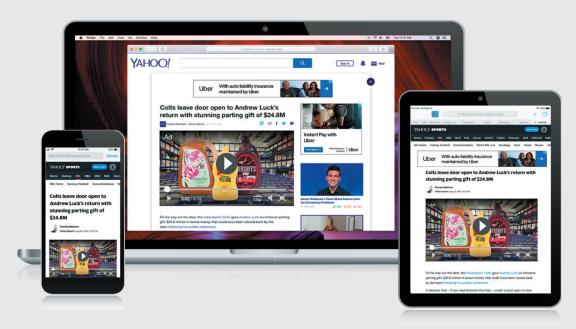
VAS to FXPI ODF Your PRE-ROLL **ADVERTISING** Conversion Rates



INTRODUCTION



In 2021, almost everything and everybody has gone digital. Everywhere you turn, there's a digital device or somebody using a digital device, scrolling, typing, viewing. With this massive digital shift, consumers have changed their viewing habits and preferences. And as an industry that relies on consumers to exist, us marketers in turn, must change our ad serving strategy to accommodate the audience we need in order to grow our brands and businesses successfully.

Similar to the debate that art imitates life, we must agree that advertising must imitate life as well if we want our ads to succeed. This means that we must move with the times and tides of an increasingly digital world, and we do so using pre-roll video advertising.

Since pre-roll video, specifically, is king, it should be treated as the first and almost only choice when it comes to promoting your brand/product. Why? Because it relates to your customer better in every regard. Furthermore, you are able to say more with your ad, allowing viewers to remember more and even, interact more, which means greater conversions and greater sales.

If you are unfamiliar with the term "pre-roll" or what they are, rest assured – we've got you covered.

Essentially, if you have ever clicked on a video and been targeted with a highly-customized advertisement before the video begins, you've witnessed a pre-roll video ad in action. A pre-roll ad is in short a video advertisement for a brand or product that serves (usually before video content) on your internet and social media platforms. Not only is it a format that is captivating to audiences, but it's also highly measurable, ensuring future campaign targeting accuracy, and highly customizable, ensuring that ad dollars are more effectively spent, sending ads to only the *right* audiences online!



And one specific reason why pre-roll ads are so effective is that more users online than ever before are *completing* videos (increasing VTR) because videos (and the platforms videos are showcased on) are getting so much more precise with their audience targeting. These videos are delivering personalized content that is more likely to be watched since it caters to the specific individual's tracked tastes and preferences.



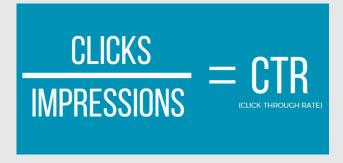
We would argue that pre-roll is one of the most important formats of advertising to grow your business. Study after study shows that video ads perform better than other forms of advertising and we want to help you make your pre-roll the most effective it can be because though pre-roll alone performs better than most, you want your pre-roll out-perform other pre-roll. For example, it's common for advertisers to pull and re-purpose pre-roll that was created for a traditional television commercial, which on other devices, can appear lazy or uninteresting. Those videos are built for television not digital devices. We're all for repurposing content but there is a way to do it that will bring your pre-roll to life in a new light instead of a simple continuation that will guarantee greater engagement. And we're here to share some ways your brand can do it too!

To begin, it's important to understand how we measure ad effectiveness, which is through conversion rate metrics such as the Click-Through Rate and the View Through Rate in particular.

The most popular metrics to quantify your preroll's success are the Click-Through Rate (CTR) and the View Through Rate (VTR). And we're here to both explain the two, as well as give you helpful tips to make the two skyrocket! First things first, we must understand what the two represent in order to create a game plan to increase them.

The Click-Through Rate is a ratio that shows how often people who see your ad end up clicking it. CTR can be used to gauge how well your keywords and ads are performing. However, it is important to note that CTR doesn't show how many people ended up on your site or product later as a result of seeing your ad – it simply represents what percentage of people *clicked* on the actual ad to arrive at the destination site. In essence, CTR can be seen as a measure of the immediate response to an ad, not the overall response to it.









The CTR percentage is calculated by the number of clicks that your ad received by the number of times your ad was shown. For example, if you had 5 clicks and 100 impressions, your CTR would be 5%.

View-Through Rate (VTR) is a ratio that shows the number of views of a video ad to the number of impressions. In other words, VTR is the percentage of people who watched your ad all the way through (to the very last frame), out of all the people who had the ad shown on their screen. This metric particularly applies to video ads. Similar to CTR, the calculations are the same however it divides the number of people who viewed the ad to completion by the number of

ad impressions. For example, if you had 755 full views and 1000 impressions, your VTR would be 75%.

Typically, advertisers choose one of these as a kpi for their video ad campaigns. This is because it is hard to increase both at the same time, given viewers usually click an ad before it is finished playing out, and inversely, if a viewer watches the video until the end, there isn't really an opportunity to also click. So, it's important for your business to decide which ad conversion is more beneficial for your product, service, or brand!

Now that the founding logistics are out of the way, it's time to dive into ways in which you can elevate your campaign quality and amplify the conversion rates on your pre-roll ads! Below you will find seven ways to accomplish your pre-roll video ad conversion goals, whether that be CTR or VTR:





ADD AN OVERLAY TO YOUR PRE-ROLL

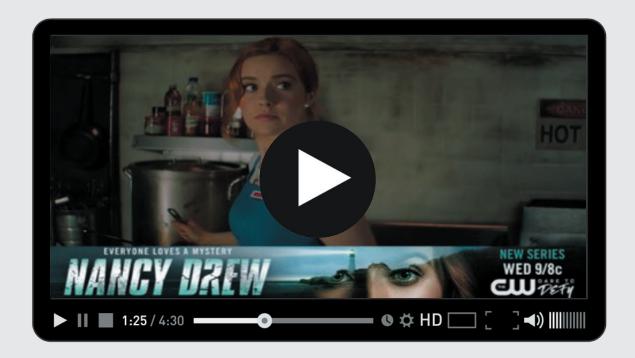
One way to spice up your pre-roll for great results is to add clickable features that will promote a growth in CTR without a doubt. One of the ways to do this is by utilizing a tool called an Overlay.

Overlay is a banner that plays on top of the given pre-roll, typically across the bottom of the frame. It adds a call to action on your ad in a non disruptive way. Overlays are valuable additions to pre-roll because they can give important information throughout the entire ad, such as show times, sales, locations, or updates. And all overlays are clickable and will take viewers to the advertised site.

Your overlay banner can include clickable content such as:

- "Learn More" to direct viewers to advertised site
- "Watch Now" to direct viewer to full video
- Geo Location for brick and mortar stores or businesses
- Product Branding
- Target by Language or Demo
- Television/movie Showtimes and Dates

The prime benefit of utilizing Overlay video format is its consistency in increasing view click through rate. Example of the format below:







GEO TARGET YOUR OVERLAYS

As mentioned in the previous point, Overlays can provide useful information regarding the location of your store or business in relation to where your viewers are located. This is traditional **geotargeting** - but with the Overlay you can use one standard pre-roll while using the overlay graphic to do the geotargeting for you.

Geotargeting is a way for advertisers to specify the location or radius they want their ads shown in order to attract local customers and clientele. With this, advertisers can also serve different content on their ads based on the geographic location the ad will be served. This is a popular tactic when advertising local prospects. It's also helpful for increasing CTR by appealing to a viewer's proximity to your business or service, showing them how in reach you really are.

A great example of the success of Geotargeting via Overlay is a California cancer clinic that used this technology. The clinic's goal was to both spread awareness of their services as well as secure new patient appointments. However, as a clinic with several locations, their pre-roll without geotargeting was getting clicks and engagement, but not from the right viewers in the right areas. Potential patients were calling locations simply out of reach. Therefore, the clinic needed to find a way to make their ads location specific without going over budget, as they didn't have the funds to make multiple different versions of their pre-roll ad.

To solve this, we were able to create an Overlay that featured location specific information and serve each of those custom made Overlays to the geotargeted audiences. People within a 5 mile radius of the West Covina location would be shown a West Covina Clinic ad, while people within a 5 mile

radius of the Corona Clinic, would be shown the ad made for that specific location's clinic, and so on and so forth. Below you will see one version of the geotargeted Overlays we created for City of Hope:



This not only helped increase CTR but also helped the clinic achieve their goal of new appointments made by people in the area! And we were able to accomplish this with just ONE pre-roll ad, staying within budget for great results, meaning that, you too, can customize your single pre-roll for all your separate audiences the same way!

Using this tool is highly recommended to local shops and businesses who are looking to attract local residents. It's also more cost efficient to serve your pre-roll this way; that way you aren't paying useless ad dollars for your ad to be seen by viewers who couldn't even visit your location if they wanted to.







ADD AN END CARD TO YOUR PRE-ROLL

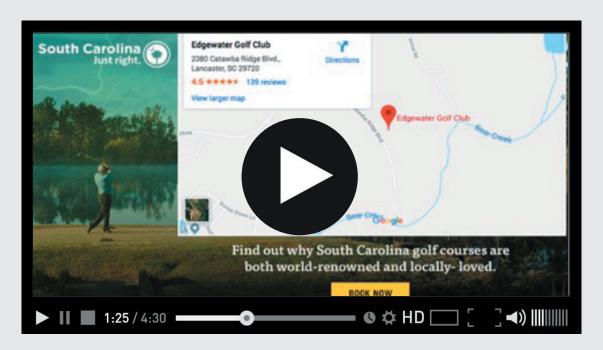
Diverting from the previous CTR boosters, the End Card format is another brilliant way to heighten your pre-roll ad's VTR.

The End Card is a slate that appears at the end of a pre-roll video ad. The purpose of the End Card is to provide engagement opportunities for viewers once the ad comes to an end. You can look at the End Card as an opportunity for advertisers to display important information regarding the product/service on a larger readable screen. End cards also have the ability to add fun interactive concepts to an ad.

Your End Card can include content such as:

- A Geographic showing the location of one's business/event
- An Interactive Game or Activity ("Get to Know the Characters," "Discover Hawaii")
- Details about your product or service
- And much more! (The End Card has the range to become whatever you want it to be!)

End cards are efficient in increasing video completion rates because they hold the viewer's attention longer, and a lot of times, until the very last second of your video ad! Here are a few standout examples:





ADD A VIDEO TO YOUR END CARD FOR EXTENDED VIEWING

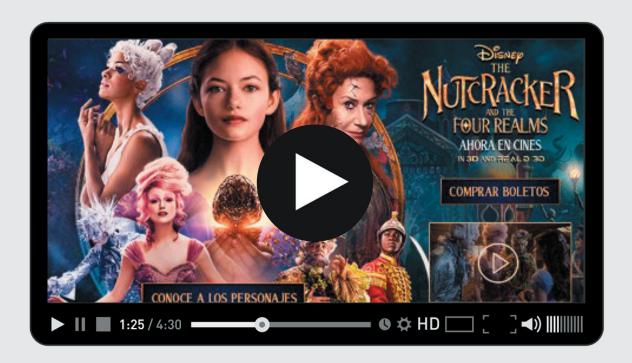
Now, if you want to go *really* big with your pre-roll ad modifications, you can utilize a one-up feature on the Endcard by adding yet another video ad in the end slate!

Given there is an understanding of the End Card discussed above, if you want to take your preroll to the next level and give your viewers an opportunity to view even more than the run of your video ad, this feature is the one for you.

Essentially, the End Card format remains the same. However, within the End Card, you can embed another video clip not featured in your original pre-roll and make it clickable, leading viewers to your landing page with even more content to watch and immerse themselves in.

This is great for improving VTR and engagement – especially, if your pre-roll is on the shorter side and you have more to say than the time given! It's almost like serving two ads in one.

This feature is most commonly used by Television & Film advertisements, as they can feature clickable blooper reels or exclusive video sneak peaks in their Endcard. An example of this is Disney's pre-roll video ad for their live action rendition of The Nutcracker, shown below:







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ADD A CUSTOM SKIN TO YOUR PRE-ROLL

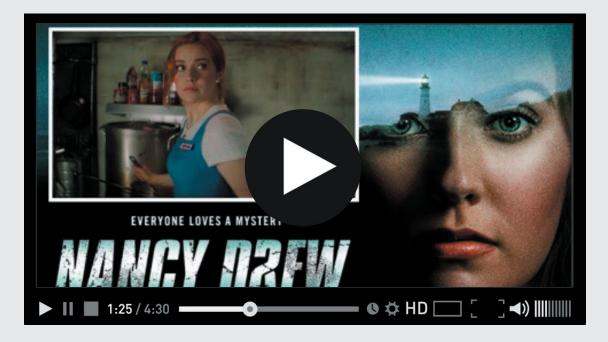
Next in the toolbox of pre-roll makeovers is the Custom Skin!

The Custom Skin is a dynamic background for pre-roll video. Building off the aforementioned Overlay format, the Custom Skin can be seen as a continuation of said Overlay — after roughly 5 seconds of the pre-roll video playing with Overlay, the pre-roll shrinks into the viewer's screen, moving to the top right corner, allowing the Custom Skin to shine. The pre-roll continues to play, only now with the backdrop of a full clickable image of the show/brand until the ad is over. This way, viewers can interact with your brand without interrupting the ad. You can use Custom Skin for greater presentation of important information, better brand recognition, or as a way to draw viewers to your site or service with interactive features.

Examples of Custom Skin options include:

- Coupons and Promotions via "Save Now!" clickables & graphics
- Integrated Show/Movie Titles and Poster Images (and details regarding)
- Infographics on Product/Service
- Dynamic Creative portraying anything your brand finds captivating!

The Custom Skin is most effective in increasing viewer click through rates as it typically provides captivating and productive clickables! Here are a few examples of some noteworthy Custom Skin pre-roll:







ADD A COUPON OR OFFER TO YOUR CUSTOM SKIN

In one of our examples above, we noted the option of using the Custom Skin as a means to offering viewers special deals and coupons. To elaborate, this is not only a great way to drive up your CTR, but a magnetic way to make sales!

Who doesn't like to save money? If you put things in your perspective as a viewer, chances are you're more likely going to be drawn to make a purchase when there is a sale or discount available...even if you weren't intentionally looking to buy anything. Whether that be clothing or home goods or food, a saving of any kind is universally appealing.

So by adding an offer or coupon in your Custom Skin, you are not only giving your viewers a reason to click and make a purchase, but you're also allowing them to view your ad at the same time, creating greater brand recognition and impact.

The presence of a coupon or deal on a screen can also lead viewers to watch your ad longer to decide whether they want to use the coupon or not based off what you're selling. Adding this feature to your Custom Skin is truly a game changer, CTR upgrader, and money maker!

One example of this is from a pre-roll ad for Wholly Guacamole. This guacamole brand wanted to encourage people to try their product and we advised them to use a Custom Skin featuring a clickable coupon for viewers to save on their potential purchase. The results were amazing!





ADD CLOSED CAPTIONING

Closed-Captioning, the visual display of the audio portion of video programming, isn't always considered for pre-roll by a lot of advertisers. There is a notion that closed-captioning is only used for language translation, however, closed captioning is useful for a lot of purposes, some states even *require* it.

For example, according to the State of California law, there must be closed captioning with any and all ad buys placed with state dollars. Essentially, advertisers must include closed captioning on any programs or ads shown on TV and/or re-shown on the Internet. This is because captioning provides accessibility to individuals who are deaf or have hearing loss and is often used in places where it is difficult to hear a TV program, such as restaurants and exercise facilities.

However, not all advertisers know how to add closed-captioning for pre-roll video advertising (especially programmatically). In one example, I Can Afford College (ICAN), was having trouble meeting the state law in their ads because they were unsure how to maneuver closed-captioning for video on their own. Though their first thought was to serve the ads via Youtube as the platform makes closed-captioning easily accessible to all users, the company wanted to serve their content programmatically, meaning the closed-captioning had to be in the blueprint of the ad itself.

After brainstorming, the issue was solved by formatting the closed-captioning in an Overlay format for the pre-roll. Now, ICAN was able to serve their ads whichever way they pleased on whichever platform of their choosing with closed-captioning featured in every ad without roadblocks! An example of what it ended up looking like below:



Utilizing closed-captioning via Overlay is something to consider in your next video ad if you want your ad to be as inclusive as possible, that way, everyone who sees your ad can understand it best, leading to greater engagement, especially from an audience who would otherwise have difficulty fully viewing your ad.

If there's one thing you take away from this, let it be this: never underestimate the power of video and the way it can transform & elevate. Treat your pre-roll like royalty and dress it up with all the layers that will make it stand out. With the above tips, your pre-roll video is sure to get all the attention and all the clicks!





BOOK YOUR FREE VIDEO STRATEGY SESSION TO INCREASE (3X) YOUR CONVERSIONS USING DIGITAL VIDEO ADVERTISING – (WORTH \$1,000)

If you're serious about not only growing your business, but dominating the market to maximize your advertising ROI, you shouldn't take the aforementioned tips lightly. If not, chances are you're spending more money than you need to on marketing for little reward. But when you work with Oculu, we target a 3:1 ROI on your video marketing spend. Our goal is to get \$3 into your business for every \$1 you spend on video marketing.

And though the information we have provided you with is sure to get your business up and running with its video advertising efforts, we want to offer you a headstart! To eliminate any wariness or hassle, Oculu will help you through your first steps so you can be sprinting on your own in no time. All you have to do is set up a **FREE** complimentary video audit with us.

Please note, this is not a sales call – you will be speaking with a highly experienced Video Expert, not a salesman. And we promise to invest our best efforts into making your video campaigns achieve explosive ROIs that we guarantee will put your business on the map.

Here's How it Works. First, let's look at your current video assets and determine what we can use for advertising (if you don't have any video assets - That's ok)! Next we'll dig deep into your business, goals, industry, and competitors to understand the best way your company can use video to maximize sales and leads and sales for your business. Then, based on what you tell us, we will develop a **CUSTOM** video plan exclusively for your business. Free of cost.

If you're ready to run full force with a foolproof strategy on your feet and achieve your business goals and then some, book your FREE strategy session call now! We can't wait to offer our best insights and sow an impactful relationship with your company!

BOOK YOUR FREE VIDEO STRATEGY SESSION NOW

