

Billions of dollars are wasted on ad spend: how can brands garner attention and get the ROI they deserve?

For a number of years, the ad industry has made the fight against fraud a priority. However, another financial concern has also proven to be extremely damaging: \$10B is wasted each year on video ads that are partially in-view. Advertisers are settling for standards that must be urgently reviewed.

Temps de lecture : minute

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By using formats that have little respect for the browsing experience and measuring their campaign results with outdated metrics, brands investing in digital video ads will have no idea if their ad is generating any attention or if their message is even played on-screen. As video ad spending continues to rise, just how far will this madness go? Are advertisers even aware of what they are currently spending their money on?

Soaring investments with no ROI measurement

Digital advertising is booming and is one of the few industries to see a double-digit growth following the pandemic, with video being a key driver. This is because users today are more likely to notice and be engaged by impactful and entertaining ad formats, versus the more traditional static banners they are used to ignoring, driving this demand for ad investment.

In the US alone, predictions say the majority of digital display ad spend growth will come *from video ads* in 2022. Not only this, but digital video ad spending will surpass TV ad spending by 2023. With users spending an ever-increasing amount of time on their phones, mobile has become a key pillar of digital video and will account for 65% of digital video ad spend by 2023 *in the US*.

Brands investing in digital advertising need to be confident about where their money goes. Yet, they are faced with two problems that may hamper a successful ad campaign.

The end of misleading metrics

Advertisers are investing a tremendous amount in outstream video formats (video ads embedded in a content page, as opposed to those integrated in streaming video content), including on the likes of Facebook, but are unaware of how to best measure the performance of these campaigns.

The main KPI used by brands when it comes to measuring video performance is the Video Completion Rate (VCR). However, when it comes to mobile, users can easily trigger an ad but continue scrolling down the page, which results in the video playing partially or entirely off-screen. And why would one use VCR as an indicator when one cannot tell whether the video was actually in-view of the user or worse, playing off-screen? Advertisers can therefore achieve a high VCR, without the message having any chance of being seen, let alone remembered.

Brands measure the success of their video campaigns using metrics they would never consider for any other form of media. After all, if they were looking to place an ad on a billboard, they would never accept to pay good money for the one hidden behind a tree, just as they would never broadcast a half-blurred TV campaign.

Establishing a new measurement standard

It is therefore essential for advertisers to refer to a more accurate standard to measure the success of their campaigns and the ROI they yield. The solution is to use the ‘fully on-screen rate for 50% duration’, a metric that measures the percentage of impressions where 100% of pixels are in-view for at least half of the video duration.

The benefit of this metric is that it is widely available on the market via third-party measurers, like DV, IAS, and Oracle MOAT. And while they may have slight variations on the name, they all refer to the same standard, which can be easily and consistently leveraged across the industry. This metric is the only way for advertisers to effectively measure the performance of their *video campaigns* in a meaningful and consistent way, regardless of their partners or ad networks, and should become the standard for online advertising players.

In its benchmark, published in the fourth quarter of 2021, advertising verification and measurement specialist Oracle MOAT revealed that, on average, only 41% of mobile outstream video formats hit this measurement standard. If we apply this to outstream video ad spend in 2021 in the US alone, cited at \$17.3B, this means that over \$10B were wasted in video ads that were only partially on-screen last year.

‘Viewable’ doesn’t mean ‘viewed’

Sometimes, it’s good to go back to basics and question whether an ad is visible. Are people actually seeing the ad or is it just playing in the background?

In the early days of digital advertising, there was no way to know whether an online ad was visible or not. Then ‘viewability’ appeared as an early indicator, and as a measurement of the opportunity to be *seen*. However,

viewable doesn't necessarily mean viewed, and the current viewability standard does not guarantee that an ad is actually viewed, nor that it generates attention. It is clear that viewability will become obsolete at some point as advertisers realise that it does not deliver the insights they need. Soon, attention will be the only reasonable key outcome they are looking for.

They will need to capitalise on fully on-screen ad formats, where 100% of the pixels are in view. These formats are non-intrusive, allowing users to control how they see the message, closing it with ease if it's not one for them. However, when they do keep watching, these formats have been shown to be more impactful than any other mobile format.

Brands should be more demanding as to the quality of their media. While viewability may have been a step in the right direction, it is not enough anymore. The focus is now shifting to asking: did this ad generate user attention?

Attention-grabbing ad formats

A recent study, using eye-tracking technology, indicates that most of them view traditional mobile outstream video and display formats for less than two seconds. Fully on-screen formats, however, generate significantly more attention than the market average, outperforming mobile outstream formats by 2.5x and mobile display formats by five times.

These formats also generate 36% more brand recall than mobile outstream and display activations. Brand recall is essential for advertisers when running branding campaigns, but if consumers do not pay attention to the message being displayed, there is no chance they will remember either the brand or the product. By implementing fully on-screen formats, advertisers are given the assurance that their message will generate the

highest level of attention possible by default.

If the creative message is the responsibility of the brand (and its creative agency), it is not the brand's responsibility to ensure its message is actually displayed on screen - that should be a no-brainer. Even the most creative campaign will have no chance of success if no one sees it. The millions spent by an advertiser on a video campaign with a celebrity influencer will be wasted if that same video is shown off-screen or ignored by consumers!

It is now of vital importance that brands rethink their video ad investments and strategy. They must ensure two things: that not only are their messages being delivered through formats that are truly seen and capable of generating attention, but also that they are measuring their efforts using a metric that correctly reflects the impact of their ad.

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