default, Google counts post-view conversions in the "Conversions" metric when a user has viewed a video for 30 seconds, or 10 seconds with TrueView for Action campaigns. But we recommend taking that a step farther by crediting some VTC conversions that happen prior to a "view" being technically recorded.

So, if Google has already accounted for "view" conversions in their total, why then take it a step further? We happen to believe Google's inclusion is conservative. One reason is that the evidence suggests the majority of a digital video ad's impact [comes in less than 10 seconds](#), let alone [30 seconds](#). Another is that it's becoming more standard to include short-term VTC conversions in visual ad channels like social ads, where the standard for an impression is often less than a second on-screen. It's easy to argue that watching up to 10 seconds of a video ad is much more impactful on a purchase. This is even more true of ads taking advantage of The First Seven Seconds, as previously noted in this guide.

VTC values are controlled by a conversion window, which is adjustable in the settings for each conversion action in a Google Ads account. Windows are set in number of days from the ad view, so a window of 30 days will count a conversion known to occur from viewers within 30 days of viewing your ad. So if you're adding VTCs into your value metric for YouTube, the longer your window is, the more it's going to compare favorably to other marketing channels.

Setting up your new custom metric:

- 1 Choose a view-through window for your conversions.** A 1-day window is a good starting point for most advertisers.
- 2 Create custom metric for the new combined conversions, and choose a name.** For example, "Combined Conv".
- 3 Create auxiliary metrics like Combined CPA, Combined Conv. Rate, Combined ROAS, etc.**

You don't have to torture yourself coming up with the perfect window, just start by setting the view-through window to 1 day, where if someone views a video and converts within 24 hours, you're assigning value to YouTube for delivering that conversion. If someone converts in the 25th hour or beyond, it's not counted. Moreover, the sooner the conversion occurs to an ad view, the more likely that ad had a direct influence (with some very specific exceptions, as we'll cover below). It's an imperfect, but as we've found, *pretty good* way of presenting YouTube ad value, without having to do much more complex estimates and assumptions, or buying advanced attribution software.

Getting closer to the true value of a view-through conversion

MT Insider Tip



Let's start with a clear example where you might not want to emphasize VTCs, and that's with retargeting or email list audience YouTube campaigns. These people already show high brand engagement and are likely heavily targeted, so there are more ads influencing the action generally, and it's more likely a viewed video incidentally coincided with an action already likely to occur. The solution here is easy - just look at the click conversion totals.

If you want to go further in determining the true value of VTCs, one way to do it is to analyze how often YouTube ad viewers convert on other Google campaigns. If you've followed the advice earlier in the guide, you have remarketing audiences, maybe even in their own campaigns, for YouTube video ad viewers across the other Google channels on which it's available, like Search, Gmail, and even YouTube itself. Once you launch YouTube ads, you'll begin collecting data on how many conversions you're able to close from people who've seen a YouTube ad. If those audiences convert at 3X the overall rate and represent 10% of the total impressions, you can begin to estimate how many incremental conversions YouTube ads are influencing, and whether a 1-day VTC window is giving it enough credit.

Keep in mind, though, that what data you'll find in Google is just an indication of the influence of YouTube ads, and isn't enough on its own to capture the full value. YouTube ads will also influence direct and organic conversions, store visits if you have physical retail, direct app downloads, and more. But it does provide real data that can be used in part to justify a value model for YouTube spend.



Incrementality Measurement

You might reasonably assume video ad views can drive everything from research around your brand to direct traffic and sales on your website. If you consider the other ways that YouTube ads could drive new business for you, then you'll want to set up a process to track and review the potential impact. Measuring return through incrementality testing is one recommended method. It might even be a necessary way of evaluating your advertising with the likely movement away from cookie-based ad tracking for digital ads. These tests are inherently valuable for ad channels like YouTube where click-based conversion tracking isn't a sufficient mechanism for assigning business value.

Your first considerations with this method of measurement are budget and audience. If you're running a national campaign with a monthly budget of \$5,000, you won't get meaningful data on changes in site traffic or brand searches, since you won't be reaching a high enough percentage of the target audience. With that same \$5,000 budget, you could limit the targeting to specific states or cities, but even then, the audience might be niche enough that it's not representative enough to apply the learnings at scale. You'll always need to consider the bias that might exist in these choices, and try to set up a test in a way where the result is more broadly applicable. You'll of course also need to control for as many variables as you can when testing.

To see what the results of a successful incrementality test can look like, take this example of a geographic split test, one of the easiest kinds of tests to run, but also one of the least scientific:

Group	Spend	Brand Searches	Brand Conv.	Organic Site Visits	Organic Conv.	Direct Site Visits	Direct Conv.
Test	\$20,000	3,000	45	40,000	600	58,000	870
Control	\$0	2,000	30	30,000	450	50000	750
Impact	\$20,000	1,000	15	10,000	150	8,000	120

In the example above, the test group had 285 additional conversions. If you presume that \$20,000 in YouTube advertising was the primary variable, you could use this data to make a case for this more encompassing performance view of YouTube spending.

Here are a number of additional ways you might attempt to measure the value of your YouTube ads

- Direct and Organic site traffic
- Increases in brand search campaign impressions
- Remarketing audience size and performance
- In-store traffic
- Call volume
- Amazon sales

Brand Lift Studies

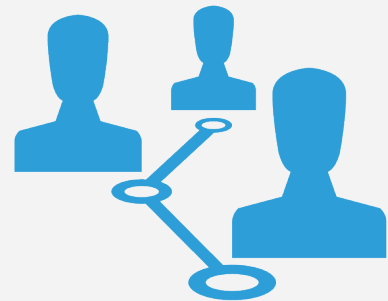
Despite plenty of opportunity for direct response results, much of the value of your YouTube ads simply won't be captured by direct response metrics. If you're stuck on the measurement question, Brand Lift studies can be a useful tool to get some clarity into what's working or not working for you to drive increased brand awareness. Brand Lift Studies put data behind how your video impacts things like brand awareness, ad recall, and brand consideration. These can be useful to understand the value of YouTube advertising, but because it's not possible to use them to demonstrate direct business results, we won't cover them in detail here.

[You can read more about Brand Lift Studies on our blog.](#)

Measure metrics beyond the direct conversion



Reliable results based on survey data



Use learnings to optimize strategy



MOBILE APP ADVERTISING ON YOUTUBE

If you spend any time on the YouTube mobile app, you're bound to see a high share of ads for mobile apps, and that's because YouTube is a great ad channel for app user acquisition. Because of its strength as a channel, we wish there was more to cover for these advertisers, but YouTube inventory is only available through Google's Universal App Campaigns (UACs), a highly automated campaign type with few control levers for marketers. Despite that, there are still things you can do to generate better performance from these campaigns.



Performance tips from our mobile app experts

- Because you don't have the audience targeting available on other key acquisition channels like social ads, UACs tend to work better for apps that appeal to a broad audience, rather than a niche one.
- Video ads tend to have a higher cost/install than other ad types, but they also tend to result in higher quality users - higher LTV, longer retention.

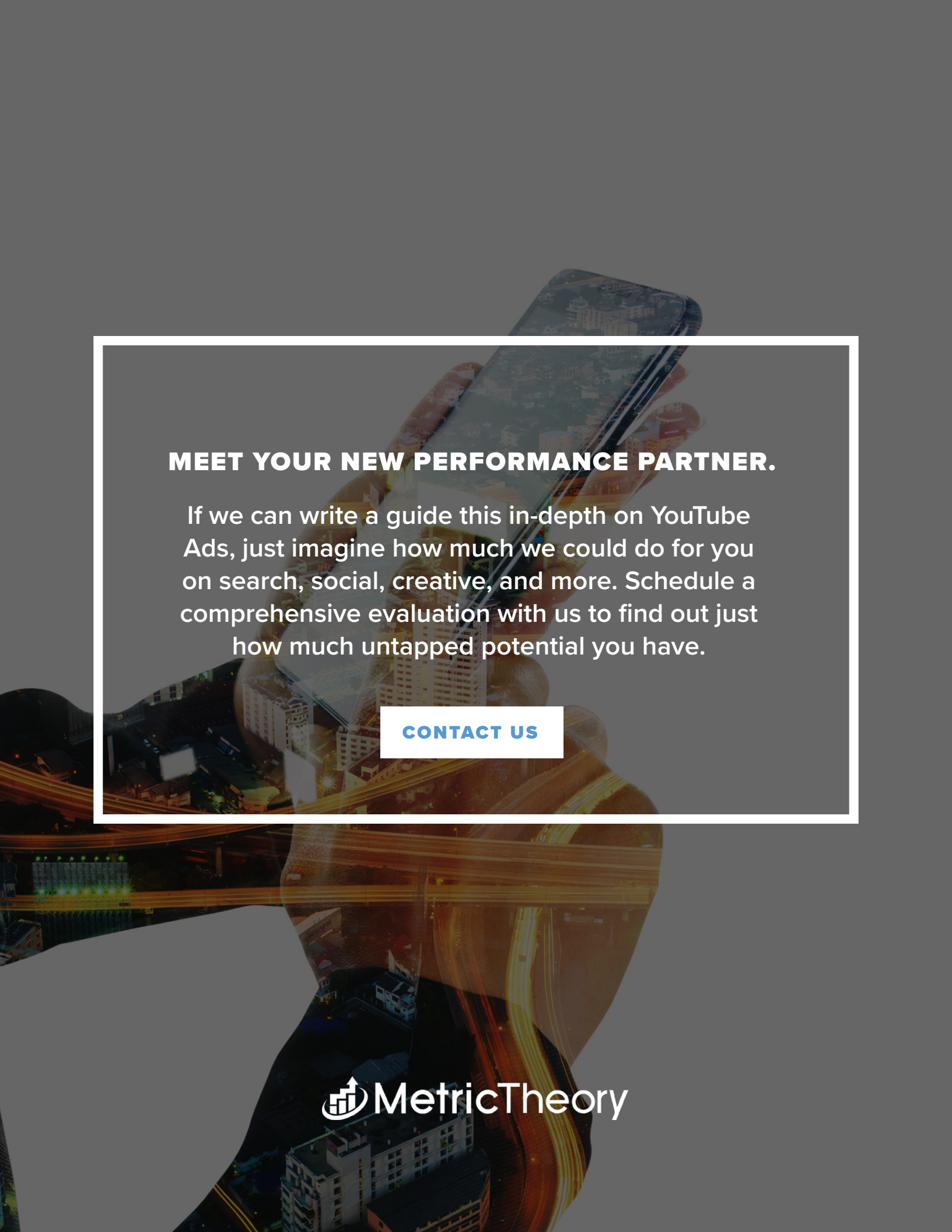
MT Insider Tip



- Align campaign goals, bidding strategies, and even the video messaging to deeper actions than just install to influence re-engagement and LTV.
- Your ad will serve with reviews and download numbers pulled directly from the related OS's app store, which can impact ad performance.
- Highlighting promotions in your ad text works well to improve ad performance.
- Paid installs via advertising will increase organic exposure in the App Store and Google Play store.

Video ad tips from our mobile app experts

- Your video is your most important asset for prospecting. It's not a one-and-done exercise, so be ready to produce multiple versions and test.
- The most effective mobile app video ad for practical apps (i.e. not gaming) will focus on an app walkthrough.
- An effective app ad involves three acts: Problem statement, app solution, and call-to-action. More ambitious (and expensive to produce) ads will mix live action and screenshot animations, opening the opportunity to introduce more Relate impact, which we cover in the Producing YouTube Ads That Perform section.
- Developing videos specific to Android and iOS users can improve performance.
- Always include square videos and landscape videos in a campaign if you can. It gives Google more options to serve the best performing ad.



MEET YOUR NEW PERFORMANCE PARTNER.

If we can write a guide this in-depth on YouTube Ads, just imagine how much we could do for you on search, social, creative, and more. Schedule a comprehensive evaluation with us to find out just how much untapped potential you have.

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