

AN INDUSTRY GUIDE TO

YouTube

Education and Skills For The Professional Advertiser

MODULE 4



American Advertising Federation

The Unifying Voice of Advertising



First of all, YouTube is Google

YouTube is a Google property. As an instructor, make this point clear from the very outset. Students will immediately realize that YouTube, as a medium, integrates seamlessly with other elements of the Google advertising realm; AdWords, Search and Display Network.

YouTube is the changing face of advertising

Start your instruction with the explanation of “old school” advertising. Or to be safe, call it traditional persuasion selling.

Advertising was founded on the notion of interruption. An advertiser (or their agency) simply paired a product benefit(s) with a targeted audience, created a message (the “ad”) matching the two, and placed it in a medium frequented by the potential consumers. The belief was that if a message got in the face of the audience (interruption) enough times, success was forthcoming. Voilalah! That was advertising up to digital age. (If only the business were still that simple!)

Today’s advertising audience is more discerning. She wants to like the cosmetic company. He wants to be excited by the body wash purchased, or at least, be entertained. Interruption is a hindrance. “Engagement” is the rule. And YouTube has become the medium to create that dialogue between advertiser and consumer viewing audience.

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Learning Objectives

TEACHING YOUTUBE

1. Introduce YouTube as the video extension of Google Search and Display.
2. Have students grasp the three basic ways YouTube is utilized: in-search, in-display and in-video (in-stream).
3. Develop an understanding of YouTube advertising options from Pay Per Click to traditional “broadcast model” costing in an auction pricing venue.
4. Introduce the value of YouTube as a “Campaign” component or cornerstone.

Over 12 million views later...

When Tom Dickson, owner of a small Orem, Utah appliance company decided to take an iPod, and later an iPhone (and more things since) and grind them up in his Blendtec blender, he never imagined the results. “Will it Blend” was posted on YouTube back in 2007. He destroyed an iPhone unrehearsed. That video has now been viewed by over twelve million people. And there are many more versions on Blendtec’s YouTube channel in the millions of view. That’s what YouTube has created. It’s dialogue. It’s entertainment. And in the case of Blendtec, a branding solution beyond belief.



<https://www.youtube.com/watch?v=qg1ckCkm8YI>

How YouTube sold millions of virtually unknown kitchen blenders

Advertising on YouTube

Advertising on YouTube

YouTube ads are primarily video. A static YouTube “masthead” takeover is an option too at a significant price.

The real distinction to stress with students are the two (2) main types of YouTube ads: TrueView and In-stream video ads.

TrueView video ads are charged to the advertiser ONLY if the viewer watches the entire commercial of up to 30 seconds or if they initiate a “click-thru” command. It’s a true pay-for-play format. A “Skip ad” button lets viewers opt out of watching the video.

In-stream video ads, on the other hand, are just like traditional television commercials. The advertiser pays to be in a certain type or name program video. The commercial airs within the video just like a 30 second commercial on primetime or cable television. So if an advertiser wants to have their commercial in videos about base-jumping, their ads will appear, and they will be charged whether or not the commercial is viewed in entirety.

In-stream select ads are video ads of up to 30 seconds that play before YouTube partner videos. As with TrueView in-stream ads, viewers can skip these ads after 5 seconds. But in this case, advertisers reserve this inventory and pay on a CPM basis, so they are charged once the ad loads.

How YouTube Video Ads Work

Video ads (both TrueView and In-stream video ads) may run in video players appearing on YouTube watch pages and user channel pages with featured videos. The ads may run on YouTube desktop, mobile web and apps, connected TV, and game console properties, as well as the Google Video network and embedded YouTube players.

Video ads may be *skippable* or *non-skippable*.

- **Skippable video ads can be a maximum of 60 sec.**
- **Non-skippable video ads can be a maximum of 15 sec.**

Non-skippable video ads that are up to 30-seconds long are allowed on a sub-set of inventory. YouTube also allows 5 second bumper video ads as part of sponsorship packages.

The video ad can appear when a user initiates video play either in the beginning (pre-roll), at points in between (mid-roll), or after (post-roll).

To create 30 second, standard video ads or 60 second skippable video ads, eligible advertisers can contact their customer service representative for Reserve options.

Start with the objectives

Once students grasp 1) the engagement/dialogue advertising facet of YouTube and 2) understand the two basic ad placement options (TrueView, In-Stream); direct their attention to the overarching activity.

What are the objectives of the YouTube effort?

Brand awareness

Share the brand's story with the world to share with others;

Product Launch

Go to market with an impactful message, tools and partners;

Direct Response

Draw customers and convert viewers into buyers with the interactivity, excitement and power of video;

Reputation Management

Be top of mind for the right reasons with authentic two-way interactions, while maintaining control needed for the advertiser;

Audience Engagement

Engage and build relationships with customers searching for, sharing, subscribing, and following your brand.



Advertising on YouTube

IMPORTANT! MESSAGE STRATEGY

Message format

Repurposing vs. dialogue/engagement

If there is one important message for YouTube instruction today, it is the decision to:

A. Repurpose an advertiser's existing 30 second television commercial

or

B. Design content messages with the specific intent to create dialogue and/or engagement.

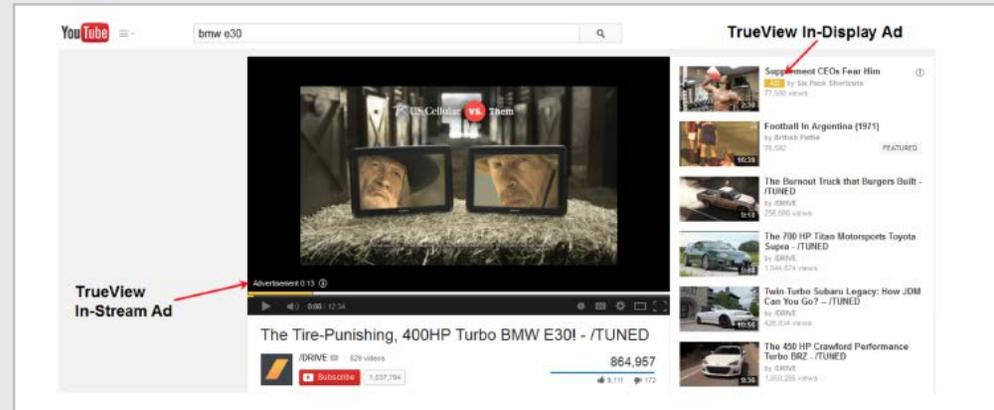
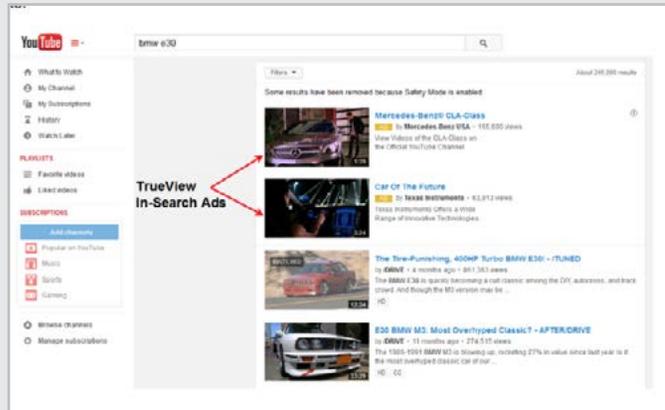
YouTube has matured as an advertising medium. For many it has become a video resource discovery tool just like Google word searches, with the ability to further engage audiences. However, many advertisers still view YouTube as just another broadcast medium similar to network television. And as such, it is used as an additional venue to air commercials along with affiliate and cable channels. Both are legitimate strategies. Each have their merits. YouTube can accomplish one or all.

This is an important strategy decision

Stress this with students. If YouTube is a tool to spread the blanket of coverage even wider yet---to amplify the impact of traditional media planning; then repurposing is a solid addition to the strategy.

If the advertising strategy is to penetrate deeper in the psyche of an audience---to build a presence, engage or stimulate user generated content; a dialogue should be created with the YouTube video message. Often, this requires stepping away from direct sell with specific focus on branding.

Where ads are seen



In-Search

This variation is shown on a YouTube search results page. Users will be sent to either the video watch page or the channel page. Advertisers are charged when they start to watch the video.

In-Stream

In-stream ads will show before a video starts or on Google Display Network videos, games and apps. The user has the option to skip this after watching 5 seconds of the video. Advertisers are only charged if a user watches the video for more than 30 seconds. If the video is shorter than 30 seconds, the charge is only for watching the entire video.

In-Display

In a running video campaign that sends traffic to a video channel, advertisers have the option to include a value added Call-To-Action Overlay. The CTA Overlays are basically a text ad that shows in the videos (similar to “ads on videos”). This ad variation will allow advertisers to send users directly to a website for no additional charge.

If the advertiser has an active TrueView campaign running, the Call-To-Action Overlays are eligible to show for all of the videos in the watch channel whether the user found it by clicking on an ad or not. These are set up directly in YouTube.

Pricing

YouTube, like Google Search, Display and AdWords is based on auction pricing. And that's a huge advantage to be expressed to students. The smallest espresso stand can advertise on YouTube with a video. The barriers to entry are low.

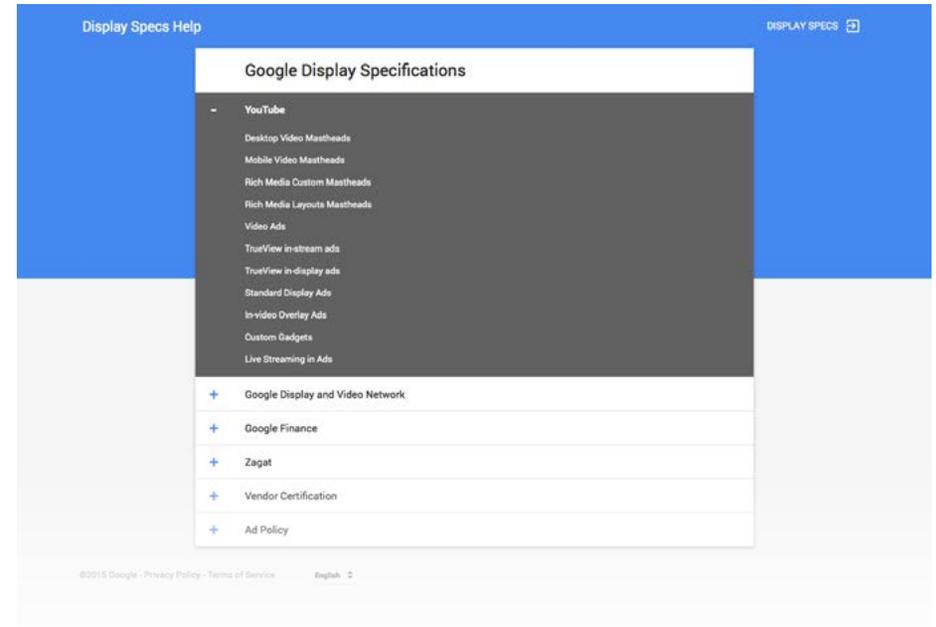
There are three auction pricing models

Cost Per Click (CPC) The cost-per-click (CPC) is the amount you earn each time a user clicks on your ad. The CPC for any is determined by the advertiser; some advertisers may be willing to pay more per click than others, depending on what they're advertising. Used for right hand side, in-display ads.

Cost Per View (CPV) Bid to set the price you'll pay for your TrueView video ads. While traditional display ads charge you for impressions, with CPV you pay when a viewer chooses to watch or engage with your video, whichever comes first. With traditional online text ads or image ads, customers on the web may see your ad, read its text and click your URL. This type of interaction doesn't take interactive content like video ads into account. You'll need to pay for video views and interactions, such as clicks on call-to-action overlays (CTAs), cards, or companion banners.

Cost Per Viewable Thousand impressions (vCPM)

The standard media measure of cost efficiency. It is the cost to reach one thousand people of a particular audience.



<https://support.google.com/displayspecs/?topic=4588474#topic=4588474>

Pricing Model

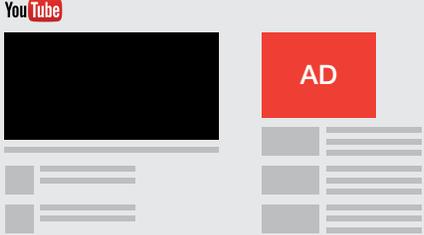
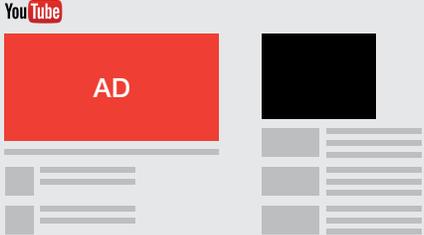
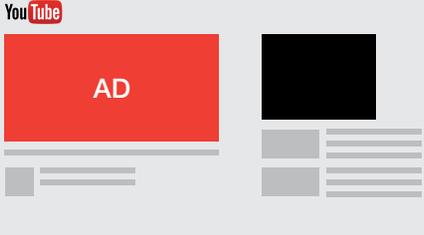
TrueView Pricing

The beauty of YouTube is TrueView pricing. This pricing model requires an advertiser to pay ONLY if 30 seconds of the ad/video is watched (or less if the ad is shy of 30 seconds.)

Traditional Broadcast Model Pricing

The standard broadcast model is paying for placement within videos or on exposures. In this case advertisers pay on a bid basis for placement of ads in a viewable position; normally in-stream video.

Advertising on YouTube

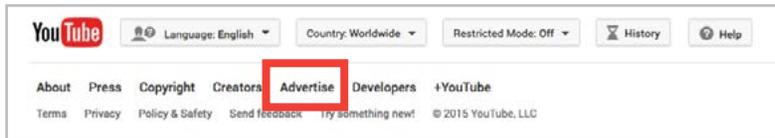
Ad Format	Placement	Platform	Space (px)
 <p>The image shows a YouTube interface with a video player on the left and an advertisement box on the right. The ad box is red with the text 'AD' in white. Below the video player and ad box are several lines of text representing video suggestions.</p>	<p>Appears to the right of the feature video and above the video suggestion list. May appear below on larger players</p>	<p>Desktop</p>	<p>300x250, 300x60</p>
 <p>The image shows a YouTube interface with a video player on the left and an advertisement box on the right. The ad box is red with the text 'AD' in white. Below the video player and ad box are several lines of text representing video suggestions.</p>	<p>Semi-transparent overlay ads that appear on the lower 20% of the displayed video</p>	<p>Desktop</p>	<p>480x70 (Flash or Text)</p>
 <p>The image shows a YouTube interface with a video player on the left and an advertisement box on the right. The ad box is red with the text 'AD' in white. Below the video player and ad box are several lines of text representing video suggestions.</p>	<p>Skippable video ads allow viewers to skip ads after five seconds, if they choose. Show before, during or after video</p>		<p>Plays in video player</p>
 <p>The image shows a YouTube interface with a video player on the left and an advertisement box on the right. The ad box is red with the text 'AD' in white. Below the video player and ad box are several lines of text representing video suggestions.</p>	<p>Non-skippable video ads that must be watched before your video can be viewed. These ads appear before, during or after the main video.</p>	<p>Desktop, Mobile</p>	<p>Plays in video player Length: 15–20 seconds (regional standards may apply) Long, non-skippable ads can be up to 30 seconds</p>

Demonstration

The first thing students need to understand is that YouTube is a Google entity. When an advertiser or agency places an ad, it will do so in an AdWords form. Let's begin.

Log in to YouTube

Enter your Google username and password. From there, it's a simple slide down the screen to the "Advertise" button. The YouTube self service machine takes over at that point.



<https://www.youtube.com/yt/advertise/>

The engine will courteously ask if assistance is needed with a simple prompt like this (below). New users will find this feature extremely helpful.

Need help creating a video? Try [Vide Ad Bilder](#).

Step 1 Upload your video

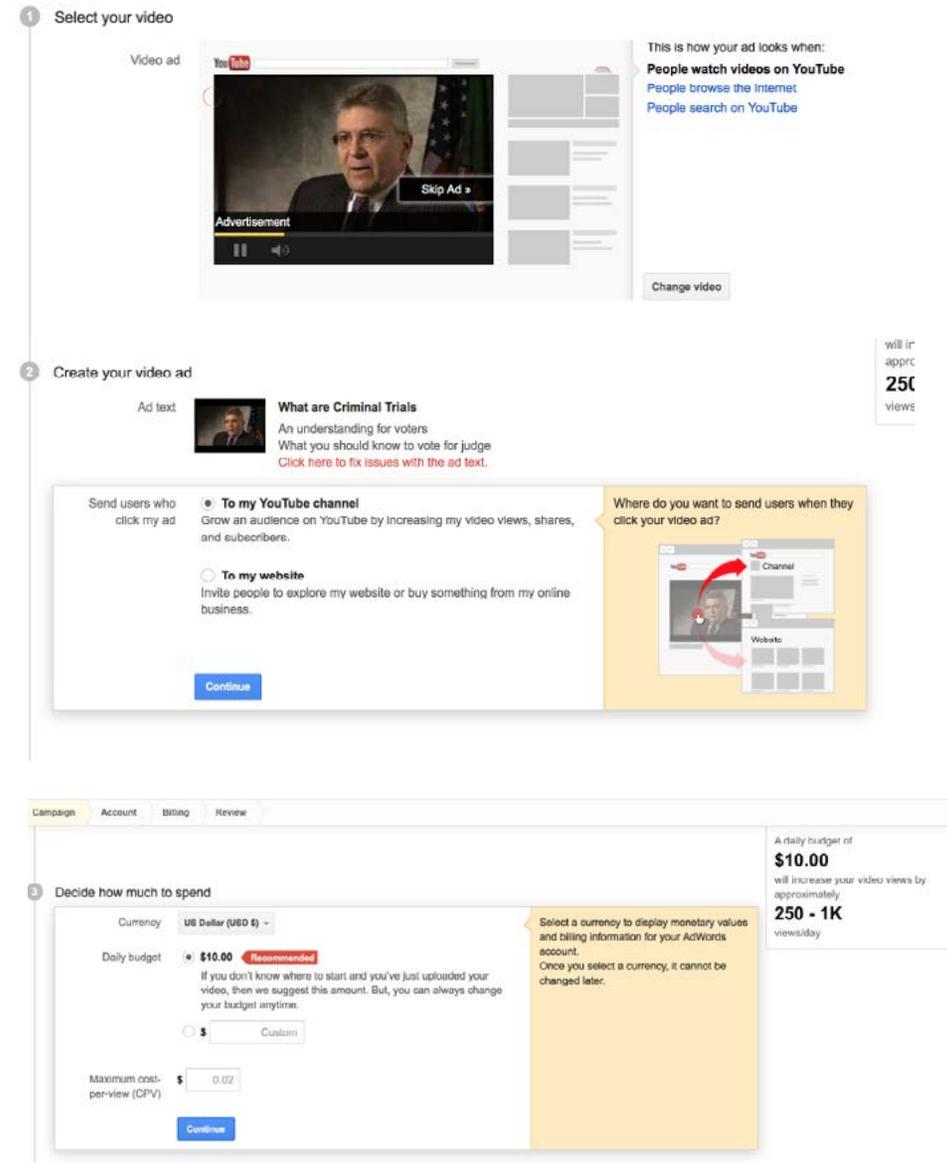
Step 2 Video advertisement creation process. The advertiser is buying more than a video link. There are opportunities to send viewers to a website, a YouTube channel, and key words to initiate the process.

Step 3 How much to spend. YouTube examines your video and words and delivers a daily budget estimate. Here is where the auction bidding process begins. YouTube makes recommendations. It is best to bid below the prompt. Here the advertiser is wise to set a maximum cost per view and budget total.

Your first campaign

Welcome to AdWords for video.

You can [learn more](#) first. Or start creating your first video ad campaign now. Your work will be saved along the way, in case you want to finish it later.



1 Select your video

This is how your ad looks when:

- People watch videos on YouTube
- People browse the Internet
- People search on YouTube

2 Create your video ad

Ad text: **What are Criminal Trials**
An understanding for voters
What you should know to vote for judge
[Click here to fix issues with the ad text.](#)

Send users who click my ad:

- To my YouTube channel**
Grow an audience on YouTube by increasing my video views, shares, and subscribers.
- To my website**
Invite people to explore my website or buy something from my online business.

Where do you want to send users when they click your video ad?

3 Decide how much to spend

Currency: US Dollar (USD \$) -

Daily budget: **\$10.00** Recommended
If you don't know where to start and you've just uploaded your video, then we suggest this amount. But, you can always change your budget anytime.

Maximum cost-per-view (CPV): \$ 0.02

Select a currency to display monetary values and billing information for your AdWords account. Once you select a currency, it cannot be changed later.

A daily budget of **\$10.00** will increase your video views by approximately **250 - 1K** views/day

Targeting

4 Choose a target audience (optional)

Locations: Spokane County, Washington, United States

People's web activity: YouTube Search, YouTube Videos, Google Display Network

Age: 18 - 24, 25 - 34, 35 - 44, 45 - 54, 55 - 64, 65+, Unknown*

Gender: Male, Female, Unknown*

*Unknown: Target people whose age or gender AdWords does not know.

User interests: Outdoor Enthusiasts x po

- Sports Game Fans
- Pop Music Fans
- Political Junkies
- Sports Fans
- Motor Sports Enthusiasts
- Water Sports Enthusiasts
- Winter Sports Enthusiasts

Save and continue Skip campaign

✓ Campaign ✓ Account ✓ Billing Review

Review

You're almost done! Review and confirm your campaign settings.

Ad copy	Bid and Budget	Potential reach
What are Criminal Trials An understanding for voters How to vote for judge YouTube channel: skidude017	\$10.00 per day \$0.04 maximum cost-per-view	<750 views/day

Locations: Spokane County, Washington, United States

targeting group: 18 - 24, 25 - 34, Male, Female, Interested in Outdoor Enthusiasts, Political Junkies

Edit

Your ad

This is how your ad will appear to users.

TrueView in-stream ad on YouTube



TrueView in-display ad on YouTube



TrueView in-display ad on partner sites

— Newspaper —



What are Criminal Trials
An understanding for vo...
How to vote for judge
by skidude017 on YouTube

TrueView in-search ad on YouTube



What are Criminal Trials
by
An understanding for voters
How to vote for judge

View payment information

The next steps are of utmost importance! Here is where YouTube really focuses on the needs of an advertiser.

YouTube delivers targeting for:

- Location
- Age
- Gender
- Interests

4 Choose a target audience (optional)

Locations	Spokane County, Washington, United States
People's Web activity	YouTube Search YouTube Videos Google Display Network
Attributes	18 - 24, 25 - 34 Male, Female Outdoor Enthusiasts, Political Junkies

These allow advertisers to zero in on a more exacting audience. Of gigantic value is the final “interests” selection. YouTube provides a listing of interests that may be expanded with key words initiated by the advertiser.

In the example here, the advertiser is 1) targeting only a DMA, Spokane, WA, 2) selected YouTube Search, Video and Google Display Network, 3) specified age (18-34) who are 4) Outdoor Enthusiasts and Political Junkies for a judicial election campaign video.

YouTube always double-checks to verify that your placement criteria are correct with a “Review” default.

If all is correct, the advertiser clicks to initiate the campaign.

Monitoring & Metrics

The strongest statement of YouTube success is the monitoring of activity.

Traditional advertising media delivers ratings, audience levels and day after recall. YouTube, like all Google entities, delivers solid performance metrics. The dashboard here is adaptable to a number of additional evaluation statistics.

Of key importance is that YouTube is a platform that provides monitoring, metrics and performance data to advertisers of all levels. The \$10 per day TrueView espresso stand and the \$25K weekly in-stream advertisers all receive the utmost level of monitoring support.

A concluding point.

YouTube can be:

- A standalone web marketing platform
- An amplifying element of a total campaign
- A repurposing medium for a traditional or combination effort
- A platform to support all branding.

It's a powerful medium

+ New Video Ad Change Status ▾ More actions ▾

<input type="checkbox"/>	Ad	Video	Status	+ Impressions	+ Views	Avg. CPV	Total cost	Website clicks	Video played to: ?			
									25%	50%	75%	100%
			Not yet serving Under	0	0	\$0.00	\$0.00	0	0%	0%	0%	0%

<https://support.google.com/adwords/answer/1704395?hl=en>

Review Time

CHALLENGE 1: THE TWO (2) MAIN TYPES OF YOUTUBE ADVERTISING VIDEOS

- **TrueView**

This is a major distinction. TrueView are where the advertiser is charged ONLY if up to 30 seconds of the ad or video are watched (less if the video is short of 30 seconds).

- **In-Stream**

These are “broadcast model” messages similar to traditional television, cable and radio advertising.

CHALLENGE 2: MESSAGE FORMAT

YouTube is another broadcast medium for many advertisers large and small. It is a venue to deliver a video message to audiences for mere pennies per exposure. In this regard, many see it as a “repurposing” channel for existing 30 second television commercials.

For others, YouTube is a dialogue with audiences, many of whom are consumers or of the target audience. It creates a non-linear relationship that often results in purchase, activity, brand loyalty, and done right, consumer generated video that elevates the strategy to the level of “engagement.”

YouTube can do either or both:

- Repurposing 30 second (or existing television ads)
- Creating dialogue/engagement.

CHALLENGE 3: WHERE YOUTUBE ADS ARE SEEN

Be sure students understand the three avenues of exposure:

- **In-Search-** User searches term (Example: bottled ice tea)
- **In-Display-** Message/Video appears on the right hand display opposite a targeted video
- **In-Stream-** Message occurs at the beginning, in the middle, or end of a user-requested video.”

CHALLENGE 4: AUCTION PRICING

YouTube is based on auction pricing. This allows a low barrier to entry for advertisers of all budget levels. There are no set rate cards. Price bidding options are:

- Cost Per Click (CPC)
- Cost Per View (CPV)
- Cost Per Viewable Thousand impressions (vCPM)

CHALLENGE 5: TARGETING

Advertisers on YouTube have extraordinary targeting options:

- Location
- Age
- Gender
- Interests

Continue

CASE STUDY

Rokenbok

ROKENBOK®



In just three years, YouTube has become the number one source of traffic to the Rokenbok website.

About us

We help children build their ideas. Rokenbok creates endless, special playtimes for children and their parents. Each building set or remote control machine can be enjoyed alone, or as part of an ever-growing world with unlimited play and educational potential.

What we did

When the economy shifted, specialty toy stores began shutting their doors, so we needed to quickly find a new way to demonstrate how sophisticated our toys are. Because Rokenbok really comes to life when it's seen in action. We started promoting videos of our elaborate systems on YouTube.



Rokenbok toy reality came to life when we started promoting videos of our elaborate toy systems on YouTube."

PAUL EICHEN, FOUNDER
Rokenbok Toy Company



<https://www.youtube.com/yt/advertise/rokenbok.html>

INSIDER TIPS

Vary Content

We've found that some of our lower production value videos actually perform as well as, or better, than the scripted higher production value videos. The key is posting new, varied content.

Choose Keywords Wisely

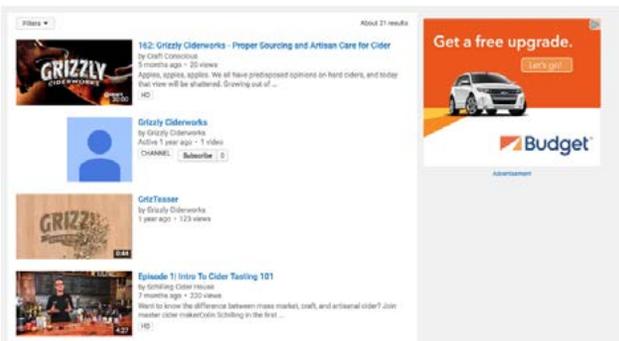
We implement keyword motifs with our video ad campaigns like bulldozer, cement truck, trash truck, airplane and other words we anticipate kids and families are searching for on YouTube.

YouTube Advertising

Complete the learning module with several commit-to-memory exercises

1. Match the following with the appropriate image:

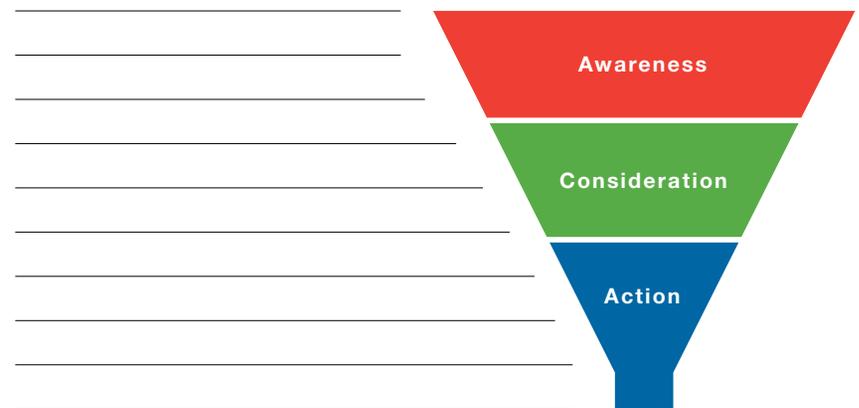
- In-Stream Ad
- In Display Ad
- In Search Ad



2. Give an example of YouTube:

- Location Targeting _____
- Demographic Targeting _____
- Interest Targeting _____

3. In your opinion, what is the greatest value of YouTube in the Marketing Funnel. Select one area. Provide Your Rationale. Give an example:



**Please send comments to www.aaf.org/learningmodules
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555 11th ST NW, Suite 600, Washington, DC 20004
www.aaf.org**



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American Advertising Federation, National Education Executive Committee