
# What works best in video marketing: Shorter or longer ad units?

The Marketer's Guide to Improving TV and Video Advertising via Ad Length.
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Imagine you were shopping for an automobile and found a perfect sporty sedan for $30,000 that met your every need. But the car salesperson suggests that, instead, you buy a $60,000 stretch limo. “Hmm,” you might think. “Do I really need a car that seats 10 people, when a regular car will do?”

This metaphor of “too much car” is the same silliness of running 30-second or 60-second TV spots when often a 15-second ad version will do. Television and digital video advertising remains one of the best means of building brands, telling stories and driving response; but make no mistake, marketers waste billions of dollars annually on TV by paying for too much time – or strain consumer attention online by pushing long digital video formats – when shorter, tighter messaging will suffice.

Rethinking video ads could make advertising work better overall – because in media spending, seconds count to both marketers and consumers. Mediassociates, a media planning, buying and optimization agency, recently examined numerous media research studies and ongoing ad campaigns to answer these questions:

- What is the relative impact and value of using 15-second vs. 30-second video advertising?
- If 15 seconds are used for online video advertising, should they be “cut-back” versions of 30-second TV spots, or custom creative specifically designed for video?
- Should 15-second video also be considered for television in lieu of 30s?

**First, some context. Both TV and online video ads are winners.**

In the United States, television advertising is still king. Marketers will spend $79 billion on U.S. TV ads in 2015, about 42% of all U.S. media spending, and television remains the dominant form of consumer media use, with Americans watching more than 4 hours and 30 minutes of TV every day.

Yet while TV still holds the media crown, the paths by which consumers find video and related content are changing rapidly. Nielsen reports that in 2014, Americans' use of smartphones increased a whopping 33% – up to 1 hour and 33 minutes per day over the prior year – and so-called “nonlinear video,” or video not watched at an appointed hour on a designated channel (such as historically has been the case with traditional TV), increased by 5 hours each month.

Traditional television advertising is being challenged by consumer “concurrent media usage” of mobile devices in hand, time-shifting video to watch sometime later, or


simply watching video on alternative digital screens. This spring, BTIG analyst Rich Greenfield noted that Netflix is now watched more in the U.S. than any traditional cable channel (and Netflix's market valuation recently surpassed that of CBS). Amazon gives video streaming away for free. More than 196 million Americans view some form of online video each month. And emerging social networks such as Instagram, Meerkat, Periscope and Snapchat are offering new video-sharing services.

All of these trends put pressure on marketers to make TV and online video ads work better. Whether a consumer is sitting in front of a giant flat-screen or watching on a smartphone, when the ad comes on, it is so easy for her to switch away. CONTINUED ☛

Compounding these media shifts is the cold fact that advertisers have grown, yes, a little greedy in pushing more and more ads into television. In the 1960s, the typical U.S. TV show had 51 minutes of content and only 9 minutes of advertising; today, each hour has only 42 minutes of programming and a whopping 18 minutes of ads. Those old Gilligan's Island reruns you like can't fit into modern TV programming without being severely cut to make room for the hourly ad load. What this means for Jane Consumer is she, while watching 4.5 hours of TV a day, must sit through 81 minutes of total advertising.

In a world of too many commercials and tightening human attention spans, getting your brand message to break through is challenging. What is a marketer to do?

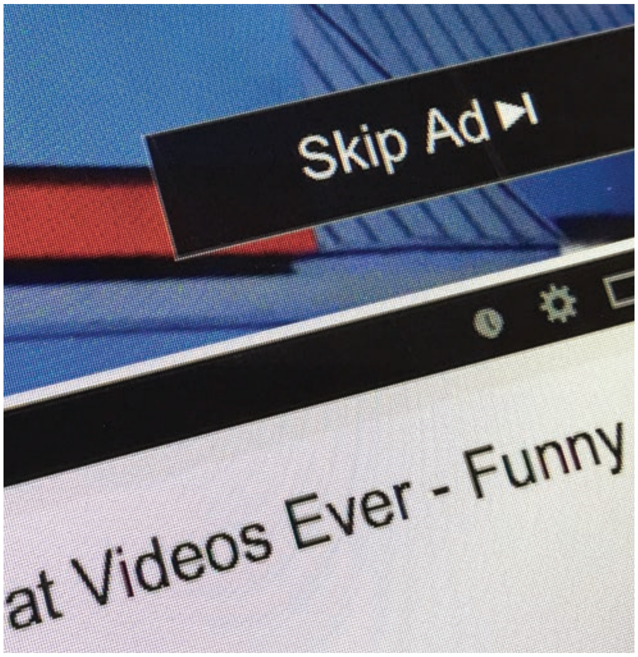
### The power of 15 seconds vs. 30

The online marketing world has moved rapidly to address the problem of tight attention spans by focusing on short 15-second video ads. And television advertisers are following suit.

In Q3 2014, nearly 2 out of 3 U.S. digital video ad impressions were 15 seconds in length, with just 35% being 30 seconds and 1% being 60 seconds. And consumers like it this way; a 2014 survey by eMarketer found that 46% of U.S. Internet users preferred 1- to 15-second video ad messages to other longer formats. The majority of short 15-second digital ads are used in a "pre-roll" format, that is, before the desired actual video content runs, while 30-second online ads are commonly used midway during a video.

And even 15 seconds may test human patience. Noticing that many consumers were bouncing from pre-roll ads, YouTube launched its "TrueView" ad format in 2010, allowing viewers to skip over a video ad after the first 5 seconds. Some marketers reacted by trying harder to produce better creative, such as the popular Old Spice "The Man Your Man Could Smell Like," entertaining users to watch until the end of 30 seconds. Others, like Geico, cleverly designed "Unskippable" video ads where the entire story is conveyed in the first 5 seconds, making a full impression even if the user skips past the ad introduction.

Still, after five years of YouTube's skipping experiment, most video ads are not avoided, indicating the movie-like version of advertising still works well. The "completion rate" of online video ads, which can be measured more easily in digital than in TV, hovers at 75% for pre-roll ads and 97% for ads placed "mid-roll," or partway through content. And click-through rates for online video ads average around 1.0% percent, about 14 times higher than the abysmal rate of traditional digital banner advertising. These digital metrics indicate




that video ads work better in making real impressions against consumers across all media, including TV, than static banner or print ads.

### Want to save millions? Here's how.

For marketers focused on efficiency, shorter TV ads provide an enormous "optimization" opportunity. The cost of a 15-second television ad placement is 50% less than that of a 30-second spot. A marketer who moved 20% of her television ad budget away from 30-second spots to 15-second spots would thus save 10% of her media spend, while keeping GRP levels exactly the same. For every $10 million spent in TV advertising, that's $1 million in direct savings ... or in freed-up budget that can be redirected to other media advertising.

So far so good. But behind this media math, would a blend of shorter 15-second TV spots work just as well as a full load of 30s? CONTINUED ☛

From a GRP perspective, yes. Marketers plan TV campaigns using "GRPs" or gross rating points – a measure of the "weight" of ad campaigns – based on the number of individual people reached by the ad message at least once and the frequency of ad impressions against that audience. Shorter ads reach the same amount of people the same number of times as longer video ads, so GRP levels are not reduced by using 15 seconds vs. 30.

## If you could get 80% of the impact of an ad at 50% of the cost, would you be happy? Why, yes.

And if judged by consumer memory, yes as well. A recent study by Kate Newstead and Jenni Romaniuk in the Journal of Advertising Research found that 15-second video commercials deliver about 80% of the "communication impact" of longer 30-second spots. Newstead and Romaniuk compared 15-second ads vs. 30-second ones on three axes: ad recall, ad "likeability," and a correct branding score. 39% of the respondents recalled 15-second ads correctly, vs. 48% for 30-second ads, showing a slight diminishment in memory. But slightly more respondents were able to correctly pinpoint the brand mentioned in the shorter ad format. A separate analysis by Nielsen found similar results, with cut-down 15-second versions of 30-second TV spots providing nearly the same persuasion. Nielsen concluded that 15-second video ads should not be run entirely by themselves, but "a 15-second version can be a good reminder of a longer ad if and when the longer ad has been fully established." In other words, blend short ads into the long schedule.

The data indicates a blend of shorter video ad formats boosts marketing results. If you could get 80% of the impact of an ad at 50% of the cost, would you be happy? Why, yes.

### A guide to your 15 – do you repurpose a 30 or build from scratch?

So yes, you say – you'd love the cost savings of blending briefer video ads into your campaign schedule. You need them for both TV and your digital media plan. How do you design the shorter video?

Simple. If you don't have time to create new video content, edit down your old longer TV spots and go. You'll still achieve 50% cost savings and 80% of the ad impact. If your campaign goal is to increase persuasion by broadening the audience, repurposing longer television ads can work well, too.

However, if you really want to maximize response – to really boost the "stopping power" of the brand message – in the shorter format, we recommend developing original content. Studies by Dynamic Logic show that in particular, online 15-second videos work three times better when they are crafted as original content vs. repurposed TV ads – and six times better in driving consumer purchase intent.

In our Mediassociates' review of client campaign results, as well as the competitive media behavior of the world's leading brands, we have seen consistent patterns of more brands achieving success with a blend of shorter video ad formats. Approximately 30% of all television advertising is now 15-second spots, up from 23% a few years ago. From Farmer's Insurance to Target, Pepsi to Geico, today's world-class marketers are waking up to the fact consumers now have less attention than ever before … and marketers must fully leverage these precious moments to engage and compel. As the old definitions of screens bleed together so that TV and computers and tablets and phones are all a video platform, the shorter ad formats most likely to capture consumers' brief attention are winning.

Shorter ads in your video campaign can free up millions of dollars. Consumers like them more. The ads cost less. They make almost as much impact. And if you play them right, you may even generate a response.

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Mediassociates , Inc., is a Connecticut-based media planning, buying and optimization agency that guides clients to better advertising results. The agency provides advertising planning, media buying, and campaign performance measurement services in TV, radio, print, out of home, digital display, online video, mobile, social media, and search. The agency places more than $100 million annually in advertising media for clients such as Black + Decker, Bulova, the U.S. Centers for Disease Control and Prevention, Gulfstream, Marriott, and Team NOVO Nordisk. The agency also owns the digital trading desk platform eEffective.

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