

Insights from DoubleClick - Video advertising momentum

# New ways of buying and selling video ads: the programmatic channel

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# Introduction

Growing numbers of advertisers and publishers are embracing programmatic channels for video advertising.

What are programmatic channels? They're real-time markets created by ad exchanges, where advertisers, publishers, and networks can buy and sell video ads and reach their audiences at scale with lower transaction costs and fewer manual processes. Ad exchanges have many benefits. We've identified some key ones in the Publisher and Advertiser primers that follow.

**x3**

## **In-stream video ad impressions tripled**

year on year on the DoubleClick Ad Exchange, from strong advertiser demand and publisher interest.  
(Jan - Mar 2012 to 2013)

Some notes about the findings:

These findings are based on instream video ads served on the DoubleClick Ad Exchange, in 2012 to 2013.

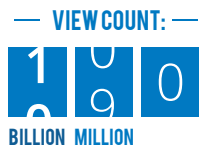
Advertising that runs on YouTube or other Google-owned web properties is not included.

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.

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

# Video ad exchanges: a publisher's primer

Selling video ads on an ad exchange can boost publishers' overall revenue from video advertising - here's why.



**Increase total revenue.** When multiple demand sources exist, ad exchanges can choose the highest-paying ad for every open spot. They also help fill unexpected increases in views, as when a video becomes suddenly popular.



**Flexible controls.** Publishers can prevent sales channel conflict while tapping into budgets as advertising spend shifts to programmatic. Various controls are available such as CPM floors, advertiser blocklists, and private exchanges, which give publishers better control on how to represent their inventory.



**Reaching new advertisers.** A video ad exchange taps into all sources of demand, including advertisers that your direct sales force does not reach.

**More video publishers are monetizing their video content on the Ad Exchange. In 2013, the number of publishers more than doubled year on year.**

(Jan - Mar 2012 to 2013)

# Video ad exchanges: an advertiser's primer

Ad exchange buying helps advertisers reach targeted audiences at scale.



## **Targeted audiences across many destinations.**

Buyers can use targeting criteria when accessing inventory programmatically. Examples are audience, geographic, day-parting, language, frequency and pacing controls.



**Real time decisions.** Budgets can be re-allocated quickly and easily to make sure spend is flowing towards top performing inventory.



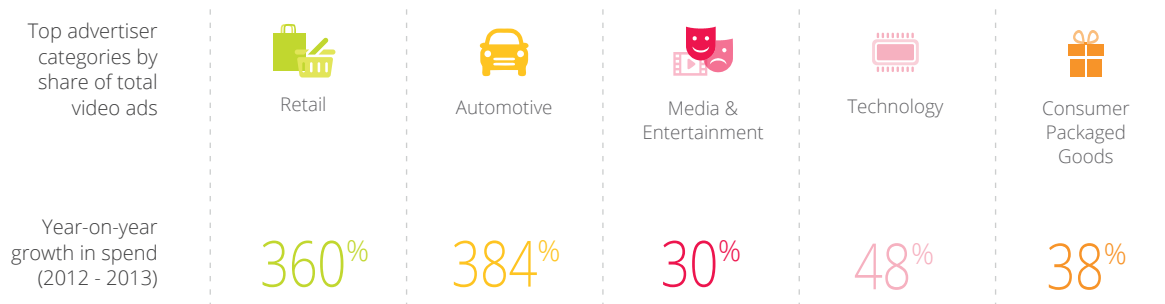
**Efficient workflow.** Ad exchanges streamline workflows between advertisers and publishers, and simplify video ad delivery by serving one creative across many publisher sites, devices and viewing environments.

**Advertisers have embraced video ads on the DoubleClick Ad Exchange. Nearly every advertiser category posted double-digit spend and impression increases each quarter.**

# Which advertisers are using programmatic video?

Nearly all advertiser categories on the Ad Exchange posted **double-digit growth in spend and video ad impressions** each quarter.

As more advertisers and publishers embrace programmatic channels, these advertiser verticals are leading the charge.



Source: Video ads served in the U.S. on the DoubleClick Ad Exchange, Jan 2013 - Mar 2013

Retail and Automotive advertisers quadrupled spend.

Retail and Automotive advertisers have come out tops in programmatic video, increasing spend by 4X in Jan - March 2013. Retail and Automotive are also the largest video advertisers in the market overall.

88% of total programmatic video ads were from the top advertiser categories.

The top spending advertiser categories rotated between Retail, Automotive, Media & Entertainment, CPG, and Technology advertisers.

CPG advertisers are still ramping up.

While CPG advertisers are in the top five and posted double-digit spend growth, they're not as dominant in the use of programmatic channels for video advertising compared with their overall investment in video ads.

# What does this mean for me?

## Advertisers:

- **Find your audience across the web in real-time** on the Ad Exchange. The number of publishers selling video on the Ad Exchange has doubled year on year, making it even easier for advertisers to reach their consumers.
- **Improve efficiency.** Save time by working with a single platform to get the impressions you need, when you need them. Leverage the Ad Exchange's real-time bidder for improved efficiency and effectiveness.

## Publishers:

- **Maximize yield.** Open up a portion of your video sales to programmatic buyers. You can do this either through a private exchange with your most valued advertisers, or by looking for higher yields on the open exchange.
- **Access more advertisers for your video content.** Brand and performance advertisers are embracing programmatic video. Nearly all advertiser categories posted double-digit growth rates in spend each quarter.



# 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](http://www.google.com/doubleclick)

## 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](http://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](http://www.youtube.com)

## 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](http://www.google.com/displaynetwork)