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Connected TV (CTV)
Creative Best Practices

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Table of Contents

Contributors	
Executive Summary	
Introduction: Why Creative Matters Now More Than Ever	6
Best Practices for the CTV Ad Experience	7
Innovative CTV Ad Formats and Creative Examples	
CTV Creative Case Studies	15
BJ's Wholesale Club and Origin Media	15
Comedy Central and YouTube	16
Del Taco and Tremor Video	16
FloSports and Transmit.Live	17
CPG brand and Amazon Advertising	17
Nissan and true[X]	18
Paramount and Transmit.Live	
Pringles and Innovid	19
Sonic and true[X]	
Future Trends and Considerations for the Industry	
About IAB and the IAB Media Experience Center	

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Contributors

This document was developed by IAB and the IAB Media Center with contributions from our members. IAB would like to thank our contributors for their support.

Adobe Tremor Video

Altice TVision

Amazon Advertising true[X]

Disney Advertising Sales Strategus

FreeWheel Spectrum Reach

Innovid Verizon Media

NBCUniversal Vevo

Origin Media ViacomCBS

Transmit.Live YouTube



Executive Summary

Connected TV or CTV represents an entirely new platform with new content capabilities, creative formats, and audiences with new expectations. With CTV, marketers can engage viewers directly at the person or household level rather than as part of a mass audience watching the same program at the same time. This direct connection to specific viewers opens up new storytelling possibilities — and also presents new challenges. As personalization becomes increasingly challenged in this more privacy focused era, the need for creative that both performs and scales across platforms has never been more important.

The goal of this guide is to examine the current state of CTV creative, identify where the challenges are, denote where the industry is coalescing in terms of creative strategy and formats, and highlight the future opportunities to create the best possible CTV ad experience for consumers.

Key suggestions and takeaways include:

- 1. Reduced CTV ad loads are important but not the total end game. Consumers have been conditioned that CTV programming has a shorter ad load than traditional linear television. However, the ad load must be balanced with other components like reducing unnecessary creative repetition, ad frequency management, and following technical guidelines that enable control and delivery of the right creative asset at the right quality and resolution for the viewer.
- 2. Multiple creative variants are important for effective storytelling and do not need to be expensive. Multiple creative variants (3+) are key to avoiding consumer fatigue and creative burnout. Leverage publisher and tech partners to help create variants from existing creative in a cost-efficient way.
- 3. Overall frequency matters but consumers don't want to see the same ad creative back-to-back or in the same pod position. Whether it's the result of poor advertiser-publisher placement planning, channel conflict among too many tech enablers, or missing or incorrect asset IDs, poor frequency management is causing consumer backlash in CTV. A recent study by Conviva found that frequency is the number one problem viewers have with streaming video ads (Source: Conviva, State of Streaming Advertising, 2021). While overall frequency certainly matters at the campaign level, it is critical to ensure that consumers are not subjected to seeing the same creative repeated back-to-back in the same pod.
- **4.** It's critical to get the basics of video ad serving right before you move on to ad innovation. To avoid latency and buffering, which can delay content and even force people to reboot their CTV device, stay up to date on IAB's Digital Video In-Stream Ad Format and VAST 4.x. Guidelines (which support the highest quality CTV ad experience) before you move on to more advanced ad innovations.
- **5. Leverage standard ad registries like** Ad-ID **(support is built into** VAST 4.x) **to enable better creative asset management.** These ad registries make it easier to manage creative assets across systems, including the frequency of delivery, while enabling better tracking and reporting on the back end.



- **6. CTV ads can be interactive but don't think of them as display ads.** Interactive ads on CTV can leverage the user's remote to serve up additional product information or image galleries. Voice activation can also activate calls-to-action that deliver product information or enable purchases. Interactivity can increase ad recall and engagement, but options may differ depending on screen type, OS platform, and SDK support.
- 7. Consumers want to be able to shop and purchase directly from CTV ads make it easy for them with shoppable QR codes. 40% of OTT users have seen an ad and "paused to purchase"- where they paused content to buy or learn more about a product (Source: OpenX, Consumer OTT Report, 2019). QR codes are a great way to bring those lower-funnel results to upper funnel branding. Make sure that the QR code is large enough to scan from the couch and that it is visible for the duration of ad.
- 8. Experiment with creative innovation to reach and engage viewers more effectively (within reason). It's important to test and learn which creative innovations work best to reach and engage with your specific audience while supporting your defined KPIs but don't overdo it. An Innovid study showed that ads that used two to three in-unit elements, such as videos or browsable product galleries, generated the highest and most consistent engagement (Source: Innovid, The State of Connected TV, Jan 2020).



Introduction: Why Creative Matters Now More Than Ever

CTV consumer consumption has seen meteoric growth over the last few years. According to Nielsen, consumers watched almost 30 billion minutes of streaming in Q1 2021 — which is up 122% from Q1 2018 where consumers watched 13.5 billion minutes (Source: Nielsen, June 2021). With this rapid rise in consumption and the fact that 80% of US CTV consumers are watching ad-supported CTV content (Source: SpotX and Mintel, July 2020), advertising investment is quickly flowing into the space. Ad spend is expected to reach \$13.41 billion by the end of this year and is projected to almost double in the next three years — reaching \$24.76 by 2024 (Source: eMarketer, March 2021) and nearly three quarters (73%) of CTV buyers report shifting budget from broadcast and cable to CTV in 2021 (Source: IAB Video Ad Spend Report, May 2021).

To maintain this trajectory for ad-supported CTV and help marketers navigate a privacy-focused world where 1:1 personalization will be challenged, creative must take center stage. The industry must remain laser focused on providing the best consumer ad experience possible. The optimal ad experience must deliver on the marketer's goals, enable publishers to fund their content, and most importantly, keep viewers interested and engaged. The goal of this document is three-fold and will cover the following areas:

- 1. Overall best practices to create an optimal CTV ad experience
- 2. Innovative CTV ad formats and creative examples
- 3. Future trends and considerations for the industry

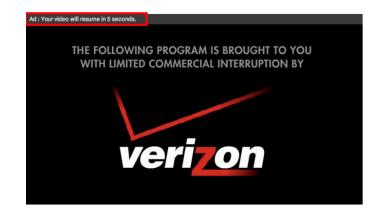


Best Practices for the CTV Ad Experience

A good video ad experience is comprised of many components. The ad experience should be seamless — displaying a crystal-clear image as soon as the content ends. Ads should deliver messaging that is relevant to the individual consumer and provides entertainment and/or utility. Messaging should be delivered enough times to drive brand recall, favorability, and purchase but not too many times to cause annoyance or creative fatigue. All of these items represent key considerations for the development and enablement of a good consumer ad experience. We break it down further below.

Ad Load

• Given the younger, more affluent viewers that make up the CTV audience and the fact that most viewers' first experience with premium video content has been ad free (thank you, Netflix), most publishers recognize that the commercial load on CTV must be shorter than the ad load on traditional TV. There are roughly 15 to 18 minutes of ads in an hour-long show on traditional linear TV. The ad load on streaming video providers is significantly lower — ranging anywhere from 1.56 minutes per hour to 5.36 minutes per hour. Consumers have been conditioned to this and see it as a value driver for CTV (Source: Cordcutting.com, May 2020).



Source: Hulu

- However, the overall ad load can only be reduced so much. A study by FreeWheel showed that when
 programmers tested significant reductions to ad loads, such as cutting the number of ads by 50% or more,
 viewer engagement increases (engagement is defined as the number of videos watched per visit). However,
 even the best performing ad reduction experiments only increased viewer engagement with content by an
 average of 7% and repeat visits by 1%. The implication is that there must be a give and take as publishers
 consider ad load in conjunction with the other components of an optimal ad and content experience
 (Source: FreeWheel, Engaging the Viewer, 2018).
- In the future, publishers may lean into dynamic pod placement whereby the whole ad pod can be
 personalized to the viewers. This dynamic placement opportunity allows publishers to change the number
 of ads in a pod tailoring that experience for the individual household or person. To enable this data-driven
 and audience-based decision making, machine learning can identify when tune-out occurs for an individual
 viewer and then the ad experience is optimized accordingly. In partnership with providers like Adobe,
 publishers are starting to experiment with dynamic ad placement.



Ad Duration

- Marketers can leverage 15-, 30-, and 60-second (and sometimes longer) ads on CTV.
- To create a better consumer experience, publishers may have different timing restrictions for the ads depending on where they are in the ad pod (e.g., 15 seconds for pre-roll and longer lengths for mid-roll) or constraints of the content itself. For instance,

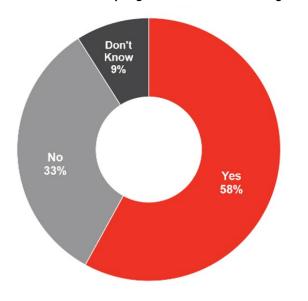
Insight: An Innovid study found that 30-second interactive video units generated a higher engagement rate with viewers responding to a call to action (Source: Innovid, The State of Connected TV, January 2020).

- a live sports event may require different parameters for the pod length and ad placement depending on the dynamics of the sport (e.g., golf, football, or soccer) versus the pod structure of a 20-minute comedy episode.
- When determining the appropriate ad length for CTV, it's important to keep the marketer's objective in mind. Is the goal to drive branding, engagement, website visits, or something else?

Creative Variation

- Submitting multiple creatives (3+) with different messaging is recommended to help avoid consumer burnout or fatigue. According to the <u>IAB Video Ad Spend 2020 and Outlook</u> <u>for 2021</u> study (released in May 2021), a majority of marketers (58%) are developing multiple creative executions.
- However, providing multiple creative variants
 can be expensive. Marketers should consider
 agencies or providers who are able to create
 variants from existing creative assets in a faster
 and more cost-efficient way. For example, Amazon
 Advertising's OTT Studio allows marketers to
 create scalable, customizable ad experiences from
 existing video creative. With this tool, marketers
 can easily add features to existing creative like
 product details, Amazon star ratings, and Prime
 eligibility. Additionally, Amazon Advertising's Video
 Creative Builder allows advertisers to create video
 assets, even if they didn't initially have one, using a
 selection of ready-to-use customizable templates
 where elements like backgrounds, descriptions, and

Whether Develop Multiple Creative Executions for Advanced TV Campaigns With Different Targets



Source: IAB FY 2020 Digital Video Advertising Spend Report, May 2021, Q: You indicated that your company/client currently advertises on Advanced TV. Does your company/client create multiple creative executions for their Advanced TV campaigns that can be used for different targets?



brand assets can be changed. Other technology providers can take existing assets and add dynamic overlays or end cards to help provide differentiated, relevant messaging.

Ad Frequency

- Striking the right ad frequency balance is crucial to achieve a marketer's goals and not cause consumer
 irritation or creative fatigue. Individual publishers will often set guidelines for their particular properties or
 platforms. However, the overall ad frequency should be determined on an individual marketer basis and
 monitored across platforms. It should be specific to the campaign objectives, target audience, and product.
- While overall ad frequency matters at the campaign level, it is critical to ensure that consumers don't see the same creative repeated back-to-back in the same pod. A study by TVision showed that viewers pay less attention to CTV ads when aired closer together. The study, which looked at viewer engagement with CTV ads over the past eight months, found that creatives that air repeatedly within 5 minutes of one another are 14% less likely to keep the viewers' eyes on the screen. Creative wear out is a bigger challenge for longer creative durations (30 and 60-second ads) than for 15-seconds ads. These longer ad lengths are 5-6X less likely to keep CTV viewers' eyes on the screen when the same creative is repeated within 5 minutes of airing (Source: TVision, The Impact of Repeat Ads on CTV Ad Performance, August 2021).
- In addition, repeating the same ad within the same exact position in a follow up pod within the same show (for example, in the first position of every mid-roll break of a full episode) is worse than just repeating the ad later on in the program. According to a FreeWheel study, the second time an ad played in a stream, viewers who saw it in a different position relative to when it first played had a 6% lower ad completion rate. In contrast, viewers who saw the repeat ad in the same position as before had a 23% lower ad completion rate. As the ad appeared more times, the negative effect of seeing it in the same position got significantly worse (Source: FreeWheel, Engaging the Viewer, 2018).
- From a publisher's point of view, managing frequency on their platform is simpler if one ad server oversees
 all decisioning. However, as the CTV ecosystem continues to evolve, publishers may need to use multiple ad
 servers to accommodate more complex business arrangements.
 - Ad servers, demand-side platforms (DSPs), and other ad tech platforms are working to streamline
 and simplify measurement and frequency management across content providers and demand
 sources (and while there has been progress, there is still more work to be done).
 - Some publishers are also providing modeled data to enable marketers to estimate reach and frequency against a target population. They can evaluate reach curves across the end points in which their content is distributed, and marketers can make informed decisions based on the data.
 - An important tool and best practice for frequency capping involves publisher implementation of an IFA (Identifier for Advertising) which is used to deliver targeted ads with better control of frequency and ad rotation. For more information on the IFA spec, see IAB Tech Lab's <u>Guidelines for Identifier</u> for Advertising (IFA) on CTV/OTT platforms.



Creative Considerations

- <u>Specific Calls to Action</u>: As with other formats, it is imperative to understand the marketer's goals for the campaign when designing CTV creative. If the goal is to generate consumer calls, having the business phone number on the video is crucial. Similarly, if the goal of the campaign is to drive web traffic, things like phone numbers in a video should be replaced with a short, simple URL.
- <u>Use of Voice-Overs</u>: Creative with voice-overs tend to outperform creatives with music only. In one campaign, technology company Strategus saw a 46% lift in conversions when switching from creative that only had music to creative that had music with a voice over (conversions were defined as a user who was exposed to the CTV message on their CTV device, visited the client page on a traditional digital device, filled out the promoted form, and hit the 'Thank you' form-fill confirmation page.) Higher conversions are likely because the brand message can be conveyed even if the viewer's eyes are elsewhere during an ad break (for instance, on their smartphone).
- <u>Custom End Cards</u>: When trying to drive awareness or consideration with viewers, consider adding an
 animated, custom end card to 15-second pre-roll video assets. Including animation or other video elements
 that serve as a transitional sequence instead of purely static images lets the end card feel like a seamless
 extension of the video ad experience.
- Interactivity: If you want viewers to interact with CTV creative, visual cues are critically important. Since the only method of interaction is a remote control, be very direct in telling the user how to interact with elements to reveal content. Whether it's a helpful nudge to pick up their remote and start clicking or a QR code that invites them to sign up for emails on their phones, clear guidance is everything in the connected living room (Source: true[X], CTV Playbook, 2021).
- Spacing and Flow: Having too many graphical elements close together on a CTV ad can lead viewers to click on the wrong thing and get confused. One way to address this is to set an invisible grid on your "canvas." The grid will help prevent overlapping elements or having them too close in proximity (Source: true[X], CTV Playbook, 2021).

true[X]'s Interactive CTV Sonic Campaign









Source: true[X], CTV Playbook, 2021



- QR Codes: When using QR codes to drive second screen actions, keep the QR code large enough to scan from
 the couch, and visible for the full duration of ad. Include a concise CTA that describes what will happen when
 the viewer scans. Clear incentives (special offers, coupons, etc.) often drive higher scan rates.
- <u>Experiment (Within Reason)</u>: While it's great to experiment, don't overuse capabilities. Balance awareness and
 performance-driven content for interactive campaigns to keep messaging clear. Ads that used two to three
 in-unit elements, such as videos or browsable product galleries, generated the highest and most consistent
 engagement (Source: <u>Innovid, The State of Connected TV, Jan 2020</u>).

Ad Ops

Avoid Buffering: The use of heavy, tag-laden creatives can cause latency and buffering which can delay content and even force people to restart their program or worse, reboot their CTV device. Some of these problems can be solved by ensuring the basics are done correctly. Refresh yourself on IAB's Digital Video In-Stream Ad Format Guidelines to ensure you're following the basic guidelines including providing or requiring a high-res mezzanine file to ensure the highest quality creative is transcoded to the right size for the screen on which the ads are viewed.



- VAST (Video Ad Serving Template): VAST enables trading at scale for CTV and other cross-platform video. This standard provides agencies with creative control to make changes as they wish. Agencies should give publishers notice when creative is changing and check with publishers to ensure tagging vendors are approved partners.
- <u>Third-Party Creative Tags</u>: This is a collaborative process. It is important to be transparent and open about the specs and any platform limitations. For example, it may appear initially that a third-party tag may not work, but adjustments to the structure of a tag or method of serving the videos could facilitate making it work. For more information and a check list that establishes the right buyer-seller tagging and measurement infrastructure (before the start of a campaign), see the IAB / 4A's Long-Form Video T's and C's addendum.
- <u>Server-Side Ad Insertion (SSAI)</u>: SSAI is key to enable the most TV-like experience. It is supported by the latest version of VAST (4.x) and is primarily used in CTV environments to support the delivery of the highest-resolution assets to the big screen.
- Ad-ID: Leveraging standard ad registries like Ad-ID makes it easier to uniquely identify each creative asset, ensuring proper frequency of delivery and a higher quality ad experience, while enabling better tracking and reporting on the back end. Ad-ID also enables creative assets to more easily be refreshed helping avoid creative burnout.



Innovative CTV Ad Formats and Creative Examples

Creative is a hugely important piece of the advertising effectiveness puzzle (especially as targeting through third-party data solutions becomes increasingly constrained). Of course, content and context (where you place your advertisements) matter as does audience-based targeting. But creative also contributes tremendously, representing 47% of a campaign's effectiveness (Source: Nielsen, Five Keys to Advertising Effectiveness, August 2017). So how can the industry best leverage creative innovation to facilitate a one-to-one connection with consumers, while providing utility and entertainment, upleveling the overall viewing experience, and driving business results for marketers?



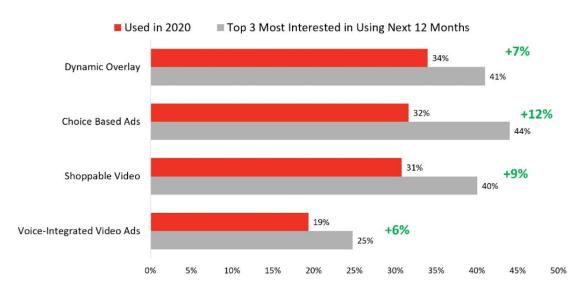
Innovative CTV commercial experiences don't have to be complex or overly bespoke.

Sometimes making a simple but bold change within an existing format can have a large impact (like adding an overlay or QR code). Marketers also do not need a million innovative ad formats to choose from. What are the handful of innovative CTV ad formats that the industry can rally behind to help make them more turnkey and scalable? In the IAB Video Ad Spend 2020 and Outlook for 2021 study, buy-side participants expressed interest and enthusiasm in investing in the following CTV ad formats: dynamic overlays, choice-based ads, shoppable ads, and voice-integrated ads. In additional member interviews, leveraging creative extensions/end cards and sequential CTV creative emerged as other important CTV creative tactics. More information and case studies on these ad formats are below:

 Dynamic Overlay: This is dynamic creative that uses data to personalize the ad for the viewer using location, demographic, or behavioral data. Marketers can take their existing video creative and use data to add an overlay that is personalized to the viewer. Some examples of an overlay include store locators, local weather, local sports team information. One of the benefits of dynamic overlays is that they are more easily implemented and therefore scalable.







Source: IAB FY 2020 Digital Video Advertising Spend Report, May 2021, Q: Which of the following Connected TV advertising offerings did your (company/main client) use in 2020? Please rank the 3 Connected TV advertising offerings your (company/main client) would be most interested in using in the next 12 months.

Choice-Based Ads: These ads allow the user to control their ad experience by choosing the ad they want to see. This could include a scenario where a user is presented several video options and can select one ad experience to view. It can also include a situation where a viewer can select to watch a long-form commercial in exchange for an ad-free viewing experience or view the show with standard ad breaks. This choice is powerful and brings the value exchange of free content to the forefront of consumer's minds.

Insight: According to a FreeWheel study, 50% of people indicated that they would select a longer pre-roll at the start of their session, if given a choice (Source: FreeWheel, Engaging the Viewer, 2018).



• Shoppable and Actionable Video: These interactive ads are designed to connect consumers with products, services, or merchants within the ad itself. The ads can provide product learning and exploration, links to additional information, and in some cases, may enable click-to-buy capabilities within the ad unit itself. The number of steps between content viewing and commerce can vary from platform to platform. Innovations in mobile camera technologies such as QR codes are further enabling product trial and purchase.

Insight: 40% of OTT users have seen an ad and "paused to purchase"- where they paused content to buy or learn more about a product (Source: OpenX, Consumer OTT Report, 2019).

- Voice-Integrated Video Ads: These ads allow audiences to use their voice to interact with a brand following on-screen prompts to speak into their remote. Roughly 1 in 5 consumers use voice commands to interact with TVs but interest is growing both on the consumer side and publisher/marketer side (Source: Variety, One in Five Consumers Uses Voice to Interact With Their TVs, 2019). One thing to consider is building an alternative, non-voice-controlled option for navigating the experience as well.
- Sequential CTV Creative: Video ad sequencing allows marketers to tell a story that unfolds across several CTV creatives instead of trying to tell a story within a single ad. The sequencing order can be determined by the action the viewer took based on the first ad. For example, if a viewer is exposed to ad A and completes the call to action, they will receive an appropriate follow up message with ad B. If a viewer is exposed to ad A and does not complete the call to action, they will receive appropriate follow up messaging with ad C. A second set of CTV creative helps develop the brand story and creates more curiosity within a target audience increasing the likelihood of a post-view conversion.
- Creative Extensions, Companion Ads, and End Cards: These ads are short-form content that are displayed
 before or at the end of an existing CTV creative. This additional content can either be branded or unbranded
 and is directly tied to and relevant to the ad it accompanies. Examples could include trivia, DIY explainers
 that provide value and engage viewers, etc. These executions may be developed by specific publishers and
 supported more broadly through the use of VAST extensions (see IAB Tech Lab <u>VAST 4.x guidelines</u>).



CTV Creative Case Studies

BJ's Wholesale Club And Origin Media

Ad Format: Creative Extensions, Companion Ads, and End Cards

Campaign Goal: BJ's Wholesale Club, a leading operator of membership warehouse clubs in the Eastern U.S., wanted to elevate their CTV campaign promoting 44 existing clubs as well as two new locations that were opening. To achieve this, they engaged Origin to produce a full series of custom creative extensions (called ad toppers) that would run in random rotation directly ahead of their primary ad creative. The number of toppers produced correlated with frequency capping best practices, ensuring that a viewer never saw the same combination of topper and ad more than once.

The brief provided by BJ's was that the toppers sparked interest and conversation between viewers at home. Origin quizzed viewers about their shopping habits, sharing interesting facts about what the average family consumes every day.

Results: Results for the CTV ads were analyzed by Mint Measure, a marketing analytics platform that integrated online and offline data to report on the effectiveness of the campaign and determine ideal frequency parameters.

Mint Measure's independent analysis showed that the Origin enhanced ads generated approximately 8.6% of total in-store visits while comprising just 5% of the impressions allocated.



Laundry Quiz - Play ad here



Coffee Quiz - Play ad here



Pasta Quiz - Play ad here

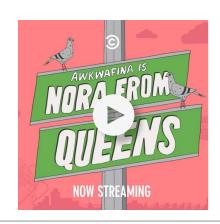


Comedy Central and YouTube

Ad Format: Sequential Creative

Campaign Goal: Comedy Central partnered with YouTube to build awareness and drive interest for their series "Awkwafina is Nora from Queens."

Tactics: In addition to showing long-form clips and leveraging tune-in promotional messages, Comedy Central aired the first, full 21-minute episode on YouTube for free. Consumers could view the whole first episode within the actual ad unit on YouTube across CTVs and other platforms. Leveraging YouTube's ad sequencing capabilities, individuals who viewed the full episode ad



Play ad here

were later served an extra-cute, non-skippable "straight-to-camera" promotion of Awkwafina, reminding users to tune in to the next episode the following week (this is the featured ad). Individuals who skipped the full-episode ad were later served a non-skippable critics spot to amp up the FOMO.

Results: The show was Comedy Central's most-watched and highest-rated series premiere since 2016. Additionally, the show claimed the title of #1 Most Social Primetime Cable Comedy on premiere night and won the 2021 YouTube Works award for "Big Screen, Big Results."

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Awkwafina is Nora from Queens and all related titles, logos and characters are trademarks of Comedy Partners.

Del Taco and Tremor Video

Ad Format: Shoppable/Actionable and Creative Extensions, Companion Ads, and End Cards

Campaign Goal: QSR brand Del Taco partnered with Tremor Video to drive awareness of its limited-time menu items and enable lower-funnel actions within the ad itself.

Tactics: Del Taco worked with Tremor Video to create an end card that highlighted its Crispy Jumbo Shrimp and Beer Battered Crispy Fish specials. The end card allowed the brand to fluidly continue the ad experience from the original 15-second spot. They also worked with Tremor



Play ad here

Video to add a QR code that would enable the consumer to find a Del Taco location or make an order for delivery.



FloSports and Transmit.Live

Ad Format: Dynamic Overlay (Double Box/Picture-in-Picture)

Campaign Goal: FloSports (a live sports event streaming platform) partnered with Transmit.Live to capture audience attention for Ford within high-impact moments of contextually relevant programming to generate brand awareness and purchase intent.

Tactics: Transmit partnered with FloSports and Ford to deliver a creative extension (called In-Stream Double Box Ad Unit). Transmit used proprietary server-side ad insertion technology that supports standard VAST

FORD TRUCK MONTH
FINAL DAYS

LINE BRIDE BR

Play ad here

video-enabled in-stream ad experiences across prominent sports programming. Transmit leveraged data-driven event signals to generate incremental, targetable ad opportunities for FloSports that maximize audience attention without disrupting the viewing experience. It created an innovative ad that drove results for Ford.

CPG brand and Amazon Advertising

Ad Format: Voice-Integrated Video and Shoppable/Actionable Video

Campaign Goal: A CPG brand worked with Amazon Advertising to help drive action with audiences on the IMDb TV app on Fire TV.

Tactics: When viewers see this actionable video ad, they can take Amazon shopping actions without disrupting their viewing experience. In the first example, viewers can use their Fire TV remote to add the product directly into their Amazon shopping cart or use their voice to say, "Alexa, add to cart."

In the second example, viewers can use their Fire TV remote to "buy now" or use their voice to say, "Alexa, buy now."

Add to Cart



Buy Now





Nissan and true[X]

Ad Format: Choice Based

Campaign Goal: Nissan wanted to drive brand lift for the Nissan Rogue among bilingual Hispanic households and to do that, they partnered with true[X]. If viewers opted-in to an interactive ad experience, they could then select whether the ad played in English or Spanish, in real-time, without losing their place in the ad.

Results: Nissan learned that four-fifths of users selected English at the start of the ad and the remainder chose Spanish. Of users who toggled between English and Spanish as the ad played, 60% switched from Spanish to



Play ad here

English. This indicated that there was a preference for English but also that viewers did leverage the opportunity to choose their preferred language.

Awareness for Nissan Rogue increased from 55 to 70%. Purchase intent also increased from 18 to 23%.

Paramount+ and Transmit.Live

Ad Format: Creative Extensions, Companion Ads, and End Cards (Double Box/Picture-in-Picture with Live Feed)

Campaign Goal: Paramount+ partnered with Transmit.Live to drive awareness that the Concacaf qualifiers were available to watch on Paramount+.

Tactics: The CBS Live game feed is paired with Paramount+ VAST promo ads and a Transmit custom motion graphic skin. Live segments of content stream dynamically within the creative experience which is distributed to target audiences as decided by the client.



Play ad here

Results: The ads saw 53% unique reach against the target audience of sports fans and active streamers. (Unique reach reported by DSP and defined as the estimated number of unique users — across devices — who saw or clicked an ad during the reporting period.)



Pringles and Innovid

Ad Format: Dynamic Overlay and Shoppable/Actionable

Campaign Goal: Pringles had a Super Bowl advertising campaign with an original creative that aired during the live, linear game. To drive increased interactivity and purchase for Pringles, Innovid created dynamic and shoppable capabilities that lived as overlays on top of the initial ad and aired them on CBS Sports' live stream of the game.

Tactics: In the featured clip, the ad was personalized — calling out the city the user was in, and viewers were able to use their remote to see different Pringles stack



Play ad here

combinations. While 50% of users saw this version, the other 50% got a shoppable version with a QR code to enable purchase on a mobile phone.

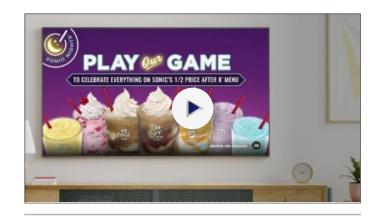
Results: The personalized ad generated a 6.4% engagement rate where users either interacted with the ad with their remote or scanned the QR code. This is 4x higher than Innovid's benchmark.

Sonic and true[X]

Ad Format: Choice Based

Campaign Goal: Sonic, a national fast-food chain, wanted to drive awareness of their "half price after 8 specials" on frozen drinks and partnered with true[X]. Consumers could opt-in to an interactive ad experience in exchange for a lighter ad load and if they did, they could use their remote to play a Sonic branded game.

Results: A third of users opted to play the game more than once and made an average of 11.4 interactions — surpassing the average for the quick-service restaurants industry which is 1.9 interactions. The campaign drove



Play ad here

brand lift results too: Brand preference increased 13% and purchase intent increased 12%.



Future Trends and Considerations for the Industry

It's an exciting time for the CTV ad industry which is being driven by a breakneck pace of change in technology and growth in viewer behavior. There are incredible opportunities to engage audiences — but challenges remain. Here are some continued focus areas for IAB and the industry to ensure CTV reaches its full potential:

- Standardization: With a fragmented ecosystem, marketers will have to run their ad campaigns across many
 endpoints that could have different specs and guidelines. This could force an advertiser to run an ad at the
 lowest common denominator ad spec instead of experimenting with innovation. Standardization will be key to
 solve this challenge.
 - IAB's <u>VAST Interactive Templates</u> and <u>SIMID</u> (Secure Interactive Media Interface Definition) were created to make it easier to execute interactive ad experiences on CTV and other video channels. The templates enable interactive experiences that only require limited visual assets (images, CSS, etc.) and minimal instructions/metadata in the VAST tag. The publisher implements the interactive code and uses the metadata to run the interactive ad. If you are using VAST Interactive Templates, bring those examples and proposals to the <u>Digital Video Technical Working Group</u> and the industry can work together to formalize them as standard templates.
 - SIMID was born from the desire to support interactive ads in a safe and secure environment for
 publishers and to enable better cross-platform support by supporting mobile, SSAI, and various OTT
 devices. SIMID will play an important role in helping scale these experiences. What is needed to
 increase industry adoption of this standard? Does it need an open-source SDK, is more education on
 the new standard needed, etc.? If you have thoughts, join our <u>Digital Video Technical Working Group</u> to
 share and brainstorm with the industry.
- Automation: Increased automation and programmatic enablement will also help scale these experiences and
 cut down on the amount of manual work sometimes needed to bring the creative up to spec. In the near term,
 marketers can negotiate multi-publisher private marketplace (PMP) deals to reach specific audiences at scale.
 In the long term, the industry is exploring ways to build the necessary infrastructure to support CTV buys at
 scale (e.g., Innovid formed a Programmatic Interactive CTV consortium to organize buy-side and sell-side
 programmatic platforms to connect the ad tech ecosystem and deliver against the promise of interactive CTV
 creative at scale. The Trade Desk and Magnite are part of these efforts (Source: GlobalNewswire, April 2021).
- Tools for Brand Safety and Suitability: The IAB Tech Lab <u>Content Taxonomy</u> provides a common language
 that can be used when describing content and is used for contextual targeting, brand safety, and to
 differentiate content such as sports, news, and wellness material. The 2.2 version of the Content Taxonomy
 introduced the concepts of Brand Safety "Floor" and "Suitability" to enable a nuanced approach to brand
 safety and allows more content to be monetized depending on the tolerance levels of a brand. The IAB Tech
 Lab Content Taxonomy specification also provides additional utility aimed at minimizing the risk that content



- categorization signals could be used to generate sensitive data points about things like race, politics, religion, or other personal characteristics that could result in discrimination.
- Measurement and KPIs: Marketers are increasingly looking to holistically measure across their entire
 CTV campaigns and understand how CTV contributes to ROI relative to other channels. Key to the creative
 process is identifying the KPIs and metrics that matter most, before campaign launch. Other considerations
 include balancing digital video performance metrics for CTV with upper-funnel metrics such as brand recall,
 online conversion, etc. IAB will be breaking down these topics further in upcoming meetings for the
 Advanced TV Committee and Measurement and Attribution Committee. To join these conversations, email
 committees@iab.com. To learn more about the specific naming conventions of data sets, data fields, and
 measurement metrics used for aggregating data across multiple video platforms and channels, see the IAB
 Measurement Map on Video.

We look forward to continuing to work with the industry to evangelize and advance the CTV industry. If you have thoughts on this document or would like to get involved, please contact Eric John (eric@iab.com).



About IAB and the IAB Media Experience Center



IAB empowers the media and marketing industries to thrive in the digital economy. Its membership comprises more than 650 leading media and technology companies that are responsible for selling, delivering, and optimizing digital advertising or marketing campaigns. The trade group fields critical research on interactive advertising, while also educating brands, agencies, and the wider business community on the importance of digital marketing. In affiliation with the IAB Tech Lab, it develops technical standards and best practices. Founded in 1996, IAB is headquartered in New York.



The IAB Media Center serves as the cross-screen (omni-channel) "umbrella" under which the Video and Audio Boards live. It serves as a forum to identify vital supply chain issues related to cross-media transactions and discuss how best to create the frameworks for the brand, publisher, and tech partnerships that are needed to engage directly with consumers in an increasingly fluid and privacy-constrained marketplace.