

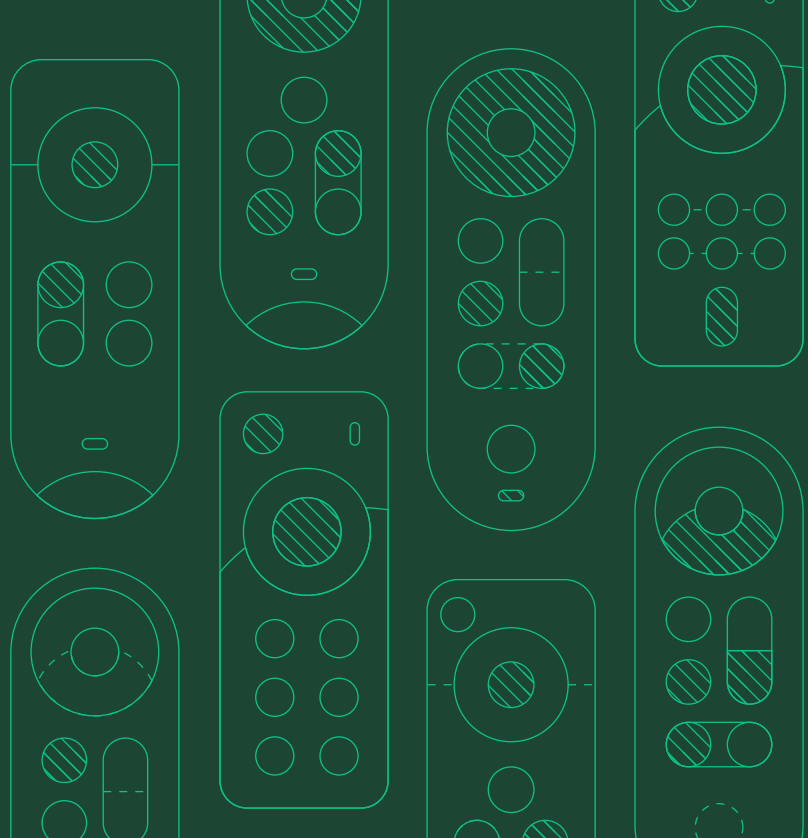


# The CTV Advertising Playbook

A Marketer's Guide to Building, Launching & Measuring CTV Campaigns

# Contents

Introduction	3
What is CTV Advertising?	4
Building Your CTV Strategy	5
Setting Your Goals	5
Defining Your Audience	6
Prospecting vs. Retargeting	6
Setting Your Budget	7
Designing Your CTV Creative	8
Technical Requirements	9
Launching Your Campaign	10
Measuring Your CTV Performance	11
What is CTV Incrementality?	12
Unlocking the Power of CTV	13
Glossary of CTV Terms	14
Checklist	17



## Introduction

Marketing is a tough job. Branding and messaging must be on-point to differentiate from the competition. New channels continue to emerge, so marketers have to be on their toes. And marketing performance is being scrutinized more than ever.

That's why marketers tend to shy away from brand channels (like TV and radio) and gravitate toward data-centric, digital channels (like search, social, and email). After all, it's easier with the latter to track behavior and prove how marketing influences customer acquisition.

Or is it?

As television has changed, so too have viewers' habits. The rise of connected TV (CTV) combined with endless freemium and premium streaming apps has led to 100 million households cutting the cord. They're no longer tied to watching shows in their living room in real time, but rather anywhere,

at any time, on any connected device. (And with **71% of US households** having at least one connected device, that's a lot of people to reach.)

That means TV is actually now a data-centric, digital channel. It means tracking performance of CTV advertising campaigns just got a whole lot easier. And that means CTV advertising is quickly becoming one of the most effective ways to reach consumers today.

So where do you start?

That's where this guide comes in. We'll walk you through everything you need to know to get started with CTV advertising, from understanding what it is to measuring impact. Whether you're a seasoned performance marketer or just starting out, we'll help take your campaigns to the next level. So let's dive in.

# What is CTV Advertising?

Simply put, **CTV advertising** is promoting your brand on connected devices where consumers watch television shows, like smart TVs, streaming devices (think Roku and Amazon Fire TV), and gaming consoles.

And it's kind of a big deal. It not only has the tracking capabilities it lacked for so many years, but it also offers these benefits:



**You can advertise on multiple streaming apps with only one campaign setup process.**



**The length of your entire ad is non-skippable content.**



**CTV advertising is proven to lift conversion rates on all other marketing channels.**



**CTV still supports increased brand awareness and improved consumer trust.**

*It's no wonder why performance marketers are gearing up to make CTV advertising a permanent part of their media mix.*



# Building Your CTV Strategy

Now that we've covered the basics and benefits of CTV advertising, **let's talk strategy**. It's the most critical piece to getting started with CTV. Without one, there would be no goals to meet, no audiences to reach, and no budget to spend. So let's get into each of those.

## Setting Your Goals

**Building brand awareness** is so important, even if your company is an established, 20-year-old organization. Brand awareness campaigns aren't necessarily laser-focused on closing deals, but more so on creating memorable, engaging messages that get your name, product, people, and mission in front of your target audience. This can lead to increased recognition and preference for your brand.

**Improving engagement** can help push your brand awareness goals along faster. When viewers are captivated by ad experiences, they're more likely to interact with that content and share it on public platforms, like social channels. This inevitably leads to reaching more people (and more of the same people).

**Boosting reach** can simply mean getting your brand in front of more people, but for marketers, it more often means getting in front of more people in specific audiences. Maybe you want to expand the demographics of your target buyer, or maybe you're opening in a new market and want to reach people in those new locations.

**Driving conversions** means that your audience is taking some kind of action, whether that's following your brand on social media, signing up for a newsletter, downloading a piece of content, or making a purchase. No matter what you want the viewer to do, a compelling ad can motivate them to take action.

**Increasing return on ad spend (ROAS)** is a key goal for the majority of performance marketers because they (and their leadership teams) want to make sure their dollars are being spent effectively. We'll get into the nitty-gritty of ROAS when we talk measurement later in this guide.



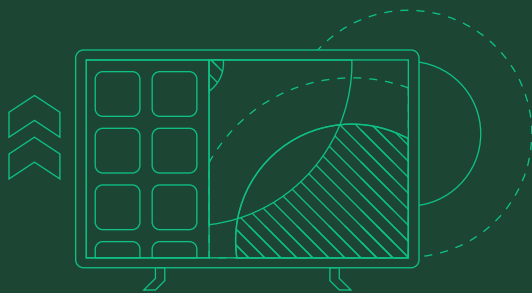
No matter what goals you decide to focus on, there's one important thing to understand: You probably won't see results overnight. Investing in a new channel means also investing in time, testing, and learning. You might experience a little bit of sticker shock at the beginning, but the investment will prove to be worth it.

## | Defining Your Audience

Business owners or consumers? Adults or kids? Midwesterners or southerners? People who love being outdoors or would rather stay inside?

This is, of course, just a small illustration of all the attributes you could use to define a target audience. And these factors are important. But this isn't the place to define those specifically because it'll be different for everyone.

What we can say is that understanding your ideal customer profile is key. How old are they? Where do they live? What are they interested in? What are their buying habits? Any market research your company has done will include this information, and your advertising technology platform should be able to build the correlated audience for you.



### Pro Tip:

Start broad. If you cast a wider net up front, you'll know a lot more about who's engaging with you, what's resonating with them, and who you can cut from your audience. This stage of testing is critical for success.

## | Prospecting vs. Retargeting

Most marketers who are new to CTV will start with prospecting campaigns, which just means you're looking to bring new, qualified leads into the funnel. These ads tell viewers exactly what to do (buy your product) and where to do it (your website). This means your ad creative needs to make two things clear: the call to action and your URL. We'll get into creative best practices later.

There's always the chance that someone will see your ad, visit your website, and leave without buying anything. Maybe they just wanted to peruse or maybe they want to research more before making a purchase. This is the audience you want to retarget.

Although retargeting is often seen as more sophisticated and saved for "phase two" of advertising strategies, it shouldn't be. We usually recommend **launching retargeting campaigns** with prospecting campaigns because they can be incredibly effective at bringing people back to your website and driving conversions.

Retargeting campaigns may include more ads on CTV, display ads online, or a mix of both. But regardless of where you retarget, look at these ads as an opportunity to reel people back in. Offer a promotion, create a sense of urgency, and show best-sellers.



## Setting Your Budget

TV advertising is perceived as being expensive, but it doesn't have to be (unless you're planning to advertise during the Super Bowl or the Oscars).

The reality is that CTV advertising can be comparable to what you'd spend on other marketing channels. So rather than asking how much it would cost to run a CTV campaign, the better question is: Is there a **budget that drives better CTV results?**

Marketers with a starting budget of \$25,000 – \$30,000 per month say they have room to test more and learn faster than their peers with smaller starting budgets. With a budget

in this range, you can learn enough in less than four weeks to make significant optimizations in your second month.

Does this mean you can't test and learn with a smaller budget? Of course not. It just means that it'll take a little longer to get the information you need to optimize (which will require some patience).



# Designing Your CTV Creative

The benefits of CTV campaigns are hard to argue with — after all, what company doesn't want to reach more people, build their brand, increase consumer trust, and drive more sales? (And what marketer doesn't want to meet their goals?)

You could have a bulletproof CTV strategy that outlines all the right goals, targets all the right people, and gives you more than enough budget. But without compelling creative, you've got nothing, and it requires more than just throwing together a few images and a catchy jingle. The most memorable and effective ads follow these creative best practices:

## Craft your story.

People remember stories over facts. They relate to others like them over a brand name. Use storytelling to bring out the human element, make an emotional connection with the audience, and remember your brand.

## Keep it simple.

This is not the place to cram in everything a buyer needs to know about your product or service. Instead, focus on a simple message that clearly communicates how you solve a problem or make someone's life better.

## Grab your audience's attention fast.

Whether through your design, your words, or both, you only have a few seconds to catch their eye. Use music, a memorable tagline, or an unexpected twist to make it stand out.

## Keep your brand visible.

Use the same colors, fonts, and style that you use in other marketing materials to reinforce your brand identity. Use your logo and the URL you want viewers to visit. The more consistent and visible your brand is, the more viewers will remember it.

## Explore different creative styles.

Marketing is all about trial and error. Create multiple ads so you can test versions and find the winning one. Make sure your different versions vary in design, messaging, and length.

## Use a clear call to action.

What do you want the audience to do? Tell them, and they'll be more likely to take you up on it.

# Technical Requirements

CTV campaigns aren't complicated, but video technical requirements can be. Here's a quick list of the requirements your creative will need to meet before getting started.

<b>Aspect Ratio</b>	16:9
<b>Bitrate</b>	Greater than 15Mbps
<b>Dimensions</b>	1920 x 1080
<b>File Type</b>	.mp4 or .mov
<b>Frame Rate</b>	23.98, 25, or 29.97
<b>Length</b>	15 or 30 seconds
<b>Maximum File Size</b>	10GB

# Launching Your Campaign

The benefits of CTV campaigns are hard to argue with — after all, what company doesn't want to reach more people, build their brand, increase consumer trust, and drive more sales? (And what marketer doesn't want to meet their goals?)

After building your CTV strategy and designing the creative assets, it's time to (finally) launch your campaign. It's the moment when all the hard work pays off and you get to see your campaign in action.

But before you hit the launch button, make sure you keep a few things in mind:

## Choose your platforms wisely.

Roku, Amazon Fire TV, and gaming consoles are just a few of the platforms that run ads. Audience, pricing, and ad formats can vary, so you have to do your research. Choose the ones that best align with your brand and where you'll have the most success.

## Set your budget and bidding strategy.

At this point, you should already know what you have allotted to spend each month. But you'll need to choose between one of two pricing models: Cost Per Impression (CPM), which charges you every time your ad appears on the screen, or Cost Per Completed View (CPCV), which charges you when a viewer watches your entire ad. Most advertising technology platforms will help you make this decision.

## Monitor your campaign.

Figure out how you'll keep tabs on your campaign once it's live. You'll want to check your ad delivery, frequency, and targeting to make sure everything continues to align with your campaign goals. Again, if you're working with a CTV platform, you should be able to monitor performance in real time.

## Optimize, optimize, optimize.

The whole point of monitoring your campaign is to make adjustments. Analyze the data to see what's working (do more of that) and what's not (eliminate that). Use A/B testing to compare messaging, design, and audience segmentation. Continue making tweaks until you've found your sweet spot.





# Measuring Your CTV Performance

You've built your strategy, finalized video assets, and launched your campaign. The hard part is over, right? Not so fast.

**Measuring campaign performance** can be complex, but it helps brands better understand what path someone took to take a specific action. The highly specific attribution model of CTV means that brands are able to track a buyer's journey from seeing an ad on their TV glass to making that purchase on another connected device.

Once you've launched your campaign, here are some of the most common metrics marketers should use when reviewing CTV performance:

**Website visits** (the number of visits) and the **clickthrough rate** (website visits as a percentage of ad views) both measure website traffic. Although some may see them as vanity metrics, they can give insights into what messaging is prompting people to click. You can also use website traffic data for retargeting.

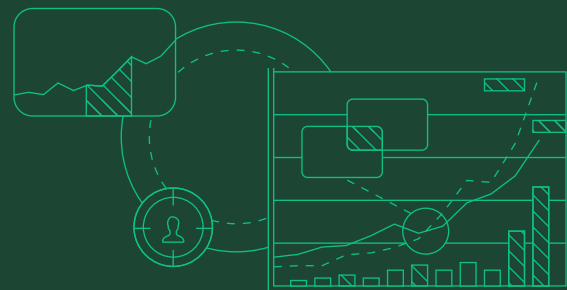
The **completion rate** measures the percentage of viewers who watched your entire ad. The higher the number, the more likely your ad is engaging for the audience. Lower numbers may mean you should shorten the ad or refresh the creative.

The **cost per completed view** is the amount you pay for each ad that viewers watch completely. This is helpful for marketers who want to compare cost-effectiveness of different campaigns, messaging, or platforms.

The **conversion rate** is critical if your goal is to drive conversions. It measures the percentage of viewers who took the desired action after watching your ad, like filling out a form, subscribing to your content, or making a purchase.

The **return on ad spend** (ROAS) measures the revenue generated from your campaign compared to the total amount spent on CTV advertising. The higher the ROAS, the more profitable your campaign is.

**Brand lift** is particularly helpful if your goal is to build or improve brand awareness. It measures how your ads shape consumer behavior and impact your brand image.



## Pro Tip:

If you find reporting on CTV campaigns daunting, you're definitely not alone. Engage with a CTV advertising platform to help make sure everything is done from a technical perspective (like placing pixels on the right sites) and get access to robust, built-in dashboards.



## | What is CTV Incrementality?

As marketers continue to spend on CTV advertising, they'll have to prove its value as a growth channel. To support this, performance marketers are turning to incrementality reporting.

Incrementality is the value a brand gets by adding CTV advertising into its media mix. It's a big deal in CTV advertising because it essentially means you're getting more for your money. Let's clarify with an example.

A popular meal kit delivery service has been advertising on a variety of channels, including linear TV, search, and social. After adding connected TV to its landscape, its marketing team wanted to measure how their CTV advertising was impacting brand awareness and conversions, comparing that against their efforts in other channels.

When you add connected TV to your advertising efforts, you're not just duplicating the reach of your other channels — you're actually reaching new audiences who might not have been reachable otherwise. This means you're getting incremental value from your CTV ads, and this can translate into stronger brand awareness and purchase intent.

As a marketer, measuring incrementality is especially important because it shows the additional value that CTV specifically brings. You can use these insights to make data-driven decisions on your ads, and they're also helpful for end-of-year budgeting conversations.



## Unlocking the Power of CTV

CTV advertising isn't just the new, shiny thing in marketing. It's popular because it's effective. It offers precise audience targeting like other channels, but with the immersive experience that few other channels can claim.

That said, getting started with CTV advertising doesn't happen overnight. To be successful, marketers must build a strong strategy, design compelling creative assets, launch with all the boxes checked, and measure performance with the relevant KPIs. It's no easy feat, but the right platform can take a lot of the heavy lift off marketing teams.

Connected TV has forever changed the way we (literally) view TV. As more consumers cut the cord and shift their viewing habits to streaming apps, CTV advertising will become a must-have in the digital advertising space. And as it should. If you're a consumer brand advertising on social channels, branching out into connected TV is a natural next step.





# Glossary of CTV Terms

## A/B testing:

A common practice in marketing to compare two versions of an ad to identify which one performs better

## Ad creative:

The visual and audio elements of an ad

## Ad inventory:

The available ad space on a website, app, or streaming platform

## Ad placement:

The location of an ad on a website, app, or streaming platform

## Attribution:

Tracking which marketing efforts led to a conversion or sale

## Brand lift:

The increase in awareness or perception of a brand as a result of advertising

## Completion rate:

The percentage of viewers who watched an entire video ad

## Connected device:

Objects that can connect with the internet, like a TV, tablet, or gaming console

## Connected TV (CTV):

A device connected to the internet and designed to support streaming multimedia content

## Cost per action (CPA):

The cost of an ad based on the number of desired actions, like a purchase or signup

## Cost per click (CPC):

The cost of an ad based on the number of clicks it gets

## Cost per completed view (CPCV):

The cost of an ad based on the number of completed views

## Cost per thousand (CPM):

The cost of showing an ad 1,000 times

## Clickthrough rate (CTR):

The percentage of people who clicked on an ad out of the total number of impressions

## Engagement rate:

The percentage of viewers who interacted with an ad in some way, like clicking on or sharing it

## Geotargeting:

Targeting ads to specific geographic locations

## First-party data:

Data collected by a company directly from its own customers or users

## Frequency:

The average number of times an ad is shown to a unique viewer

## Frequency capping:

Limiting the number of times a specific ad is shown to a user within a certain timeframe

## Impressions:

The number of times an ad is shown to users

## Incrementality:

The value a brand gets by adding CTV advertising into its media mix

## Non-skippable ad:

A video ad that cannot be skipped by the viewer

## Over-the-Top (OTT):

The actual video content that streams over the internet

## Programmatic advertising:

The automated process of buying and selling advertising inventory through software

## Retargeting:

Showing ads to people who have previously interacted with a brand or product

## Return on ad spend (ROAS):

The amount of revenue generated for every dollar spent on advertising

## Return on investment (ROI):

The profitability of an advertising campaign

## Second-party data:

Data collected by a partner company and shared with another company

## Skippable ad:

A video ad that can be skipped by the viewer after a certain amount of time

## Smart TV:

A TV that's connected to the internet and can run apps and streaming services

## Streaming platform:

A service that offers free and/or premium access to streaming video content

## Targeting:

Directing ads to specific audiences based on various criteria

## Third-party data:

Data collected by external sources and sold to companies for marketing purposes

## Viewability:

The measurement of how many people saw an ad and for how long





# Checklist

# Phase 1

## Building the Strategy



Set your campaign goals



Define your target audience



Determine your budget



Select your streaming apps



Choose campaign dates



Draft a campaign brief

# Phase 2

## Designing the Creative



Develop your creative concept



Write your ad script



Produce your ad



Optimize your ad

# Phase 3

## Launching the Campaign



Double check tracking pixels



Confirm audience parameters



Confirm budget



Confirm streaming apps



Set up your ad campaign



Monitor your ad performance



Adjust your campaign

# Phase 4

## Measuring Performance



Analyze campaign metrics



Evaluate your ROI



Refine your strategy



Report on 30/60/90-day metrics