



SINGLE GRAIN

HOW TO INCREASE REVENUE WITH VIDEO ADVERTISING:

A Quick Start Guide to Creating Effective YouTube Ads



Single Grain's management of YouTube advertisement for us has increased ROI by 400%!

Neil Patel, Crazy Egg

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Why Advertise on YouTube?

The time for video advertising is now!

YouTube is the 2nd largest search engine (behind Google) and is dwarfed only by Facebook in monthly active users (2 billion on Facebook vs. 1.5 billion on YouTube).

The Facts on YouTube Users:

- » YouTube has roughly 1.5 billion monthly users. That's nearly double that of Instagram and four times as much as Twitter.
- » Every day, roughly 1 billion hours of video are viewed on YouTube
- » YouTube is available in 88 countries and 76 languages
- » More than half of all YouTube views come from mobile devices
- » YouTube reaches more 18 - 49 year olds than any cable network

Fact Sources: *YouTube, Mind-Blowing YouTube Stats, Facts and Figures for 2017*

CASE STUDY: The Underutilized Marketing Channel That Increased a Startup's Revenue by 1,100%

Let's face it, marketers have a habit of over-saturating marketing channels. Look at Google AdWords and Facebook ads.

When channels become saturated, it becomes more expensive and tougher to increase sales. But we'll let you in on a little secret – a company we helped in the past was able to grow their revenues 1100% using a channel that isn't over-saturated yet.

It's scalable, cost-effective, the second-largest search engine in the world – and people aren't taking advantage of it. That means there's an opportunity for you to make money on it right now.

That channel is video advertising. More specifically, YouTube Advertising

Why Aren't People Jumping All Over YouTube Advertising?

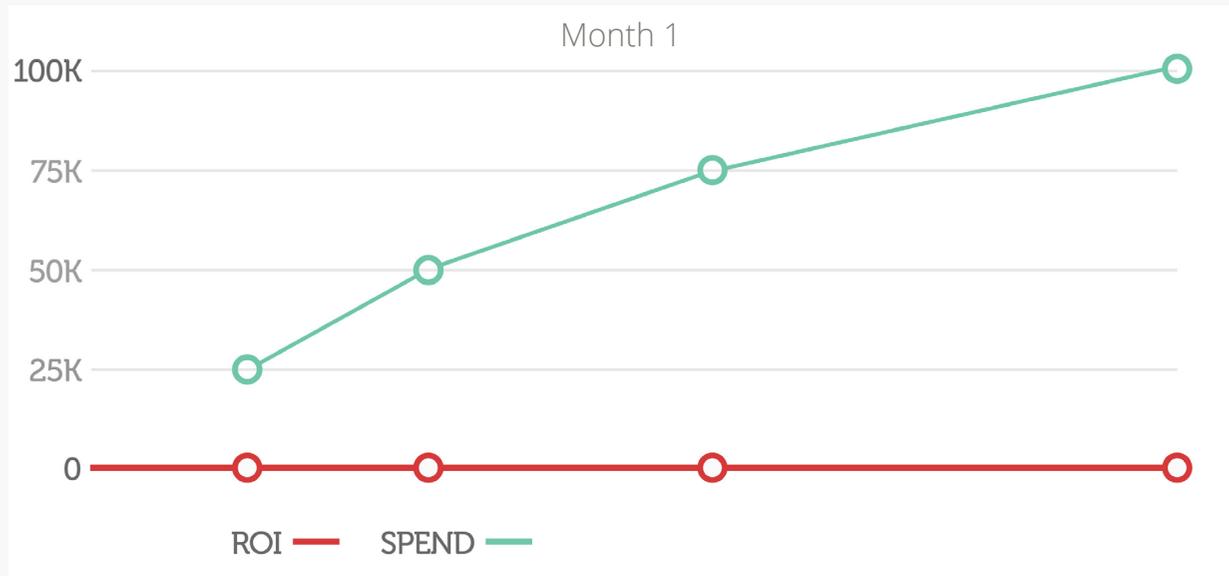
There's a barrier to entry. Building a high-quality video ad takes time and effort. You need team members who can script, shoot, and produce a video or you need to hire a video company. Plus, there's no guarantee that the first video you make will be a hit.

People don't understand it. Although it's housed with Google AdWords, it can take time to learn the in-and-outs of creating a successful YouTube ad campaign.

People don't understand its potential. Why aren't most people talking about it? Because they haven't tried it and they're stuck in their comfort zone.

Case Study (Continued):

The reason we're so passionate about YouTube advertising is that we've seen it work: In one instance, we helped a company grow revenue by 1100% by adding YouTube advertising to their marketing strategy.



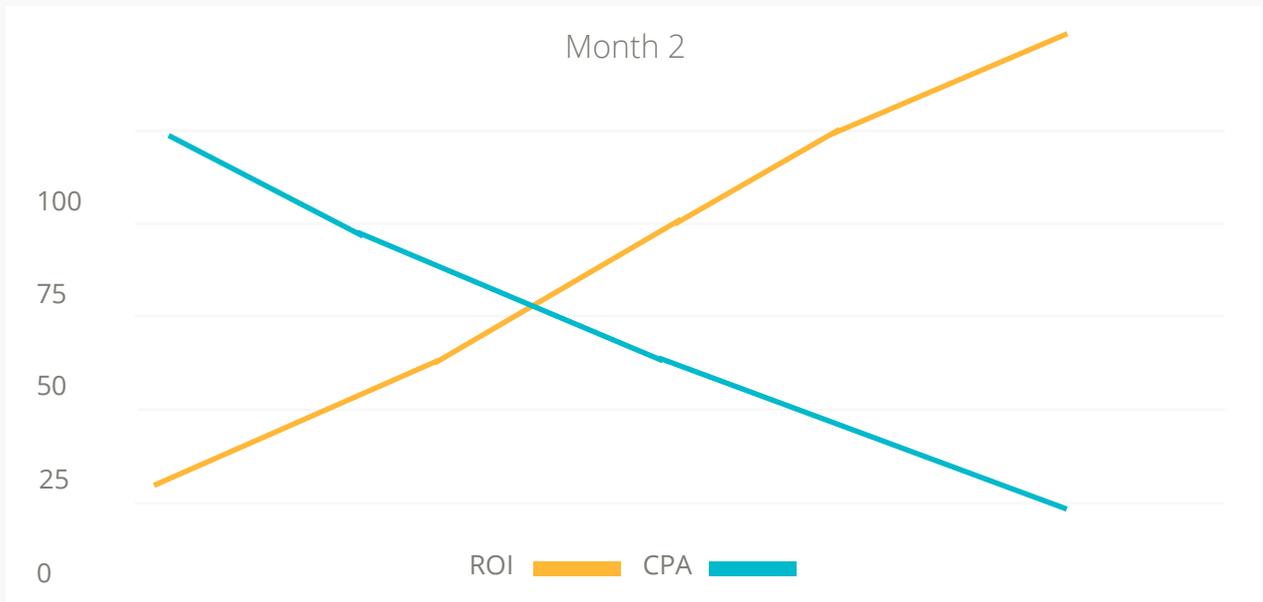
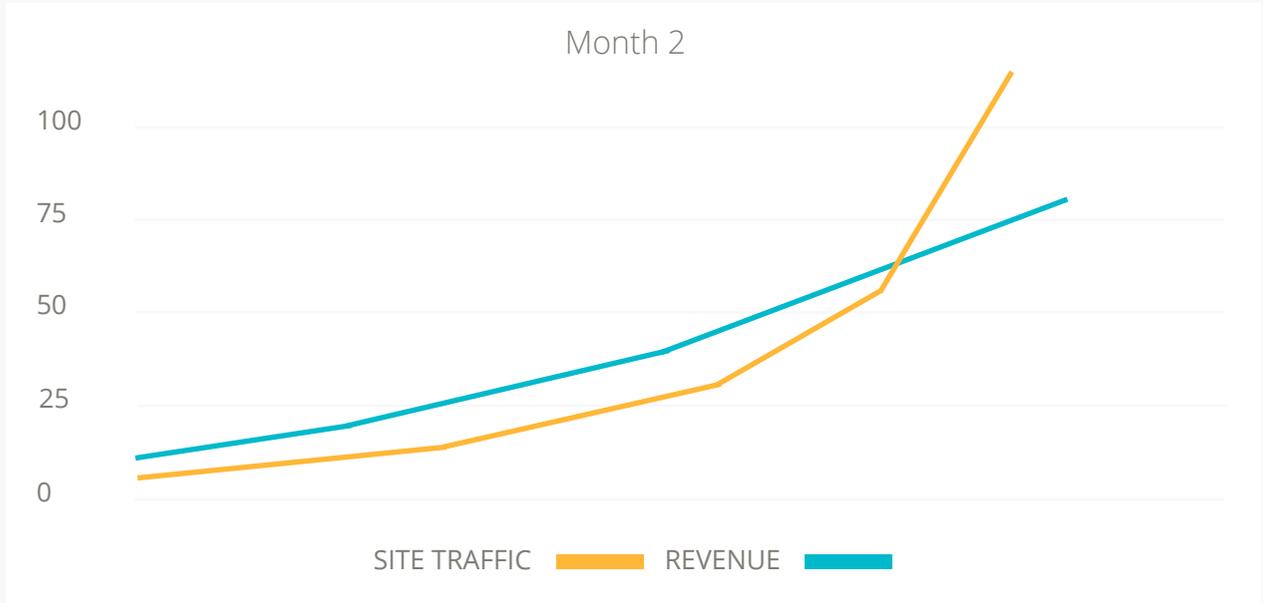
Knowing it would be a challenge, we got to work this company's YouTube ad campaign. The progress wasn't immediate: For the first two months, we spent over \$100K and got virtually nothing.

In month two, however, we started to see real traction and increasing metrics. We knew we had something special.

As time went on, their site traffic increased by 1M visits per month and we were able to cut their target cost-per-acquisition (CPA) number in half. The ROI of this campaign proved to be huge, and YouTube extremely profitable channel ever since.

And, as mentioned in the beginning, startup's revenue increased from \$2M to a cool \$24M.

Case Study Results:



The Top Advantages of Advertising on YouTube:

1. Low-Cost Per Views

Similar to a cost-per-click (CPC), a cost-per-view (CPV) is when someone views your ad.

One key benefit, however, to CPV ads on YouTube is that if you run an in-stream (pre-roll) ad, you won't be charged for the "view" unless the viewer watches the entire ad or at least 30 seconds of it – whichever comes first.

2. Transparent Tracking

Some video advertising platforms leave a lot to be desired in terms of tracking and reporting.

With YouTube, however, there is plenty of data to interpret and analyze regarding your ad campaigns. You can see the number of views your ad has, the cost-per-view, view rate, and more.

YouTube Advertising Stats

- » *YouTube is used by 74% of B2B marketers*
- » *100% of the top 100 global brands have run YouTube ads in the past year.*
- » *The average CPV for viewers in the age range of 18 - 24 is \$0.42. For ages 25 - 44 it's \$0.46. For ages 45 - 54, it's \$0.50.*

Fact Sources:

YouTube Advertising Benchmarks by Age, Device, and Industry

How the Top 100 Brands Use YouTube for Marketing

50 Essential Social Media Advertising Stats

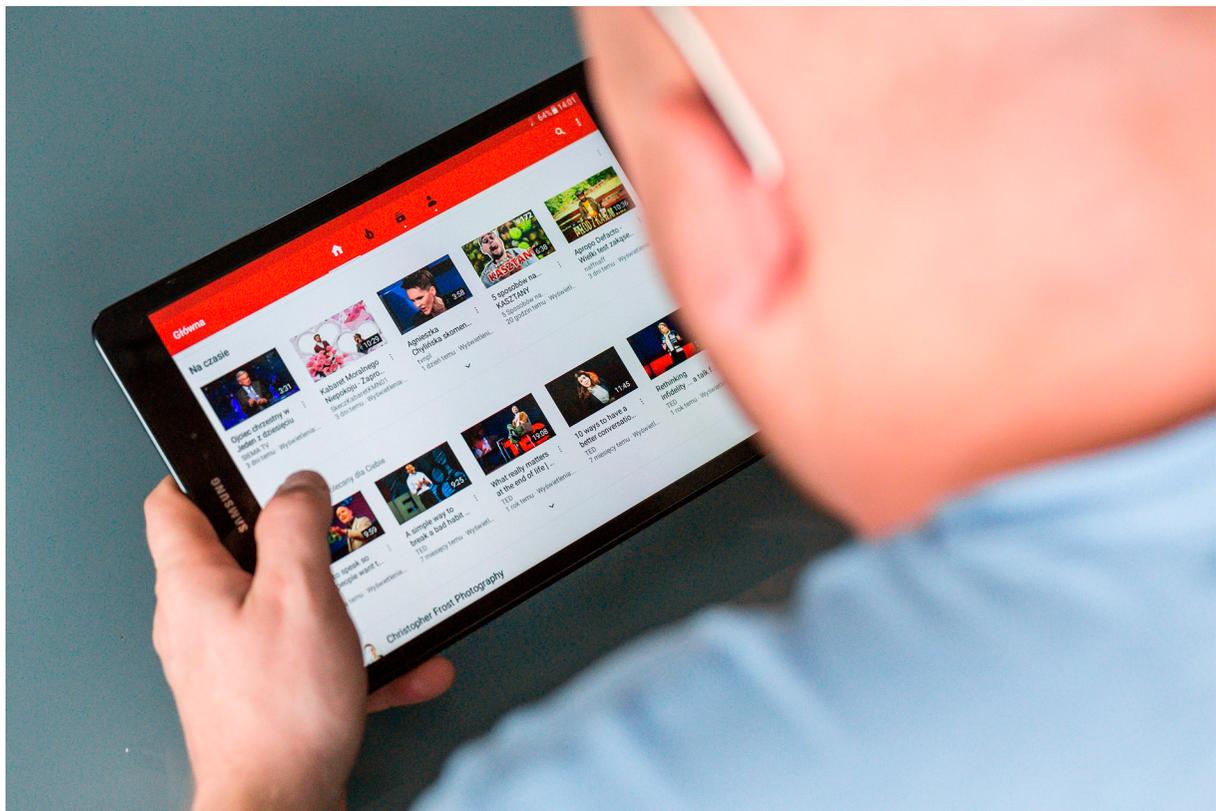
The Top Advantages of Advertising on YouTube (Continued):

3. Flexible Bidding

Whether it's YouTube search keywords, pre-roll ads, or sidebar ads, you have full control over how much you'd like to bid on each format.

4. More Targeting Capabilities

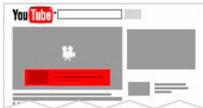
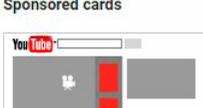
There are a number of places you can advertise on YouTube. You can use pre-roll ads to display your ad before a video, you can display ads in search results, and you can display ads in the sidebar area to the right of a video.



How to Get Started with YouTube Ads:

Now, let's cover how to get started advertising on YouTube. First, let's take a look at the ad formats you can choose from.

YouTube Ad Format Options:

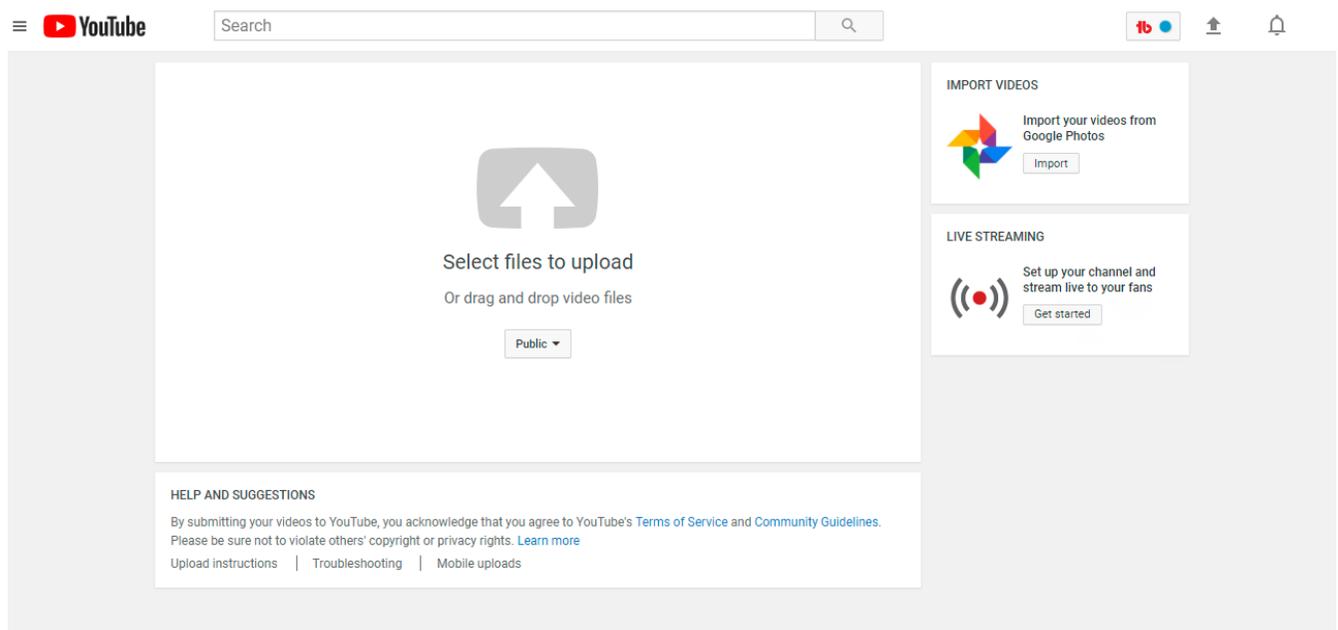
Ad format	Placement	Platform	Specs
Display ads 	Appears to the right of the feature video and above the video suggestions list. For larger players, this ad may appear below the player.	Desktop	300x250 or 300x60
Overlay ads 	Semi-transparent overlay ads that appear on the lower 20% portion of your video.	Desktop	468x60 or 728x90 image ads or text
Skippable video ads 	Skippable video ads allow viewers to skip ads after 5 seconds, if they choose. Inserted before, during, or after the main video.	Desktop, mobile devices, TV, and game consoles	Plays in video player.
Non-skippable video ads 	Non-skippable video ads must be watched before your video can be viewed. These ads can appear before, during, or after the main video.	Desktop and mobile devices	Plays in video player. 15 or 20 seconds in length, depending on regional standards.
Bumper ads 	Non-skippable video ads of up to 6 seconds that must be watched before your video can be viewed.	Desktop and mobile devices	Plays in video player, up to 6 seconds long
Sponsored cards 	Sponsored cards display content that may be relevant to your video, such as products featured in the video. Viewers will see a teaser for the card for a few seconds. They can also click the icon in the top right corner of the video to browse the cards.	Desktop and mobile devices	Card sizes vary

How to Set Up Your First YouTube Advertising Campaign

Setting up an ad campaign on YouTube is mostly straightforward. However, you will need a Google AdWords account to do so.

If you're familiar with creating AdWords campaigns, the process should feel routine to you. If not, follow along with the steps below to create your first ad campaign on YouTube:

1. Create a Video and Publish It to Your YouTube



If you don't have the resources to create a video, there's no problem with outsourcing. Two companies I recommend for creating explainer videos are Demo Duck and Switch Video.

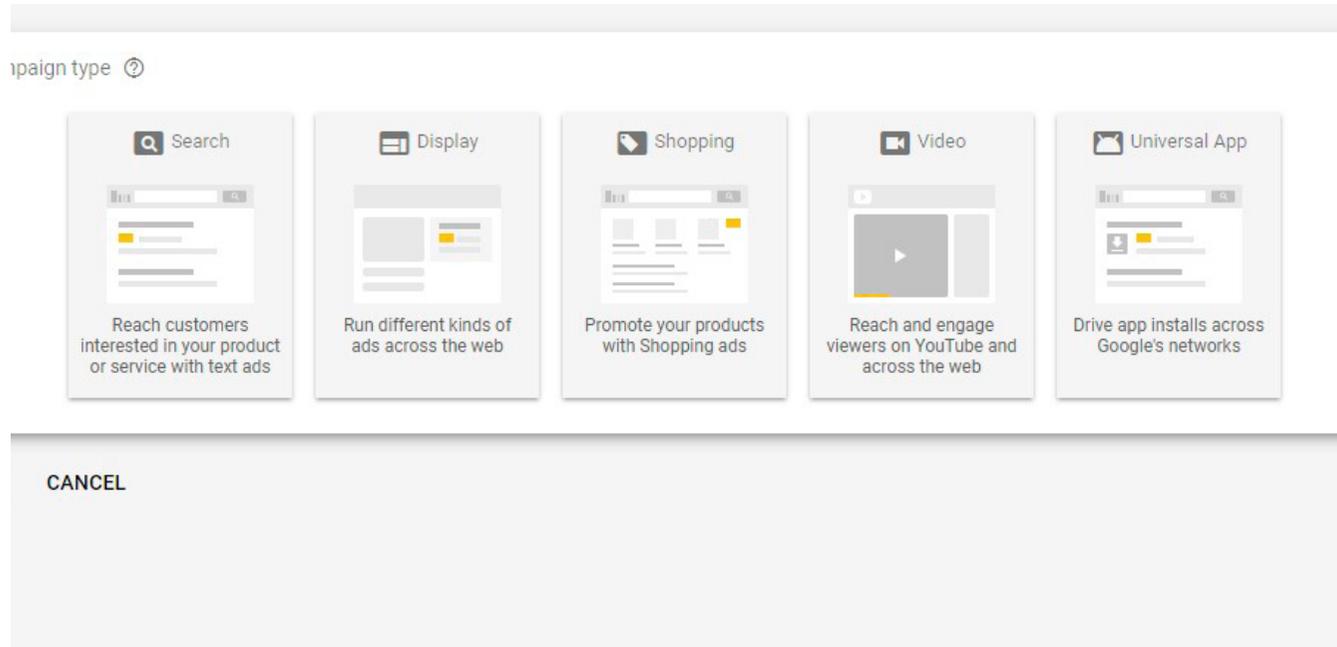
2. Log in to Adwords and Click Create a Campaign

The screenshot displays the Google AdWords interface. On the left, a sidebar lists navigation options: Overview, Opportunities, Campaigns (highlighted), Ad groups, Ads & extensions, Landing pages, Keywords, Audiences, Demographics, Settings, Locations, and Ad schedule. A blue circle with a white plus sign is overlaid on the 'Campaigns' section of the sidebar. The main content area is titled 'CAMPAIGNS' and 'AUCTION INSIGHTS'. It features a line chart for 'Clicks' with a y-axis from 0 to 2 and an x-axis for 'Jan 31, 2018'. Below the chart is a search bar 'Find campaigns' and a filter icon. A table below shows campaign data with columns: Campaign, Budget, Status, Campaign type, Bid strategy, Clicks, Impr., and CTR. The table contains one row for a 'Paused' search campaign with a budget of '\$6.00/day' and zero performance metrics. A 'Total: Campaigns' row is also present.

Campaign	Budget	Status	Campaign type	Bid strategy	Clicks	Impr.	CTR
<input type="checkbox"/> Campaign ↑	\$6.00/day	Paused	Search	—	0	0	0.00%
Total: Campaigns					0	0	0.00%

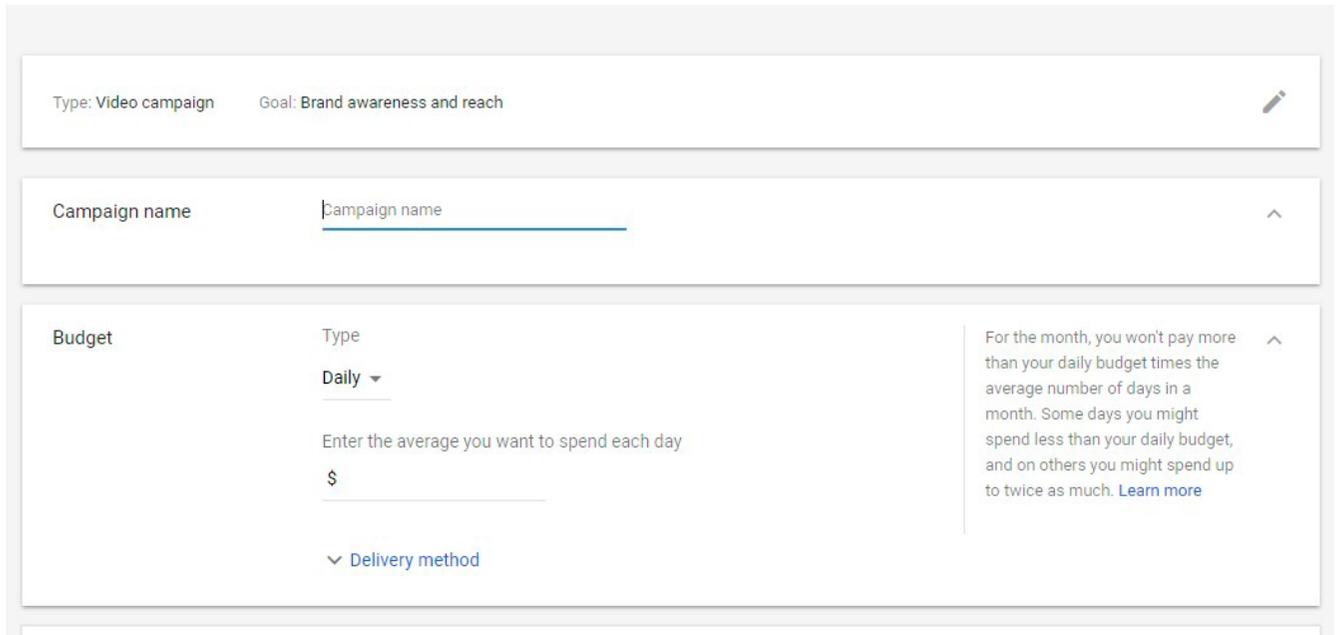
In AdWords, click the blue circle with the “+” icon to create a new ad campaign.

3. Choose a Campaign Type:



On the following screen, you can select which type of ad campaign you would like run. In this case, we want to run a video campaign. Click the box that says “Video” at the top.

4. Name Your Campaign and Set a Budget:



The screenshot shows the YouTube Ads campaign setup interface. At the top, it displays 'Type: Video campaign' and 'Goal: Brand awareness and reach'. Below this, there is a 'Campaign name' field with a placeholder 'Campaign name'. The 'Budget' section is expanded, showing 'Type' set to 'Daily'. A text input field prompts the user to 'Enter the average you want to spend each day' with a '\$' symbol. A 'Delivery method' dropdown is visible below. A help box on the right explains that the monthly spend won't exceed the daily budget multiplied by the number of days in the month, and that spending can vary daily.

Give your campaign a name that will help you identify the campaign later. For example, “YouTube Ad Campaign”.

At this point, you can also set the campaign’s budget. There are two options: Daily and Campaign Total.

Daily is the maximum amount of money you want to spend each day until you stop the campaign. Campaign Total can be used to set the maximum amount of money you want to spend on the entire campaign. Once this hits its limit, the campaign will be paused.

5. Set a Campaign Start and End Date:

Start and end dates	Start date: Start as soon as possible End date: Not set	▼
Networks	YouTube videos, Video partners on the Display Network	▼
Languages	All languages	▼
Locations	United States (country)	▼
Bidding strategy	Maximum CPV	▼

▼ Additional settings

Create your ad group [Skip ad group and ad creation](#)

Ad group name	<input type="text" value="Name"/>
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Now, you can set when you'd like the campaign to start and when it should end.

6. Choose the Networks You to Display Your Ad On:

Start and end dates	Start date: Start as soon as possible End date: Not set	▼
Networks	<input type="checkbox"/> YouTube search results Ads can appear next to search results on YouTube. You can use video discovery ads only.	▲
	<input checked="" type="checkbox"/> YouTube videos Ads can appear on YouTube videos, channel pages, and the YouTube homepage. You can use in-stream and video discovery ads.	
	<input checked="" type="checkbox"/> Video partners on the Display Network ⓘ	
Languages	All languages	▼
Locations	United States (country)	▼
Bidding strategy	Maximum CPV	▼
Additional settings		

In the “Networks” box, you can choose where you would like to display your ads. These will be pre-chosen for you based on the type of campaign you create. You can modify the options here if you wish.

7. Choose a Bidding Strategy:

The screenshot shows the YouTube Ad Manager interface for selecting a bidding strategy. It includes sections for 'Languages' (All languages), 'Locations' (United States (country)), and 'Bidding strategy' (Maximum CPV). A tooltip explains that Maximum CPV is used for in-stream ads. Below the bidding strategy section is an 'Additional settings' section and a 'Create your ad group' button with a 'Skip ad group and ad creation' link. At the bottom, there is a table with columns for 'Ad group name' and 'Name'.

Languages	All languages	▼
Locations	United States (country)	▼
Bidding strategy	Select your bid strategy ⓘ Maximum CPV ▼	With maximum CPV (cost-per-view) bidding strategy, you set the most you're willing to pay each time your ad is viewed. Choose this to create in-stream ads. Learn more
▼ Additional settings		
Create your ad group		Skip ad group and ad creation
Ad group name	Name	

Now you can choose a bidding strategy. There are two options: CPV (cost-per-view) and CPM (cost-per-impression).

With CPV, you will pay each time someone watches the full video ad or at least 30 seconds. With CPM, you will pay for every 1,000 impressions.

CPV is generally better for a desired action (such as a viewer clicking through to your website), while CPM is generally best for brand awareness.

8. Give Your Ad Group a Name and Set Your Maximum Bid:

Create your ad group [Skip ad group and ad creation](#)

Ad group name	<input type="text" value="Ad Group Name"/>
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Bidding	Maximum CPV bid	Maximum CPV (cost-per-view) bid is the highest amount you're willing to pay for someone to view your video ad. Learn more
	<input type="text" value="\$"/>	
	Popular videos bid adjustment ⓘ	

People: who you want to reach
Define your **Audiences**, **Demographic**, or both

Demographics	<input type="text" value="Any age, Any gender, Any parental status, Any household income"/>	▼
Audiences	<input type="text" value="Any interest"/>	▼

Give your Ad Group a name. Just like Google AdWords, YouTube ads can be broken down into groups with different ads in each group.

At this point, you can also set your maximum bid. With CPV, this is the maximum amount you're willing to pay for someone to view your ad. With CPM, this is the maximum amount you're willing to pay for your ad to be shown 1,000 times.

9. Choose Your Target Demographics:

People: who you want to reach
Define your Audiences, Demographic, or both

Demographics Select your demographic targeting ?

Gender	Age	Parental status	Household income
<input checked="" type="checkbox"/> Female	<input checked="" type="checkbox"/> 18 - 24	<input checked="" type="checkbox"/> Not a parent	<input checked="" type="checkbox"/> Top 10%
<input checked="" type="checkbox"/> Male	<input checked="" type="checkbox"/> 25 - 34	<input checked="" type="checkbox"/> Parent	<input checked="" type="checkbox"/> 11 - 20%
<input checked="" type="checkbox"/> Unknown ?	<input checked="" type="checkbox"/> 35 - 44	<input checked="" type="checkbox"/> Unknown ?	<input checked="" type="checkbox"/> 21 - 30%
	<input checked="" type="checkbox"/> 45 - 54		<input checked="" type="checkbox"/> 31 - 40%
	<input checked="" type="checkbox"/> 55 - 64		<input checked="" type="checkbox"/> 41 - 50%
	<input checked="" type="checkbox"/> 65+		<input checked="" type="checkbox"/> Lower 50%
	<input checked="" type="checkbox"/> Unknown ?		<input checked="" type="checkbox"/> Unknown ?

Note: Household income targeting is only available in select countries. [Learn more](#)

Scroll down to set demographics for the ad campaign. This will ensure that your ad is only seen by your target audience. You can narrow this down by gender, age, parental status, and household income.

10. Choose the Interests You'd Like Your Target Audience to Have:

The screenshot shows the 'Audiences' section in the YouTube Ad Manager interface. The title is 'Select your audience targeting'. On the left, there are three categories of audiences, each with a right-pointing chevron: 'All audiences: Groups of people based on their long term interest', 'Intent and life events Consumers actively researching products', and 'Remarketing People who previously interacted with your business and similar audiences'. On the right, it says 'None selected' with a 'CLEAR ALL' link. Below this, there is a descriptive text: 'Your ad can show to all audiences that match your other targeting. Add specific audiences to narrow your targeting.'

In this section, you can choose which categories you'd like the viewer to fit into. For example, "Sports & Fitness", "Home & Garden", etc.

11. Define Keywords, Topics, and Placements (If Desired):

Content: where you want your ads to show
Narrow your reach with **Keywords, Topics, or Placements**

Keywords	Any keyword	▼
Topics	Any topic	▼
Placements	Any placement	▼

In this section, you can input keywords or choose topics that you'd like your target viewers to have searched for or are currently searching for.

12. Paste in the URL of the Video You'd Like to Use as an Ad:

Create your video ad Skip ad creation

Your YouTube Video

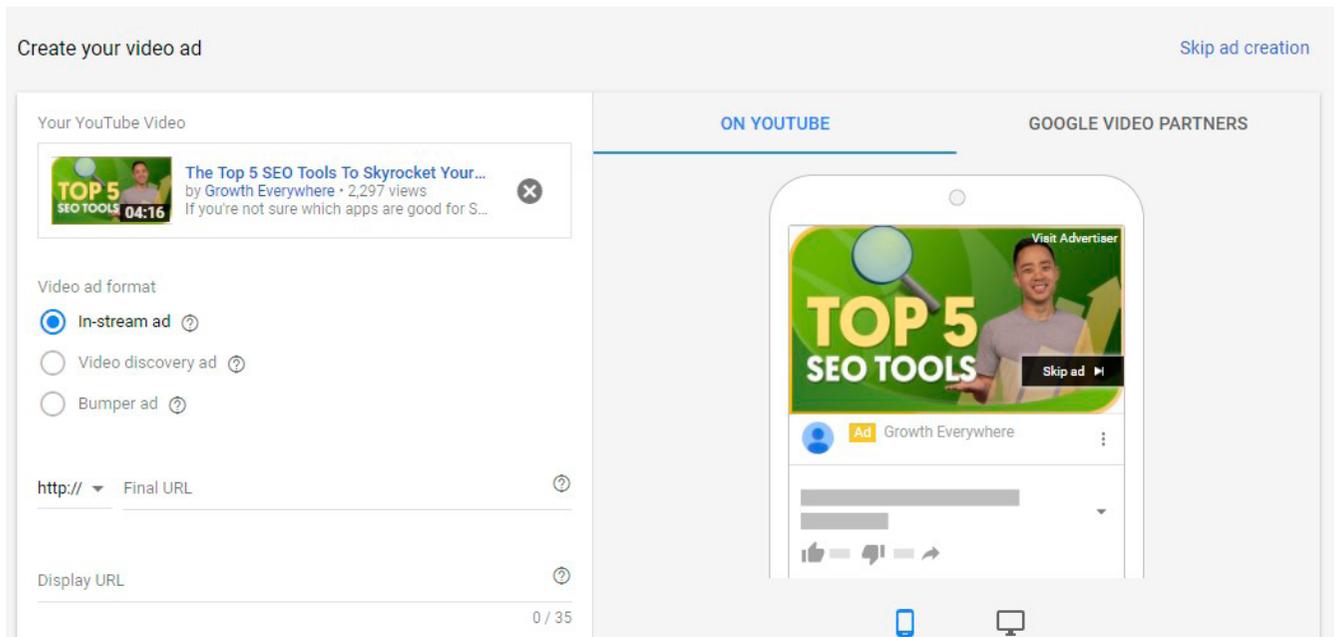
🔍 Search for a video or paste the URL from YouTube

YouTube

If your video isn't hosted on YouTube, [go to YouTube to upload your video.](#)

Once all the campaign settings have been filled out, you can select a video you'd like to use for your campaign. The easiest way to do this is to find the video you would like to use, copy the URL, and paste it into the search box here. Then you can select that video to be shown for your ad campaign.

13. Set the Destination URL and Run Your Ad:



The screenshot displays the YouTube Ad creation interface. On the left, under 'Your YouTube Video', a video thumbnail for 'TOP 5 SEO TOOLS' is shown with a duration of 04:16. Below it, the 'Video ad format' section has three options: 'In-stream ad' (selected), 'Video discovery ad', and 'Bumper ad'. There are also fields for 'Final URL' and 'Display URL'. On the right, the 'ON YOUTUBE' tab is active, showing a preview of the ad on a mobile device. The preview includes a 'Skip ad' button and a 'Visit Advertiser' link. The 'GOOGLE VIDEO PARTNERS' tab is also visible.

Lastly, you can set a destination URL. This is the page you'd like viewers to land on once they've clicked on your ad.

Start Advertising on YouTube Today!

If you're thinking about investing in video advertising, YouTube is the way to go. The low cost-per-acquisition makes it an attractive way to bring in new customers. Additionally, setting up your first campaign is straightforward, especially if you're already familiar with Google AdWords.

We recommend using pre-roll video ads to start since you will only be charged when a viewer watches your entire ad (or at least 30 seconds). However, experiment with each different format and discover the one that works best for your campaign.

Ready to Jumpstart Your YouTube Advertising?

Contact Us Now

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