

Video Ad Benchmarks: Average Campaign Performance Metrics

A DoubleClick Rich Media and Video Report

By Rick E. Bruner, Research Director, DoubleClick and Jai Singh, Research Manager, DoubleClick

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Executive Summary

Video is the hottest new format for online advertising. With DoubleClick's acquisition of Klipmart last year, the company is now in a leading position to observe trends in this exciting new market.

What follows are aggregated campaign performance metrics of online video ad placements from more than 300 campaigns. Those campaigns were placed by more than 130 advertisers over a four month period in 2006. (For more details on how these data were compiled, refer to the Methodology section at the end of this report.)

Our objective in conducting this analysis was to identify major trends in the performance metrics of video ad campaigns according to campaign features such as vertical industry sector, ad format, ad size, and ad length.

Some highlights from this analysis include the following:

A healthy portion of exposed audiences interact with video ads. On average, 8% of video ads generate a user interaction.

Users click video "Play" button more than they click on image ads. Video ads generate about three times the replay rate as image ads generate clicks through to advertisers' sites.

On average, video ads play two thirds of the way through. Play-through rates do not vary greatly by expandable or standard video ad formats.

Video click rates are far higher than image format ads. Users click on video ads about five times as often as they do on image ads.

Key Findings

A healthy portion of exposed audiences interact with video ads

The interaction rate is the "all in" metric: It includes the sum total of all interactions people have with the video ad units, including expansions, interactions with the video control button, and custom interactions and clicks – divided by the total impressions served.

The overall average interaction rate for ads studied in this analysis is 8%. **Figure 1** shows how interaction rate breaks out by ad

Most ad units see healthy single-digit interaction rates

Interaction Rate by Ad Unit Size

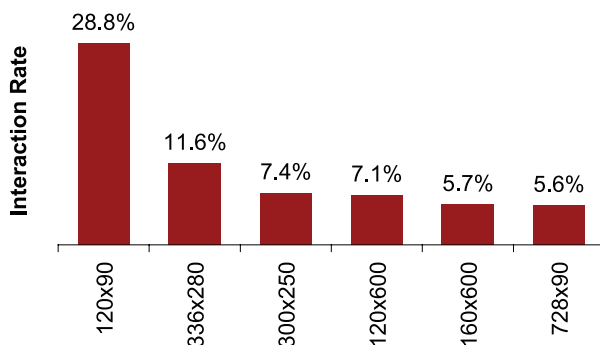


Figure 1 Source: DoubleClick, 2006; aggregate analysis of video placements in 301 campaigns

unit size. The best performer is the 120x90, but that likely has less to do with the size of the unit (roughly the size of two postage stamps) than with the placement: For the campaigns in this analysis, all of the 120x90 units ran within instant message chat windows.

Users click video “Play” button more than they click on image ads

All DoubleClick video ads include a panel of control buttons, including Play, Pause, Stop, and Mute/Unmute. The rates of play for those actions, shown in **Figure 2**, are calculated as a percentage of total impressions served. Because almost all ads included in this analysis consisted of auto-play ads (in unexpanded ad units, without sound), presses of the Play button are reported here as Replay.

The action consumers take most often with video ads is to replay them

Video Control Panel Interaction Rates

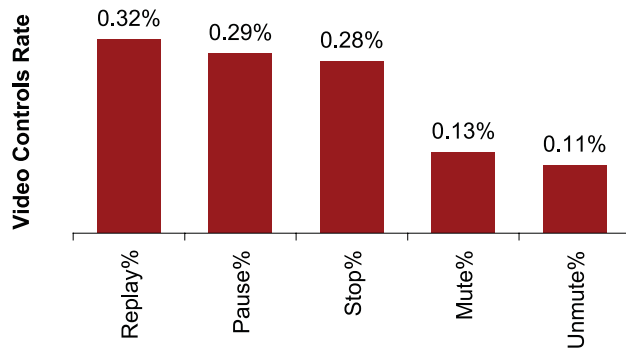


Figure 2 Source: DoubleClick, 2006; aggregate analysis of video placements in 301 campaigns

As the chart shows, the video control consumers are most likely to click is the Play button. At 0.32%, consumers are approximately three times as likely to replay an online video ad unit as they are to click through on a standard JPG or GIF ad (the standard CTR for image ads is approximately 0.1%).

On average, video ads play two thirds of the way through

The majority of the video ad units observed in this analysis were in-page units as opposed to in-stream units (that is, video ads embedded in web pages, not within streaming video content). For those in-page units, the most common length of play was 30 seconds; the next most common length was 15 seconds.

Standard and expandable video ads see roughly the same rate of play through as one another

Average Video View Time by Format

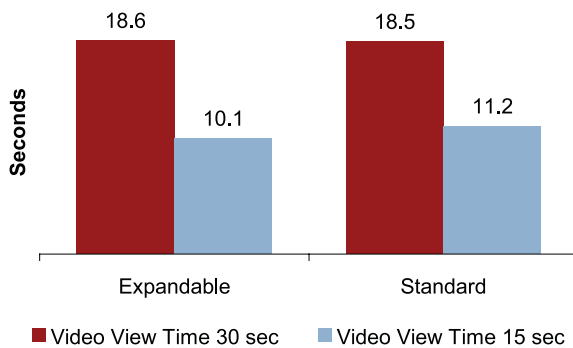


Figure 3 Source: DoubleClick, 2006; aggregate analysis of video placements in 301 campaigns; in-page units only

Figure 3 shows the average number of seconds of play for those two most common types of in-page formats. There is little difference in the length of play between ads that expand to a larger display window and standard video ads that do not expand. In both cases, on average, video ads play approximately two thirds of the way through.

It should be noted that consumers do not appear to be stopping the ads before the end of play by clicking the Stop button. As shown in **Figure 2**, clicks of the Stop button occur in less than 1% of total ad impressions. Rather, in most cases, consumers are probably navigating away from the content pages before the end of the ad unit's play.

Video click rates are far higher than image format ads

Most advertisers probably think of online video ads as being a brand-oriented format. Of course, they are excellent for branding, with the opportunity for sound, motion, and story.

But when judged on the basic direct-response metric for online advertising – the click-through rate – online video ads perform extremely well.

Click-through rates highest for in-stream ads, but high for all video formats relative to image ads

Click-through Rate by Format

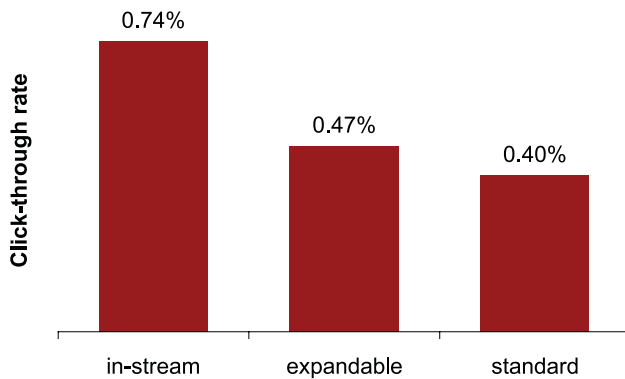


Figure 4 Source: DoubleClick, 2006; aggregate analysis of video placement in 301 campaigns

Figure 4 shows that online video ads experience click-through rates ranging from 0.4% to 0.74%, depending on the online video format. By comparison, the click-rate for plain GIF or JPG image ads based on DoubleClick data is approximately 0.1% (DoubleClick plans to release official numbers for a range of other ad formats later this year.).

Methodology

This analysis was based on aggregated and cleansed data from video placements of 301 ad campaigns by 131 advertisers, representing 2.7 billion video ad impressions. Those campaigns ran on the Klipmart ad system between June and September 2006.

Almost all video units in this analysis were auto-play ads. Almost all of those ads played with the sound off until users interacted to trigger sound.

About DoubleClick

DoubleClick provides technology and services that empower marketers, agencies and web publishers to work together successfully and profit from their digital marketing investments. Our focus on innovation, reliability, and insight enables clients to improve productivity and results.

Since 1996, DoubleClick has empowered the original thinkers and leaders in the digital advertising industry to deliver on the promise of the rich possibilities of our medium. Today, the company's DART and Performics divisions power the online advertising marketplace. Tomorrow, we will continue to enable clients to profit from opportunities across all digital advertising channels as consumers worldwide embrace them.

DoubleClick has global headquarters in New York City and maintains 16 offices around the world to serve its more than 1,500 clients. See below for a list of our main offices.

US Headquarters

111 Eighth Avenue
10th Floor
New York, NY 10011
Tel: 212-683-0001
Tel: 866-683-0001 (toll free)
Fax: 212-287-1203

EMEA Headquarters

The Plaza
East Point Business Park
Clontarf, Dublin 3
Ireland
Tel: +353 1 246 0444
Fax: +353 1 246 0499

Asia Pacific Headquarters

Suite 19, Level 1
88 Cumberland Street
The Rocks,
Sydney, NSW 2000
Australia
Tel: +61 (0)2 8247 3700

Worldwide Data Center

Headquarters

12396 Grant St
Thornton, CO 80241
Tel: 303-729-5200
Tel: 866-729-5200 (toll free)
Fax: 303-729-3233