

ISSUE TWO | OCTOBER 2013

You**Tube** INSIGHTS

QUARTERLY STATS, TRENDS AND INSIGHTS ON VIDEO FROM YOUTUBE AND GOOGLE



3 IN 4 **YOUTUBE** USERS AGREE
“IF THERE IS A **BRAND I LOVE**,
I TEND TO **TELL EVERYONE** ABOUT IT”

MORE CONSUMERS
WATCH **YOUTUBE**
THAN CABLE NETS

LEARN HOW YOU CAN **CREATE BIGGER
OPPORTUNITIES** FOR YOUR BRAND
AROUND THE HOLIDAYS – STORIES FROM
CARDSTORE, SNAPPFISH AND OTHERS

GEN C IS 2X MORE LIKELY TO AGREE
“I WOULD RATHER WATCH VIDEOS
POSTED BY BRANDS ON **YOUTUBE**
THAN WATCH TV COMMERCIALS”

Engage your **FANS** not just viewers

Viewers sit back. Fans lean forward. Viewers consume. Fans contribute. Viewers move on to the next thing. Fans share, comment, create. YouTube wasn't built for fans. It was built BY fans. Share in fans' passions and be an active part of the communities that matter most to your audience.

MORE CONSUMERS WATCH YOUTUBE THAN CABLE NETS

(REACH OF YOUTUBE VS. MAJOR CABLE NETWORKS BY DEMOGRAPHICS)



(Nielsen. August 2013)

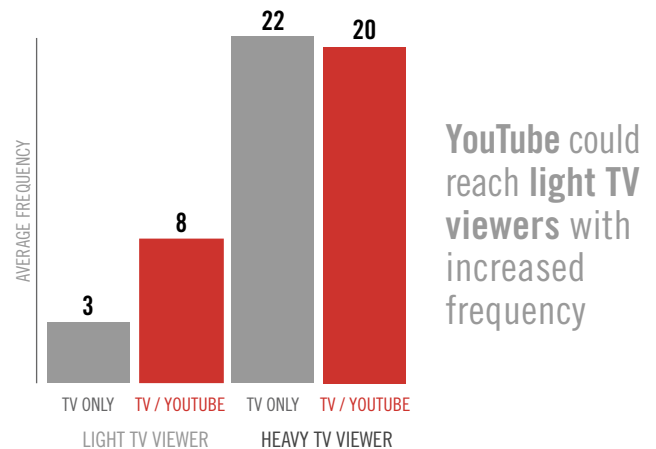
REACH YOUR AUDIENCE AT A LOWER COST*

63% of campaigns would benefit from a shift to YT from TV**

On average across these campaigns,

shifting 18%

of TV budgets to YouTube could achieve 4.6 additional pct pts in reach at no extra cost***



*YouTube Analysis of 2,000+ TV campaigns from 2012 Q4 leveraging Nielsen Cross Platform Homes Panel

Of the 300+ TV campaigns targeting the 18-34 demographic. *Only campaigns >200 GRP, optimize 3+ reach.

SHARE IN FANS' PASSIONS*

68% of YouTube users say **YouTube** is a place to **celebrate creativity**

3 IN 4 YouTube users agree "If there is a brand I love, **I tend to tell everyone about it**"

YOUR FANS WILL CHOOSE YOU ON YOUTUBE**

GEN C IS A POWERFUL NEW FORCE IN CONSUMER CULTURE. IT'S A TERM WE USE TO DESCRIBE PEOPLE WHO CARE ABOUT **CREATION, CURATION, CONNECTION** AND **COMMUNITY**. IT'S NOT AN AGE GROUP; IT'S AN ATTITUDE AND MINDSET DEFINED BY KEY CHARACTERISTICS.

FIND OUT MORE ABOUT GEN C: <http://www.google.com/think/articles/meet-gen-c-youtube-generation-in-own-words.html>

76%

of **Gen C** state **YouTube** is the **first place they go** looking for **online videos**

GEN C IS... **1.6x**

more likely to agree "**YouTube** is one of my primary sources of entertainment"

GEN C IS... **2x**

more likely to agree "I would rather watch **videos** posted by brands on **YouTube** than watch **TV commercials**"

GEN C IS... **2x**

more likely to agree "The only ads I like to watch are ads that I have a choice to skip"

1 IN 2

Gen C agree "I buy brands that support **causes I believe in**"

61%

of **Gen C** have **taken action** after **watching ads** for a product or service on **YouTube**

*Statistics are weekly compared to YouTube non-users where applicable. Top 2 box where applicable.

**Compared to non-Gen C where applicable. Source: Google/Ipsos YouTube Audience Study, August 2013.

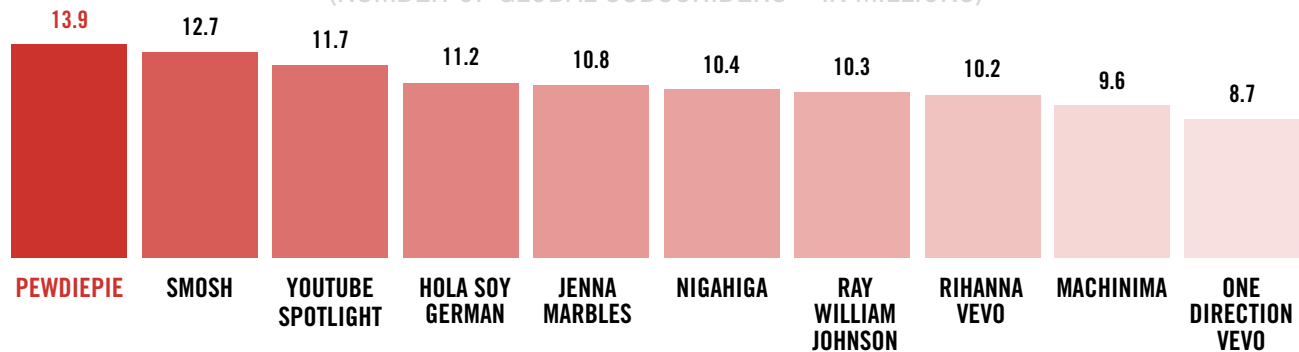
(US insights unless otherwise stated)

Deepen connections through **PARTICIPATION**

Nothing should come between you and your audience. On YouTube, you create for fans and with fans. Top brands and creators are making the most of YouTube's potential to reach millions. See the content creators and brands that are driving the greatest connections and learn the strategies that VICE and ING DIRECT are using to fuel participation and engage their audiences.

TOP 10 MOST SUBSCRIBED YOUTUBE CHANNELS

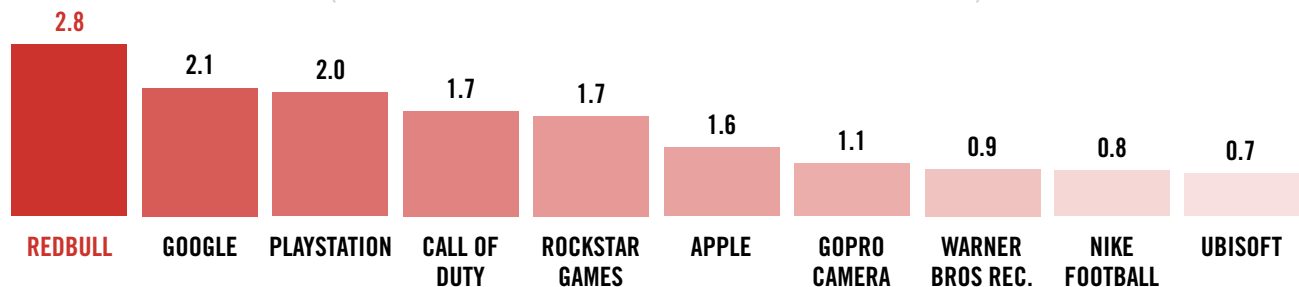
(NUMBER OF GLOBAL SUBSCRIBERS – IN MILLIONS)



(OpenSlate. 9/30/2013)

TOP 10 MOST SUBSCRIBED BRAND CHANNELS

(NUMBER OF GLOBAL SUBSCRIBERS – IN MILLIONS)

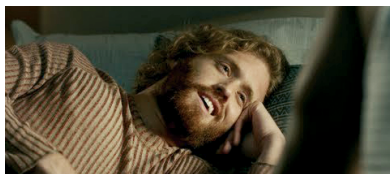


(OpenSlate. 9/30/2013)

TOP YOUTUBE ADS LEADERBOARD ADS

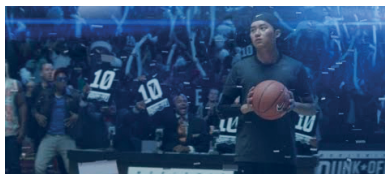
<http://www.google.com/think/collections/youtube-leaderboard.html>

SEPTEMBER



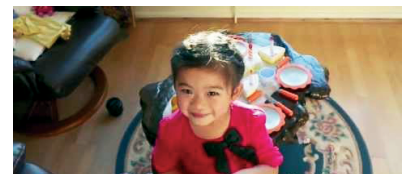
MOTO X
LAZY PHONE – TOUCHLESS CONTROL

AUGUST



NIKE PRESENTS
JUST DO IT – POSSIBILITIES

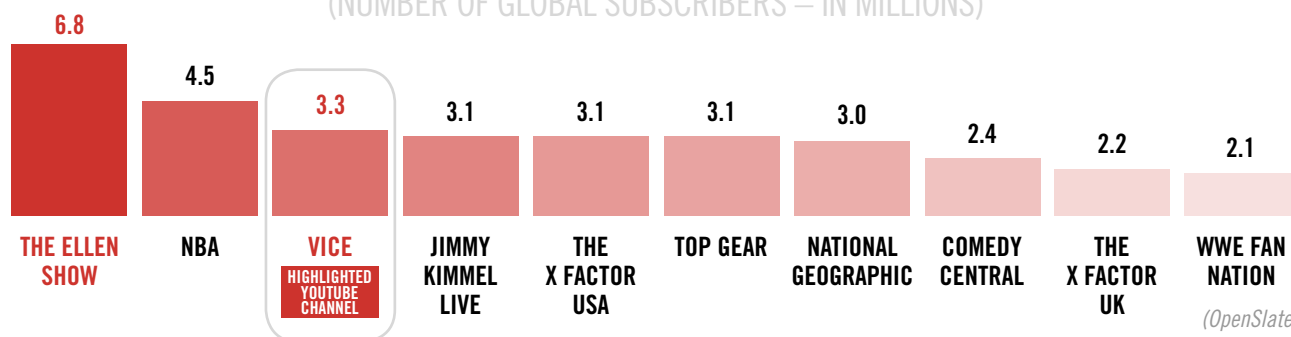
JULY



DOVE
CAMERA SHY

TOP 10 MOST SUBSCRIBED ENTERTAINMENT CHANNELS

(NUMBER OF GLOBAL SUBSCRIBERS – IN MILLIONS)



(OpenSlate. 9/30/2013)

HIGHLIGHTED
YOUTUBE
CHANNEL

VICE



VICE focuses on immersive journalism and enlightening documentaries from around the world. It's one of the **MOST WELL-KNOWN YOUTUBE CHANNELS**, with more than **3 MILLION SUBSCRIBERS**. Looking back, three actions were the catalysts to grow its audience to new levels:

1. DISTRIBUTE CONTENT ON AND OFF YOUTUBE TO LEVERAGE INFLUENCERS

VICE shared two breakout videos on reddit.com in May 2012, driving 140,000 views within two days of the upload. This initial event created a snowball effect – other sites then embedded the content, prompting viewers to share across the web.

2. OPTIMIZE VIDEO THUMBNAILS TO PIQUE INTEREST

VICE's most successful video, 'First Animal to Survive in Space', from September 2012, had a clear and captivating thumbnail (shown above). The video eventually made its way to the YouTube homepage and that placement helped it gain millions of views.

3. LEARN FROM YOUTUBE TRENDS AND INSIGHTS TO BUILD CONTENT

VICE released '3D Printed Guns' in March 2013, exactly as America contemplated the gun control debate and related search terms were trending.

<http://www.youtube.com/user/vice> | <http://www.google.com/think/case-studies/vice-youtube-success-sustained-viewership>

KEEP UP TO DATE WITH WHAT'S HOT AT YOUTUBE.COM/TRENDS

NEVER MISS THE NEXT BIG HIT ON YOUTUBE. SUBSCRIBE TO YOUTUBE RE:VIEW – google.com/think/yt-review

*"Success is building something that you self-select to watch.
Something I love so much that I'm going to share it with my friends.
Something they're going to watch because it comes from me."*

Lou Arbetter, Director of Pepsi MAX

(US insights unless otherwise stated)

Tell authentic stories to **EXPRESS** your brand

How do brands like Pepsi succeed on YouTube? By creating content that doesn't feel like an ad and by taking advantage of the creative freedom afforded by YouTube to tell more immersive stories. Tell beautiful stories that your audience will choose to watch and they'll remember your brand.

100 OF THE TOP 100 BRANDS ARE ON YOUTUBE

ON AVERAGE, TOP 100 BRANDS EACH HAVE...

14 YOUTUBE CHANNELS
187 VIDEOS ON EACH CHANNEL
50% OF THESE VIDEOS HAVE FEWER THAN 1,000 VIEWS
0.6% HAVE MORE THAN 1 MILLION VIEWS

(Pixability. August 2013)

✓ **HERE'S
A TIP TO
DRIVE
VIEWS...**

Mentioning your brand in the first five seconds can help brand recall, but it also lessens the desire to keep watching your content — completion rates drop.

Brand recall grew 2.5x for people who saw the full ad vs. the first five seconds of a video ad.

(Google-Competition research on 100+ automotive ads. August 2013)

**CASE
STUDY**

TEST DRIVE

PEPSI MAX



In 2013, **Pepsi MAX** launched 'Test Drive', a four-minute prank video in which a disguised Jeff Gordon takes an unsuspecting car salesman on the test drive of his life. This was by no means an ordinary ad. In fact, for Peter Atencio, director of the 'Test Drive' video, the goal was to deliberately create a video ad that did not feel like an ad. The result? Nearly **40 million views online** and the **#1 position on the March YouTube Ads Leaderboard**.

<http://www.youtube.com/user/pepsi>

**CASE
STUDY**

ING DIRECT



Participation has brand-building impact, especially when it puts the power of creation in the hands of an audience. **ING Direct** Canada created a captivating brand experience by using the **YouTube** homepage masthead and Lightbox Ads to **drive audiences to its video contest** featuring indie band Walk off The Earth. The two-phase campaign asked users to first submit videos and then cast votes. The aim was to change Canadians' perception that talking about money is bad, giving them new, fun ways to discuss saving dollars. The campaign received **7 million impressions** and **166,000 engagements**.

<http://www.google.ca/think/case-studies/ing-canada-2013.html>

HOW TO DRIVE ENGAGEMENT IN VIDEO ADS?

“When it comes to branded content ‘going viral’ is exceptionally rare (and not the only measure of success)”

<http://www.mashable.com/2013/10/14/youtube-brand-mistakes>

**HOLIDAYS
CASE
STUDY**

CARDSTORE



Cardstore is a part of American Greetings and allows consumers to create perfectly personalized greeting cards online. To build awareness during the busy holiday season, they set up their first **YouTube** homepage masthead. This masthead included two panels (pictured here) that consumers could switch between, one to

showcase an online video ad and another with a carousel showcasing products from **Cardstore**. As Tim Walter, Senior Marketing Manager at American Greetings, described, **“The card carousel approach was engaging and people were spending time with it.”**

THE CAMPAIGN PROVED EFFECTIVE WITH GREAT RESULTS

- **3x more visitors** to the site in November 2012 vs. November 2011
- **Over 80% of Cardstore's site traffic was referred by YouTube** on the day of the YouTube masthead
- **28% increase in brand searches** during the week of the masthead

<http://www.google.com/think/case-studies/cardstore-brand-youtube.html>

(US insights unless otherwise stated)

Move people to **CHOOSE YOUR BRAND**

Success on YouTube comes from a connection between brands and fans around a shared interest or passion. Brand Surveys will now help you tell your brand's story in the most compelling way. See how Snapfish and Travel Oklahoma have connected with their communities to move people to choose their brands.

**ADVERTISERS ARE
GAINING GREATER
INSIGHTS INTO THE
EFFECTIVENESS
OF THEIR
CAMPAIGNS**

87%

of 62 tested campaigns
had significant AD RECALL
LIFT following **TrueView**
campaign exposure
compared to exposure
to a control ad

Based on one-sided statistical tests at 10% significance ($\alpha=.1$). Q3.

BRAND SURVEYS

A NEW EFFECTIVENESS TOOL FOR ADWORDS FOR VIDEO

- In **AdWords**, an advertiser designs a basic survey about brand and ad performance. Then they launch their display or video campaign.
- Automatically, one group of users are shown ads from the campaign (exposed) and another group have the same ads suppressed (non-exposed randomized control). Both groups are then asked questions about that ad's and brand's performance (recall, preference, favorability and/or intent).
- **Google** then compares the aggregated and anonymous data from the two groups of respondents and gives the aggregated results to advertisers to measure the brand impact of their campaigns. Initial findings from our internal tests show that advertisers are gaining greater insights into the effectiveness of their campaigns through Brand Surveys.
- The tool is now in beta and will be fully released to all US advertisers at the beginning of 2014.

**WHEN CONSUMERS
CHOOSE TO WATCH
ADS, THEY REMEMBER
THEM BETTER**

85%

of 62 tested campaigns had
significantly **HIGHER AD RECALL**
among **people who watched the
ad compared to those who didn't***

Based on one-sided statistical tests at 10% significance ($\alpha=.1$). Q3.

**Correlational finding; despite the similar rates of statistical significance, there was not a 1:1 match between campaigns with overall lift in ad recall and significant differences between viewers and non-viewers.*

(US insights unless otherwise stated)

CASE STUDY TRAVEL OKLAHOMA



TRUEVIEW ADS DELIVER SITE TRAFFIC

The Oklahoma Tourism and Recreation Department (OTRD) reallocated 20% of their summer 'Come See For Yourself' campaign investment to YouTube TrueView ads. OTRD launched TrueView ads in test markets that they'd been tracking due to high potential, but which they could never previously afford to reach. The test showed that TrueView ads enabled OTRD to achieve broad awareness at a lower cost, but also drove higher website visitation than other marketing channels.

- TrueView-only markets performed well above all the other test groups (TV-only, TV plus TrueView, control group), **driving 486% year-over-year growth** in website visitation.
- The 12 markets running TrueView-only ads accounted for **44% of their website traffic** (284,000 visits), funded by only 20% of the campaign budget.

<http://www.google.com/think/case-studies/how-travel-oklahoma-is-bucking-tradition-to-win-visitors.html>

HOLIDAYS CASE STUDY SNAPFISH



TESTING AND CONSTANT OPTIMIZATION DELIVERS RESULTS WITH TRUEVIEW

Snapfish by HP is an online photo service with more than 90 million members in over 20 countries. In a campaign executed for Black Friday and Cyber Monday, it produced two eight-second creatives with strong calls-to-action at the end. After closely monitoring the performance of both ads to optimize their Cost-Per-Views (CPV), Snapfish was able to:

- Cut CPV to **30% of the original rate** obtained in a previous TrueView test.
- Furthermore CPCs on TrueView were **14% cheaper than they were with paid search** during the same time period.

Hugh Burnham, Interactive Web Marketing Manager at Snapfish, emphasized the importance of learning throughout the process. "The Black Friday campaign well surpassed our expectations," he noted. "Putting what we learned from our initial campaign into practice was a major factor in our Black Friday campaign success."

<http://www.youtube.com/user/snapfishbyhp>
<http://www.google.com/think/case-studies/snapfish-youtube.html>

Useful links

Need to know more? Follow the links below...

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Meet Gen C

<http://www.google.com/think/articles/meet-gen-c-youtube-generation-in-own-words.html>

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TOP 10 YOUTUBE CHANNELS

PewDiePie

<http://www.youtube.com/user/PewDiePie>

Smosh

<http://www.youtube.com/user/smosh>

YouTube Spotlight

<http://www.youtube.com/user/YouTube>

Hola Soy German

<http://www.youtube.com/user/HolaSoyGerman>

Jenna Marbles

<http://www.youtube.com/user/JennaMarbles>

Nigahiga

<http://www.youtube.com/user/nigahiga>

Ray William Johnson

<http://www.youtube.com/user/RayWilliamJohnson>

Rihanna VEVO

<http://www.youtube.com/user/RihannaVEVO>

Machinima

<http://www.youtube.com/user/machinima>

One Direction VEVO

<http://www.youtube.com/user/OneDirectionVEVO>

TOP 10 BRAND CHANNELS

Red Bull

www.youtube.com/user/redbull

Google

<http://www.youtube.com/user/Google>

PlayStation

<http://www.youtube.com/user/playstation>

Call of Duty

<http://www.youtube.com/user/callofduty>

Rockstar Games

<http://www.youtube.com/user/rockstargames>

Apple

<http://www.youtube.com/user/apple>

GoPro Camera

<http://www.youtube.com/user/goprocamera>

Warner Bros Records

<http://www.youtube.com/user/warnerbrosrecords>

Nike Football

<http://www.youtube.com/user/nikefootball>

Ubisoft

<http://www.youtube.com/user/ubisoft>

YOUTUBE ADS LEADERBOARD

<http://www.google.com/think/collections/youtube-leaderboard.html>

Moto X - Lazy Phone - Touchless Control

http://www.youtube.com/watch?v=2_JQxm53114

Nike Presents - Just Do It - Possibilities

<http://www.youtube.com/watch?v=aPkyPduqDs>

Dove - Camera Shy

<http://www.youtube.com/watch?v=SPFsa6FLvlg>

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TOP 10 ENTERTAINMENT CHANNELS

The Ellen Show

<http://www.youtube.com/user/theellenshow>

NBA

<http://www.youtube.com/user/nba>

VICE

<http://www.youtube.com/user/vice>

Jimmy Kimmel Live

<http://www.youtube.com/user/jimmykimmellive>

The X Factor USA

<http://www.youtube.com/user/thexfactorusa>

Top Gear

<http://www.youtube.com/user/topgear>

National Geographic

<http://www.youtube.com/user/nationalgeographic>

Comedy Central

<http://www.youtube.com/user/comedycentral>

The X Factor UK

<http://www.youtube.com/user/thexfactoruk>

WWE Fan Nation

<http://www.youtube.com/user/wwefannation>

HIGHLIGHTED YOUTUBE CHANNEL

VICE

<http://www.google.com/think/case-studies/vice-youtube-success-sustained-viewership>

<http://www.youtube.com/user/vice>

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Pepsi Max

<http://www.youtube.com/user/pepsi>

Top 100 brands on YouTube

<http://www.pixability.com/youtubebbrandstudy>

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ING DIRECT

<http://www.google.ca/think/case-studies/ing-canada-2013.html>

Mashable

<http://www.mashable.com/2013/10/14/youtube-brand-mistakes>

Cardstore

<http://www.google.com/think/case-studies/cardstore-brand-youtube.html>

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Brand Surveys

<http://adwords.blogspot.co.uk/2013/03/measuring-brand-lift-with-google.html>

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Travel Oklahoma

<http://www.google.com/think/case-studies/how-travel-oklahoma-is-bucking-tradition-to-win-visitors.html>

Snapfish

<http://www.youtube.com/user/snapfishbyhp>

<http://www.google.com/think/case-studies/snapfish-youtube.html>

TELL US WHAT YOU THINK AT

g.co/ytinsightsfeedback