



## **Data-Driven Video Best Practices**

A marketer's guide to learn about the state of data-driven video along with benefits, best practices, tips, and more

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## ACKNOWLEDGEMENTS

### List of Contributing Companies

AccuWeather

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LiveRamp

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Philo

Premion

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Roku

SpotX

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Zefr

## PROJECT OVERVIEW

As data fuels the digital advertising ecosystem and video consumption continues to rise, data-driven video is emerging as a powerful marketing tactic and strategy that enables brands to deliver innovative storytelling. The goal of this best practices document is to illustrate how marketers can utilize data to inform not only targeting efforts but the actual video assets and creative messaging. This document highlights the state of data-driven video, marketer benefits, tips for how to get started, best practices, and more.

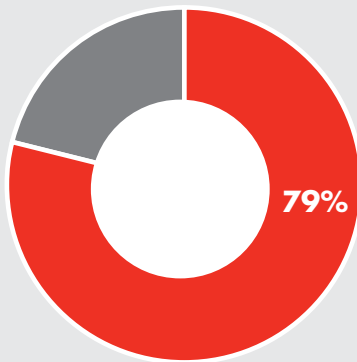
IAB compiled [data-driven video case studies](#) to bring to life how data can be used to inform the video creative itself. These [case studies](#) showcase a variety of tactics and span across multiple brand verticals. [Click here](#) to view the video assets and learn about the campaign goals, data sets that were utilized, and results.

## DATA-DRIVEN VIDEO OVERVIEW

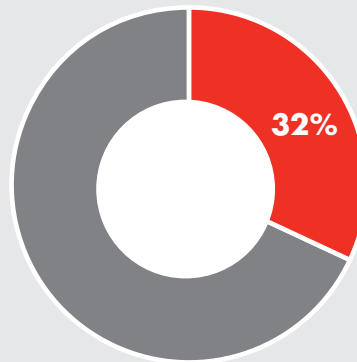
Data-driven video (DDV) is both a strategy and a tactic that allows marketers to use available data to deliver tailored advertising through precise audience targeting and personalized video creative that allows for permutations based on signals about the audience or other external factors. Underlying this strategy are two fundamental questions: who do you want to show this ad to and what messaging will move this individual to take a step towards the next best action?



## GROWTH OF DATA-DRIVEN VIDEO



Increase in Data-Driven Video Campaigns in 2018



DDV Impression Growth in 2018

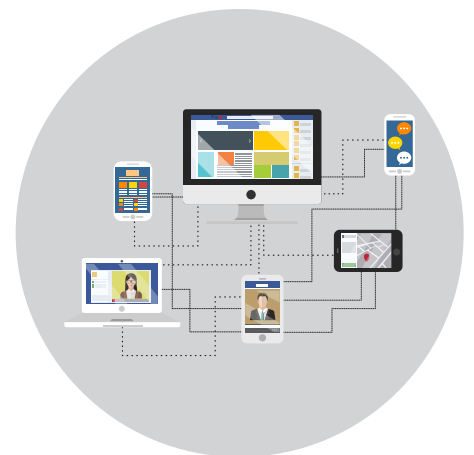
(Source: Innovid, 2018 Global Video Benchmarks)

## Benefits

- **Consumers like personalization:** According to an Epsilon study, 80% of respondents indicated they are more likely to do business with a company if it offers personalized experiences and 90% indicated that they find personalization appealing (Source: Epsilon, The power of me: The impact of personalization on marketing performance, 2018).
- **Personalized video can result in more efficient media planning:** By serving more relevant ads, marketers will be able to serve fewer, more impactful impressions.
- **Data-driven video drives engagement:** According to Innovid, there was a 78% lift in engagement rate on DDV campaigns compared to traditional pre-roll video ads (Source: Innovid, 2018 Global Video Benchmarks).
- **Marketers pursue DDV to drive sales and lifetime value:** According to a Verndale survey, personalization is most important for increasing sales and improving customer satisfaction and retention (Source: Verndale, Jan 2018). In addition, a SundaySky study revealed that personalized video experiences can improve Net Promoter Scores, which measure customer loyalty to a brand, by 48 points or more (Source: SundaySky, A Study of Personalized Videos Deployed by F500 Brands, February 2019).

## DATA SIGNALS USED TO INFORM TARGETING AND CREATIVE



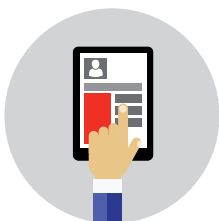
- Contextual: page-level content via semantic analysis (headlines, article content) or video-level content
- Demographics (age/sex)
- Device level data (device make/model, browser, operating system)
- First-party (CRM, product feeds, etc.)
- Location data
- Prior ad exposure (enables sequential messaging)
- Psychographics
- Purchase history
- Real time data (sports scores, stock tickers, weather, etc.)
- Site behavior (browsing history, cart information)
- Viewer Behavior (interactions, engagement, time spent with interactive elements)
- Viewer Information (first name, birth date)
- And more



## CONSIDERATIONS FOR IMPLEMENTING A DATA-DRIVEN VIDEO STRATEGY

Considerations	Beginner Strategies (new to DDV, modest budget, less data availability)	Advanced Strategies (experienced with DDV, larger budget, more data availability)
<b>DATA:</b> What data do you want to leverage and how do you organize it to make it actionable?	Use one data set (i.e. specific audience segment)	Use multiple data sets (i.e. multiple audience segments)
<b>DELIVERY:</b> How do you identify and reach your audience?	Single channel delivery	Omni-channel delivery
<b>CREATIVE MESSAGING/ASSETS:</b> What message do you want to send that audience and how will you personalize the video assets to achieve your messaging goals?	<ul style="list-style-type: none"> <li>Edit existing video assets</li> <li>Limit personalization to one element of the creative (i.e. alter colors, calls to action, product messaging)</li> <li>Create a few iterations</li> </ul>	<ul style="list-style-type: none"> <li>Plan for personalization from initial phases and create stories and imagery that leave space for dynamic elements.</li> <li>Expand personalization to multiple elements of the creative.</li> <li>Create as many iterations as the data will support.</li> </ul>
<b>MEASUREMENT:</b> Go beyond the click to understand true campaign success metrics like conversions.	Measure and report on KPIs of one campaign	Develop a learning plan to analyze campaign KPIs across multiple campaigns and create best practices to inform future campaign strategy.

## CAPABILITIES DIFFER BASED ON CHANNEL AND PLATFORM

Mobile/Desktop	OTT	Social channels
		
DDV personalization strategies can be implemented at an individual level.	<ul style="list-style-type: none"> <li>There are opportunities to personalize at an individual level on OTT (i.e. utilize registration data) but much of the personalization occurs at a household level.</li> <li>Data-driven video is possible via SSAI (which is predominantly utilized in OTT channels). With SSAI, personalization is mostly done via publisher first-party information because third-party cookies are not available.</li> </ul>	Social platforms may not allow third-party ad serving which can restrict the ability to conduct on-the-fly, real-time creative versioning.



## BEST PRACTICES

**Data informs both audience and creative:** Use data to identify different audiences and apply meaningful creative executions for each audience segment.

**Always consider where your ad will be seen:** Think about how the video ad will fit into the multi-screen ecosystem, take advantage of each screen's strength, and consider the technology you can leverage to personalize your video.

**Think about the consumer journey:** Messaging should change throughout the consumer journey. Feature the next best action for the viewer based on their engagement with the brand.

**Ensure data strategy is compliant with privacy regulation (i.e. GDPR, CCPA):** First-party data will be most impacted by privacy regulation so marketers should build a strategy that is not 100% reliant on first-party data. One suggestion is to create a cascading logic for your data strategy. For example, first-party data can be the priority data set but if the marketer can't use it, they can then flow down to another type of data like contextual.

## CHALLENGES

**Data management:** Keeping first-party data organized and determining how to segment your own audiences can be challenging.

**Data quality:** It is necessary to vet third-party data sets to ensure that the vendor's segmentation and modeling methods are sound and data is fresh. For more info, visit [datalabel.org](http://datalabel.org).

**Lack of resources:** According to a Sailthru survey of UK and US marketers, more than 4 in 10 respondents said that a lack of time, people and money has inhibited their personalization efforts (Source: Sailthru, October 2017). Note: Vendors that offer managed services can alleviate resource challenges and help get personalization programs off the ground.

**Regulatory issues:** As much as marketers are focused on reaching the right people, be mindful of also avoiding the wrong people (i.e. follow COPPA regulation, Legal Drinking Age (LDA) compliance).



## AD DELIVERY CONSIDERATIONS

**VAST:** VAST 4.x (i.e. VAST 4.0 and beyond) introduces the concept of "Ad Requests" and "VAST Interactive Templates" - both of which can be used to support some level of dynamic content.

**VPAID (Note: The spec for interactive ads will transition from VPAID to SIMID):** VPAID enables more complex levels of interaction for data-driven video. For example, VPAID ad units can change in response to user interaction.

## MEASUREMENT

**Go beyond the click:** Traditional KPIs like video completion rate and clicks should be balanced against more accurate determinations of success, like conversions for performance-based campaigns, and time-spent, for branding and awareness campaigns.

**Establish benchmarks:** Marketers can create benchmarks by conducting A/B testing. For example, run a generic version of the video first to establish benchmark for drop off and conversion rates. Then run the optimized video to understand how it performs against the benchmark.

**Test and iterate:** Check campaign performance on a weekly or bi-weekly basis and adjust your strategy based on performance. Testing can be as simple as an A/B test or as sophisticated as a multivariate test.



# ABOUT US



IAB: The Interactive Advertising Bureau (IAB) empowers the media and marketing industries to thrive in the digital economy. Its membership is comprised of 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. IAB and the IAB Education Foundation are committed to professional development and elevating the knowledge, skills, expertise, and diversity of the workforce across the industry. Through the work of its public policy office in Washington, D.C., IAB advocates for its members and promotes the value of the interactive advertising industry to legislators and policymakers. Founded in 1996, the IAB is headquartered in New York City and has a San Francisco office.



IAB Digital Video Center of Excellence: The IAB Digital Video Center of Excellence, a dedicated unit within IAB, is devoted to the advancement of the digital video medium in the global marketplace. Its board and members reflect a dynamic mix of top television brands, original digital video content producers, prominent print publishers, digital video technology leaders, and innovative start-ups spanning across the digital video programming, marketing, and distribution spectrum.

Together with its member companies and in cooperation with the IAB Tech Lab, the IAB Digital Video Center produces technical standards, research, and thought leadership critical to the field, while identifying emergent best practices in the fast growing arena of digital video. Working with the IAB Public Policy office, the Digital Video Center also advocates to legislators on behalf of the burgeoning medium.