

Increase Your Revenue Growth

With

You  **Tube**

Video Advertising

A Guide to Getting Started with YouTube Ads



About YouTube

YouTube is the leader in online video, and the premier destination to watch, share, and promote original videos online. YouTube is fully integrated with Google AdWords for video, leveling the playing field for businesses that want to reach new customers with online video.

FACTS:

- **Find and Reach Your Audience**
YouTube is the #1 online video site in the world.
- **Gain Valuable Insights About Your Video and Audience**
9 out of 10 viewers can be enticed to watch video ads.
- **Spread Video Messages on a Larger Scale**
800 million people visit YouTube every month.
- **Reach New Customers Wherever They Are**
YouTube mobile gets 400 millions views per day.

* Fact source: YouTube, *Grow Your Business With YouTube, A Step-by-Step Guide. Version 1 - March 2012*



Ready to get started?

Here's what's inside this guide

Title	Page
The Time for Video Advertising is Now	4
The Serious Marketer's Guide to Getting Started with YouTube Advertising	7
Case Study: The Underutilized Marketing Channel That Increased a Startup's Revenue by \$6.3 Million and Traffic by 982,127 Monthly Visitors	14
Contact Us	16



"Single Grain's management of YouTube advertisement for us has increased ROI by 400%!"

— Neil Patel, Crazy Egg

The Time For Video Advertising Is Now.

The time for video advertising is now! YouTube is clearly making more of an effort to become more social. Monthly video consumption has risen by 50% and video advertising platforms like Brightroll are seeing their revenues climb because more companies are jumping into the video ad game.

Let's look at some mind blowing YouTube statistics to see just how much growth the world of video is experiencing. I know YouTube doesn't represent all the videos on the internet but it is the most well known so we'll go with that.

- **3 billion hours** of video are watched each month (up from 2 billion)
- **Over 800 million** unique visits to YouTube each month
- **70%** of YouTube traffic comes from outside the US
- **1 trillion** views in 2011.
- **600 million** views from mobile devices per day.
- **500 years** of YouTube video are viewed on Facebook every day. 700 YouTube videos are shared each minute on Twitter.
- **98 of AdAge's Top 100 advertisers** have run campaigns on YouTube and the Google Display Network.

I decided that it was worth it to give YouTube advertising a shot awhile back and the results thus far have been incredible. Advertising on YouTube requires people to use Google AdWords so if you're already familiar with that platform, you won't have much trouble adapting to it.

Here are some key points:

1. Low Cost Per Views

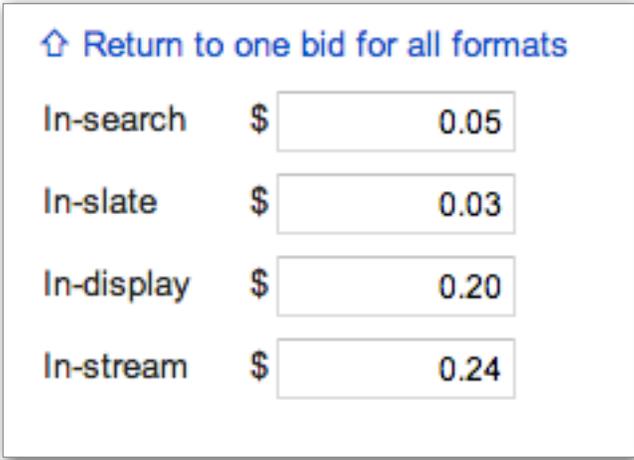
Similar to a cost per click, a cost per view is when someone decides to view your ad. One key benefit here is that if you're running an in-stream (preroll) ad, you won't be charged for the view unless the viewer watches the whole ad or 30 seconds of the ad – whichever comes first. For reference, preroll ads on Youtube performed the best when I was testing it out and the cost per acquisition numbers were amazing.

2. Transparent Tracking

Some of the video advertising platforms leave a lot to be desired in terms of tracking and reporting. You don't have to worry about that since Google provides you with a plethora of data and is continually improving their interface. Video advertising is still in its early stages and to be honest, YouTube advertising still has a ways to go before it matches up with the current Google AdWords interface. It's still a lot better than the other stuff that's out there now.

3. Flexible Bidding

Whether it's YouTube search keywords, preroll ads or sidebar ads, Google gives you full control on how much you'd like to bid on different formats.



A screenshot of the Google AdWords bidding interface. At the top, there is a blue link with an upward arrow icon that says "Return to one bid for all formats". Below this, there is a table with four rows, each representing a different ad format. Each row has a label, a dollar sign, a text input field, and a numerical value. The values are: In-search (\$ 0.05), In-slate (\$ 0.03), In-display (\$ 0.20), and In-stream (\$ 0.24).

Format	Bid Amount
In-search	\$ 0.05
In-slate	\$ 0.03
In-display	\$ 0.20
In-stream	\$ 0.24

4. More Targeting Capabilities

The Google Display network reaches over 80% of internet users worldwide and Google understands that it's in their best interests to give you a wide variety of targeting options. So far, I haven't seen any other platform provide this degree of targeting. If you're just starting out with video advertising, I recommend you select two different targeting groups so you a more focused campaign aka you are not burning too much money. An example would be targeting 'Web Designer & Web Developer' topics and then picking out a list of web design/web development related keywords to advertise on.

Results

There's a big of digging you have to do in Google AdWords to truly take advantage of all the features but once you play around, you'll be fine. The results I got from YouTube were phenomenal. Take a look:

<input type="checkbox"/>	Campaign	Status <small>?</small>	Budget	Views <small>?</small>	Avg. CPV <small>?</small>	Total cost <small>?</small>	Website clicks <small>?</small>	Conv. (1-per-view) <small>?</small>	Cost / conv. (1-per-view) <small>?</small>	Conv. rate (1-per-view) <small>?</small>	Conv. (many-per-view) <small>?</small>	↑ Cost / conv. (many-per-view) <small>?</small>	Conv. rate (many-per-view) <small>?</small>	Display impression share <small>?</small>
<input type="checkbox"/>		Serving <small>?</small>	\$149.05/day	344,247	\$0.07	\$22,908.84	35,647	821	\$27.90	0.002	824	\$27.80	0.002	< 10%

Key points

- **The average cost per view is \$0.07.** This is like how Google AdWords was when it first came out. It's VERY tough to find clicks this cheap nowadays. Especially highly relevant clicks.
- **The cost per acquisition(CPA) was \$27.80.** The target CPA was \$60. Insane.
- **We achieved tremendous results with an impression share under 10%.** That means there's still a lot more people we can expose our brand to.
- **We paid about \$.65 per website click.** Icing on the cake.

Conclusion

I mainly outlined YouTube in this post because it is the biggest video platform and because I tested its advertising platform first. The success of YouTube ads has left me pretty optimistic about the possibilities with other platforms.

If you haven't tried video advertising yet, I recommend you giving it a shot. It might take more resources initially, but you just might be surprised with the results you get.

The Serious Marketer's Guide To Getting Started With YouTube Advertising

In the above article, I said the time for YouTube advertising is now, but I didn't talk about 'how' you could get started. This article will address that.

A good deal and low costs

YouTube ads are a fantastic overall deal right now. You aren't charged for TrueView in-stream ads until the viewer passes 30 seconds or finishes the video plus the cheap cost per view and you have something with real potential. Of course, if you are in a regulated niche or an industry that doesn't use YouTube much, you might not be as lucky. But that doesn't mean you shouldn't at least test it out.

Recap: Why YouTube Ads Are A Great Opportunity

Pulled directly from the YouTube statistics page:

- More than **1 billion unique users** visit YouTube each month
- **Over 6 billion hours of video are watched each month** on YouTube — that's almost an hour for every person on Earth, and 50% more than last year
- **100 hours** of video are uploaded to YouTube every minute
- **70%** of YouTube traffic comes from outside the US
- YouTube is localized in **56 countries and across 61 languages**
- According to Nielsen, YouTube reaches more US adults ages 18-34 than **any cable network**
- **Millions of subscriptions happen each day**, and the number of people subscribing has more than doubled since last year
- **Mobile makes up more than 25% of YouTube's global watch time**, more than one billion views a day

Quick Review: Ad Formats

Ad Format	Viewer Experience	Pricing Model
TrueView In-search Ads appear on the YouTube search page.	Viewers see your ad above or next to YouTube's search results when they search for content related to your video.	Pay only when someone clicks your ad to watch your video.
TrueView In-display Ads appear next to videos on the YouTube watch page.	Viewers can click the display ad to watch the video in the ad or on a YouTube watch or channel page.	Pay only when someone clicks your ad to watch your video.
TrueView In-stream Ads play as a pre-, mid-, or post-roll on YouTube partner videos of all lengths.	Ad plays and viewers can skip after 5 seconds.	Pay only when someone watches 30 seconds of your ad or to completion if the ad is under 30 seconds.
TrueView In-slate Ads play before long-form YouTube partner videos over 10 minutes.	Before a video plays, viewers choose to watch one of three ads, or to see regular commercial breaks during the video.	Pay only when someone clicks your ad to watch your video.

Quick Setup

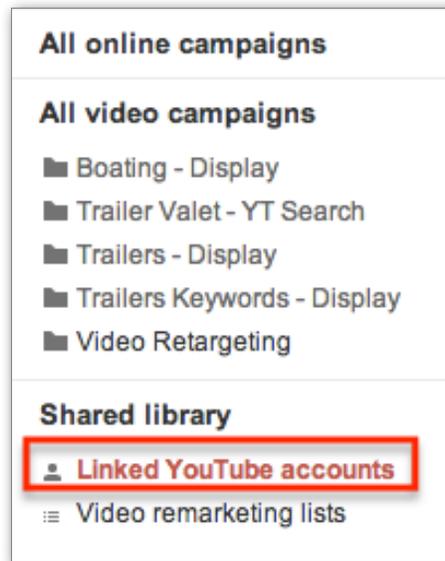
1. Create a video and publish it to your YouTube account

The first step is having a video for obvious reasons. If you don't have the resources to create a video, there's no problem with outsourcing. Two companies I recommend for creating explainer videos are: [Demo Duck](#) and [Switch Video](#).

Essentials:

- Don't forget to make your video public
- [Tagging your video](#) is very important as well
- Want a higher click-through rate, [write a good headline](#).

2. Log into AdWords and link to your YouTube account

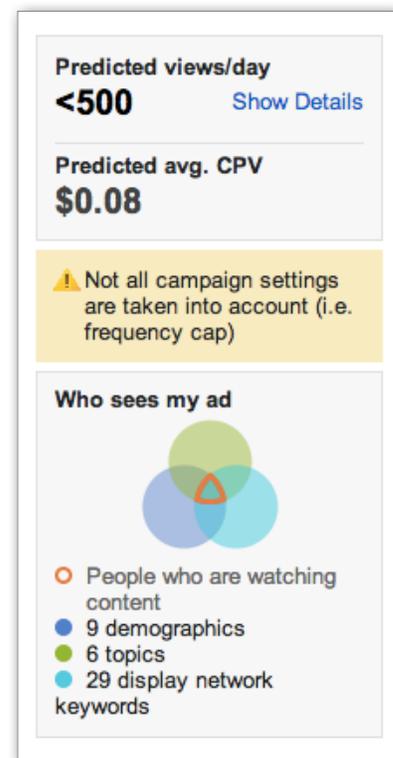


3. Targeting – combining targets narrows targeting down

Like any paid advertising campaign, you want to make sure to narrow down your targeting to make the most of your spend. YouTube provides a large variety of targeting options. The more targeting options you select, the more targeted your campaign becomes so keep that in mind. On the right, you'll see the venn diagram has become super targeted because of the multiple options we've selected. Remove some options to broaden your campaign.

Below are some targeting options you'll have available to you:

1. Age
2. Gender
3. Locations
4. Interests
5. Search – select any keywords you want to show up for when people search in YouTube. You can use Google Keyword Planner or Ubersuggest.
6. Display – when you're selecting display keywords, make sure the keywords are tightly themed so YouTube knows what to associate your ad with.
7. Device Targeting
8. Placements – if you know where you want your site to be on, the ability to add manual placements is an option. Retargeting also falls into this bucket.



4. Bidding

When I first started running YouTube ads, I was having issues getting traction until my Google representative graciously stepped in and gave me a few pointers. The big thing is making sure you're bidding competitively on the areas that matter to you. For example, if I care more about inStream ads because I want to focus on pre-roll videos, I'd focus more of my bidding towards that.

Let me show you what I mean:

The screenshot shows the 'Bidding' section of a Google Ads campaign. It features a 'Max Cost Per View' field with a typical range of \$0.03 - \$1.07. Below this, there are three bidding options: 'In-search' (\$0.03, typical \$0.04 - \$1.27), 'In-display' (\$0.06, typical \$0.02 - \$0.44), and 'In-stream' (\$0.16, typical \$0.03 - \$0.15). The 'In-stream' option is highlighted with a red box. Red arrows point from two text boxes to the 'In-stream' bid and the 'In-search' bid. The top box says 'I don't care about these so I'm going low with my bidding.' and the bottom box says 'I'll bid competitively here.'

Bidding Option	Max Cost Per View	Typical Range
In-search	\$ 0.03	Typical: \$0.04 - \$1.27
In-display	\$ 0.06	Typical: \$0.02 - \$0.44
In-stream	\$ 0.16	Typical: \$0.03 - \$0.15

By doing this, my spend goes into the areas I care about. By default, Google will lump your max cost per view bidding into one default bid. To get here:

1. Go into your campaign, go to the 'Targets' tab, and edit your targeting group in the 'All targeting groups' section.
2. Then go into the 'Bidding' section and expand the 'Max Cost Per View' section.
3. You'll see three bidding options available: In-search, In-display, In-stream. Adjust your bids accordingly.

5. Retargeting

Yep, you utilize retargeting with YouTube videos! Great for branding and in some cases even locking in the deal. To find this, simply go into your video campaigns section and look for 'Video remarketing lists' on the left side. You can also use videos to retarget existing retargeting lists as well.

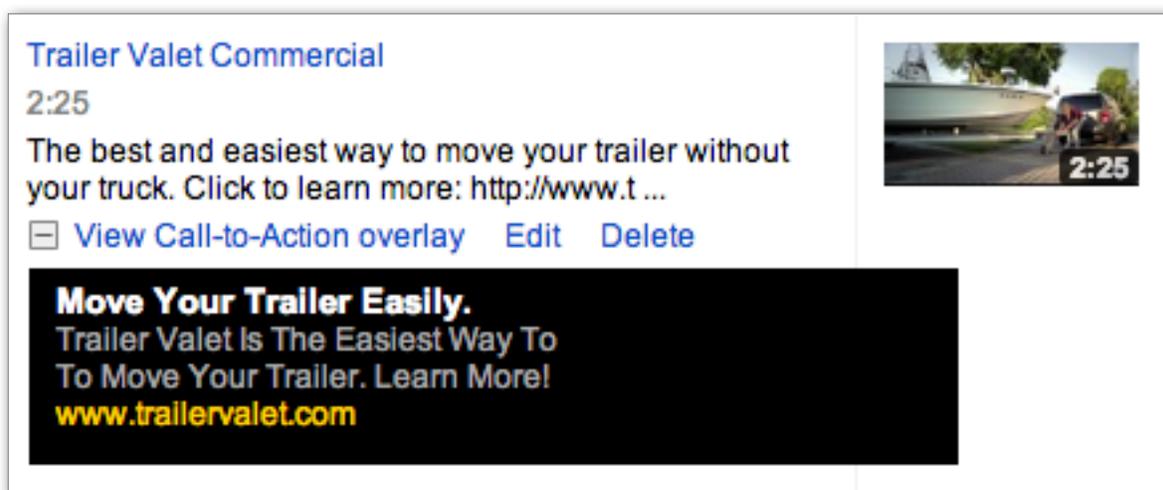
For example, let's say I run a SaaS company and I made a video for people that are deeper in my marketing funnel. Perhaps it's someone that has visited my pricing and services page. I can target those people specifically and hit them with a video letting them know that there's a limited time discount for the first month just for them to try to get them to convert.

Lots of different possibilities with video retargeting so get creative!

6. Call-To-Action Overlay

A Call-To-Action overlay is a great way to run a free ad inside your video if you're trying to get your viewer to do something. You might as well add this in because it's available to you at no extra charge. To get here, go to the 'Videos' tab and click on 'Add Call-to-Action overlay'.

Here's what it looks like:



The screenshot shows a video player interface for a commercial titled "Trailer Valet Commercial" with a duration of 2:25. The video description reads: "The best and easiest way to move your trailer without your truck. Click to learn more: <http://www.t...>". Below the description are three buttons: "View Call-to-Action overlay" (with a square icon), "Edit", and "Delete". A call-to-action overlay is displayed over the bottom portion of the video, featuring the text: "Move Your Trailer Easily. Trailer Valet Is The Easiest Way To Move Your Trailer. Learn More! www.trailervalet.com". The video thumbnail shows a white trailer being moved by a truck.

7. Additional Ad to show

In the point above, we talked about how the CTA overlay is something you might as well take advantage of. Well, there's more to that. You can actually add banner ads when your video is showing as well.

Advanced ad attributes (optional)
Customize attributes for specific ad formats

YouTube landing page Channel page Watch page

In-display and in-search ads

Companion banner
In-stream ads



No file chosen

File size 50K max. Format .jpg, .png, .gif, .swf.
(300x250, 300x60). YouTube only supports 300x60.

[Select an already uploaded image](#)
[Remove banner](#)

To get here, click on the 'Ads' tab and click on the 'Advanced ad attributes (optional)' link to open it up.

8. Tracking success

At the end of the day, I care about whether I'm getting conversions at an acceptable price. Unfortunately, Google doesn't break out its reporting for marketers that easily. Your default view won't have conversions or cost/conversion showing up. It won't have impression share either. You can solve all of this by going to 'Campaigns' and clicking on 'Columns' and choosing the metrics you want to show up in your dashboard.

Here's what mine looks like:

<input type="checkbox"/>	Campaign	Status	Budget	Impressions	Views	Avg. CPV	Total cost	Website clicks	Video played to:				Conv. (1-per-view)	Cost / conv. (1-per-view)	View Rate	Impression share
									25%	50%	75%	100%				
<input type="checkbox"/>	Video Retargeting - US/CA/UK/AUS	Serving	\$400.00/day	45,892	6,132	\$0.13	\$813.24	508	12%	8%	6%	4%	9	\$90.36	13.36%	17.06%
<input type="checkbox"/>	Video Retargeting - non-US/CA/UK/AUS	Serving	\$400.00/day	4,170,222	40,569	\$0.02	\$960.14	1,671	9%	6%	4%	3%	22	\$43.64	0.97%	69.19%

Conclusion

YouTube advertising is still in fairly early stages and not a lot of people are taking advantage yet so it's a good time to jump in. It integrates well with what you're already doing on AdWords and it's fairly cheap to start branding yourself. I've heard stories from friends that say YouTube is a powerful channel where people might not convert initially, but will come back later and convert based off data they're getting from multi-channel attribution.

There's no reason not to try this if you're doing AdWords successfully already. So go do it!

Bonus Resources

- [How To Start YouTube Advertising In 9 Steps](#)
- [YouTube Advertising - A Beginner's Guide](#)
- [Google's official guide to YouTube Advertising](#)

The Underutilized Marketing Channel That Increased a Startup's Revenue By

\$6.3 MILLION And Traffic By 982,127 Monthly Visitors

Let's face it, marketers have a bad habit of over saturating marketing channels. Look at Google AdWords and now Facebook ads. When channels become saturated, it becomes more expensive and tougher to get sales - we all know that.

I'll let you in on a little secret - a company I helped in the past was able to grow their revenues by 300% we used a channel that isn't ultra saturated yet.

It's scalable, cost effective and the #2 search engine in the world. And people aren't taking advantage of it. That means there's ample opportunity for you to make some money on it right now. That channel is video advertising. More specifically, [YouTube Advertising](#).

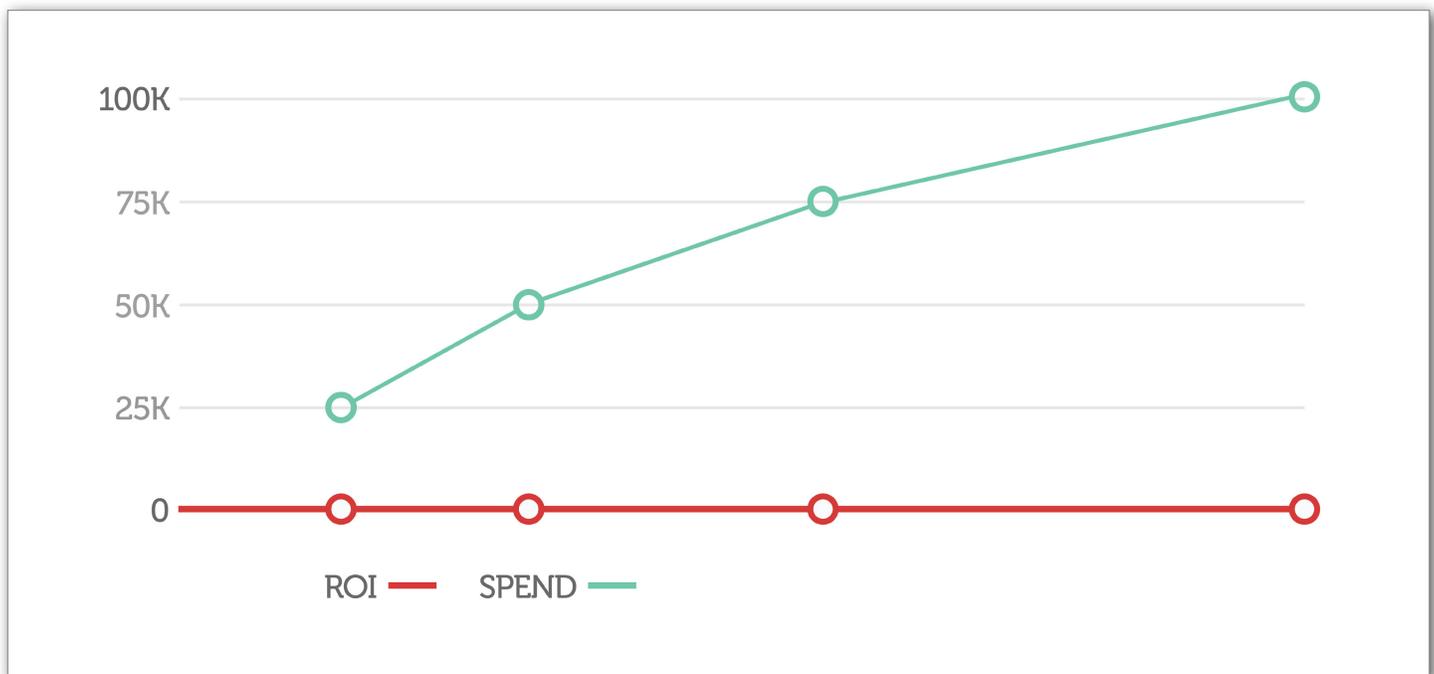
“ ...a company I helped in the past was able to grow their revenues by 300% we used a channel that isn't ultra saturated yet. ”

The reasons people aren't jumping all over it:

- **There's a barrier to entry.** Building a high quality video ad takes time and effort. There's a script you have to create and there's no guarantee your first one will work.
- **People don't understand it.** Although it is housed within Google AdWords, it's significantly different.
- **People don't know about its potential.** Why aren't most people talking about it? Because they haven't tried it and are too used to staying in their comfort zone.

I would've been scared as well if I was testing YouTube ads on my own, but thankfully, I didn't pay the bill and the company trusted me to do what was necessary to make the channel work.

For the first two months, we got virtually nothing and spent over \$100,000.



Not a good look for me.

In month two, however, we started to see really traction and the numbers started to go up and to the right.

We knew we had something special then.

From there, we were acquiring customers at half the target cost per acquisition number and it's been an extremely profitable channever since.

So let me you in on one actionable secret. The type of ads you need to be paying attention to are the TrueView in-stream ads. These are also known as pre roll ads.

And believe it or not - they actually convert. Actual sales from video ads. Who would've thought?

“...The type of ads you need to be paying attention to are the TrueView in-stream ads. These are also known as pre-roll ads.”

Ready to Jumpstart Your YouTube Advertising? Contact Us Today!



sales@singlegrain.com
[1.800.701.0793](tel:18007010793)
www.singlegrain.com



twitter.com/singlegrain



pinterest.com/singlegrain



plus.google.com/+Singlegrain



facebook.com/singlegrain

425 2nd St Suite 401
San Francisco, California 91407