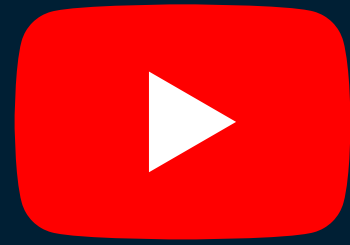


Q 3 2 0 2 3



# Q3 2023 YouTube CPV Benchmark

TrueView Campaigns Leverage on Views Objective



JUL  
AUG  
SEP  
23





# Connected TV leads Cost-Efficiency and Viewer Engagement Trends Across Key Industries

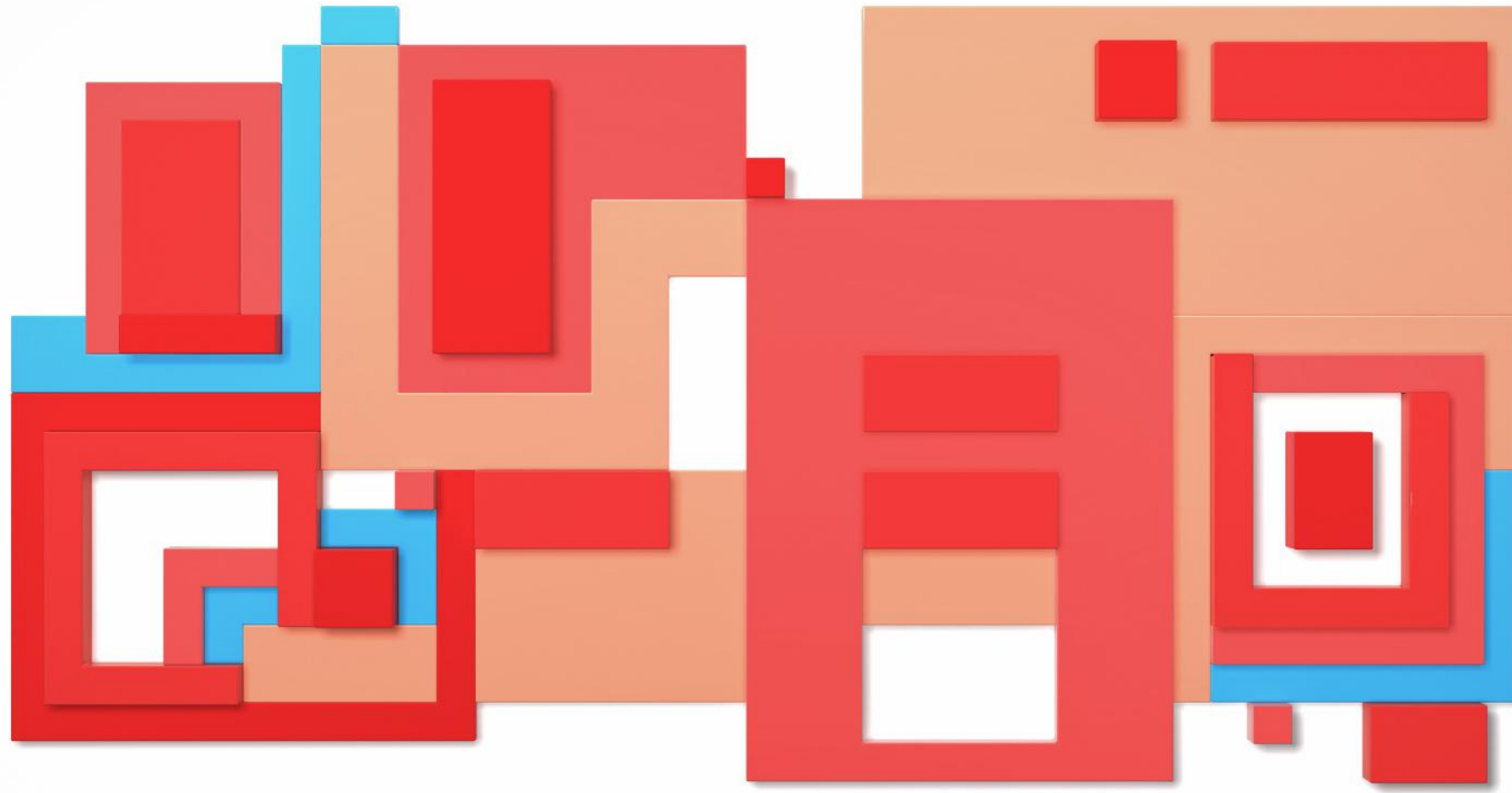
The spotlight is on the Connected TV platform, which emerged as a prominent channel for advertisers, exhibiting a strong alignment between budget allocation and viewer engagement. The case study further dissects the device-specific performance, enabling a nuanced understanding of where advertisers are gaining the most traction.

# About Strike Social



Strike Social is a leading global campaign management team serving the largest agencies with over 50 million campaigns optimized by our proprietary AI tool to ensure maximum performance and success.





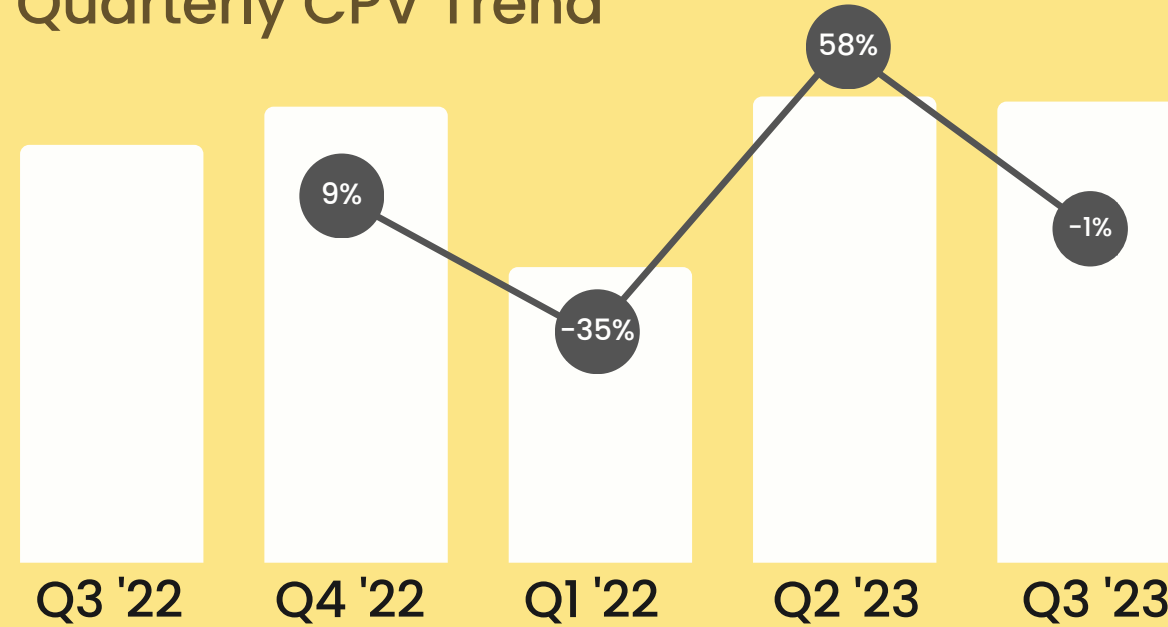
## our methodology

For this report, we only analyzed thousands of YouTube InStream Skippable campaigns that leveraged the Views objective. Our sample size consisted of more than 75+ million views across various industries. We used Strike Social's proprietary AI tool to optimize campaign performance and identify key metrics, including CPV, view, and video rate trends. The timeframe for our analysis was from Q3 2022 to Q3 2023. The data collected and analyzed were anonymized and aggregated to ensure confidentiality and privacy.

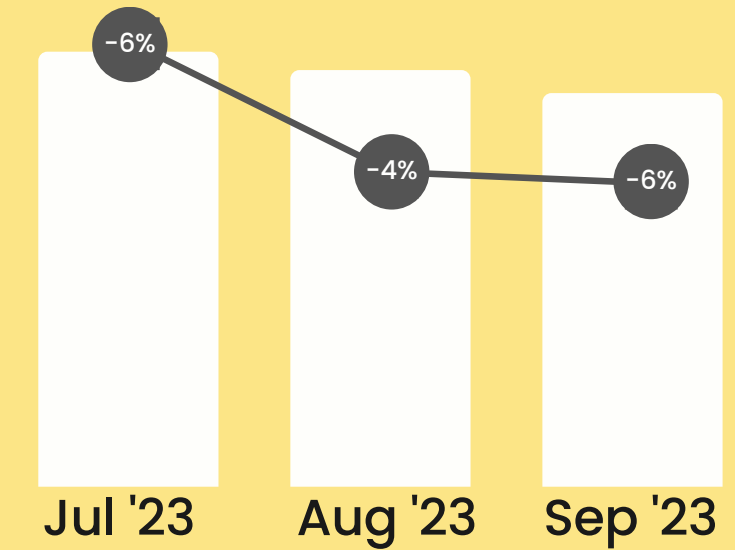
# Overview



Quarterly CPV Trend



Monthly CPV Trend



## 01. Quarterly

From the spike in CPV during Q2 '23, there has been a normalization in cost efficiency in Q3, post-back-to-school, and summer season.

Advertisers should prepare as they enter Q4, a quarter traditionally marked by increased advertising competition.

## 02. Monthly

The monthly CPV trend showcases a favorable scenario, with July marking the onset of CPV efficiency at almost 6%. The following months reflect 4% and 6% ad cost improvement. These trends demonstrate a balance between cost efficiency and a holiday-enhanced viewing experience on YouTube.

## 03. Overall

The diversified trend across various industries was observed, underpinned by a minimal CPV change QoQ. Q2 2023 further reflects enhanced cost-efficiency and viewer engagement, with CPV decreasing and Monthly View Rate improving consistently.

# Ad Spend and Views: Q3 '23 Performance Analysis

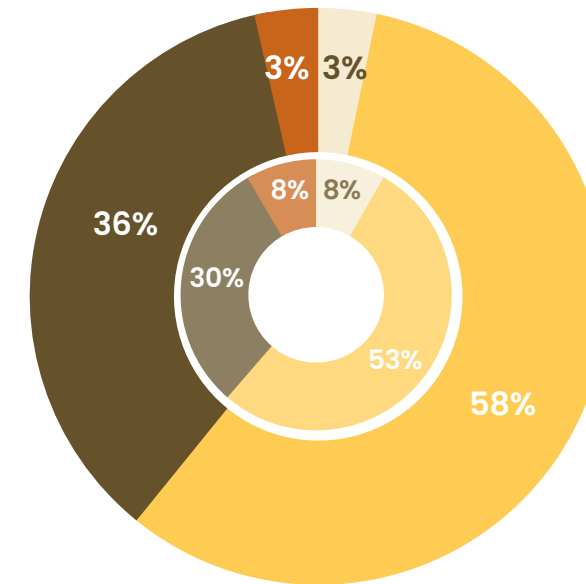
The substantial shift towards Connected TV this Q3 2023 manifests in our data, with CTV device leads in spends and views, 57.60% and 59.10%, respectively. YouTube CTV ads are becoming a successor of traditional TV advertising as it emulates a large-screen viewing experience. Ad innovations such as fewer ad breaks but longer unskippable ads will soon be integrated.

Moreover, an encouraging decrement in Cost Per View (CPV) by -2.45% and an uptick in View Through Rate (VTR) to 15.18% underscored the growing efficacy of YouTube CTV ads.

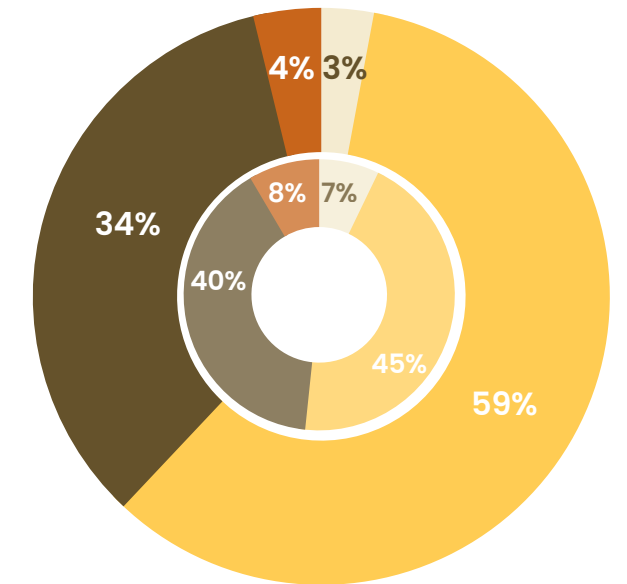
## '22-'23 Q3 Distribution of Spend and Views

● Connected TV
 ● Mobile
 ● Tablet
 ● Desktop

Spend Comparison

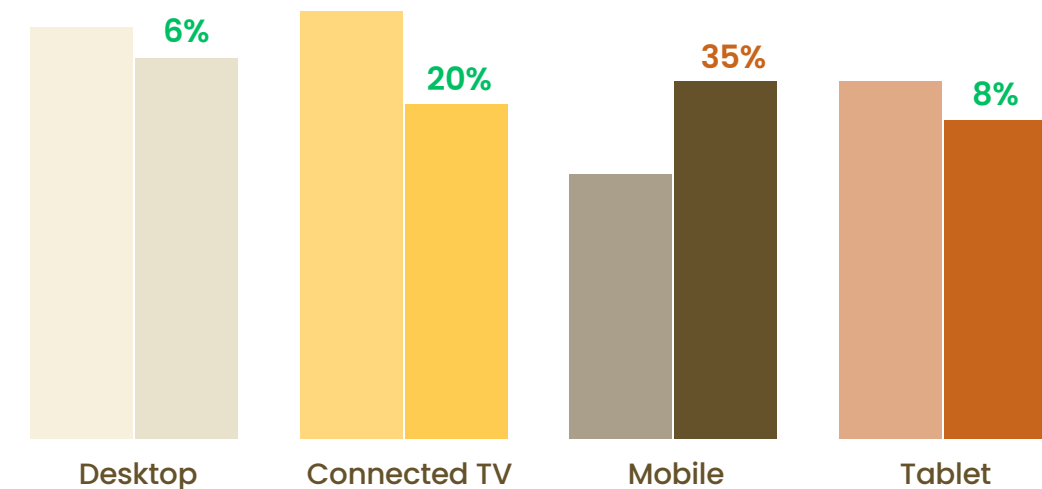


Views Comparison

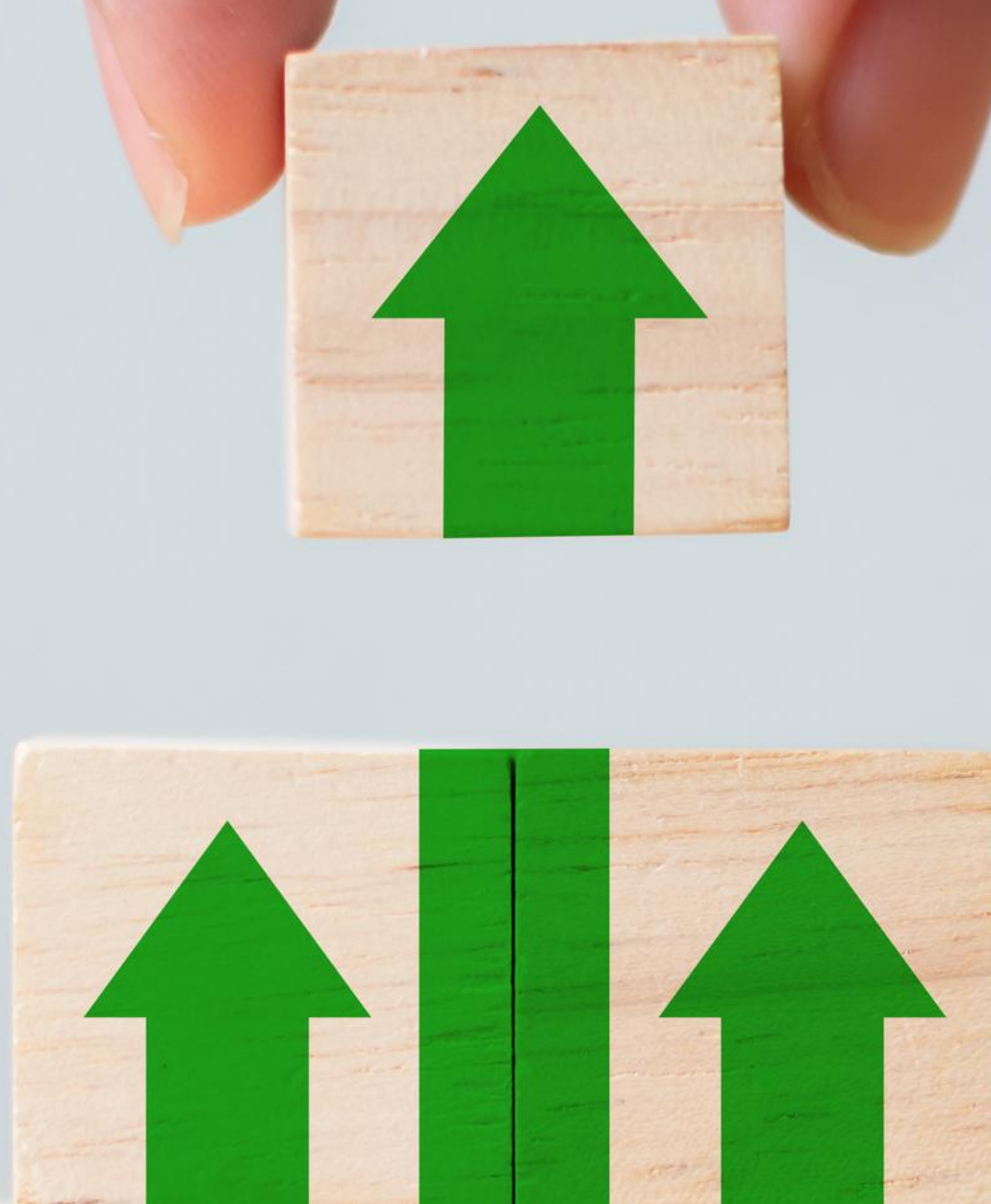


## '22-'23 Q3 Cost Comparison

Using YouTube TrueView campaigns leverage to more views



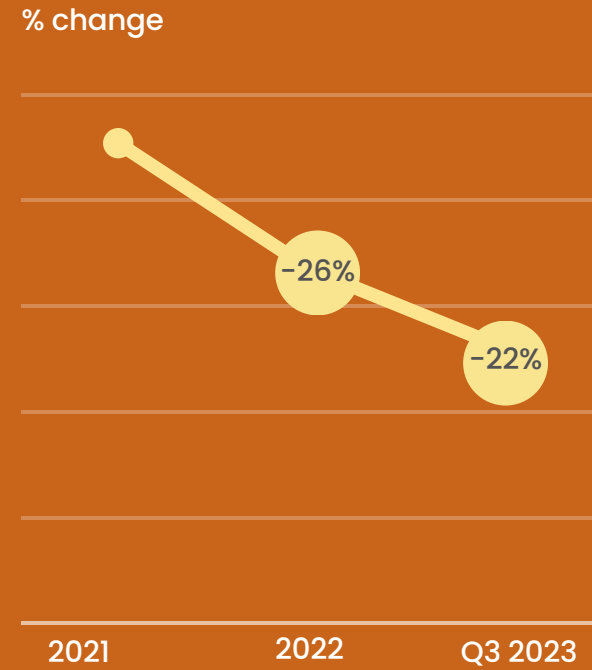
# Ad Views: Bigger Screens get more eyes



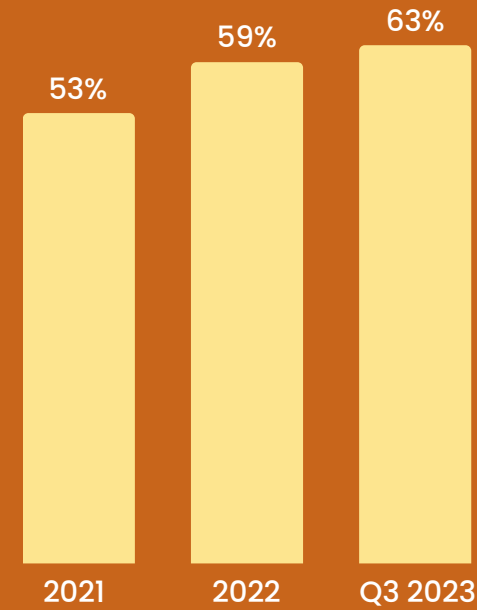
Our data analysis indicates that in Q3 of 2023, Connected TV devices served as the most effective means of extending ad reach and enhancing brand awareness on YouTube. TrueView Skippable Ads, utilizing ad views, have demonstrated a clear trend of YouTube capitalizing on the benefits of increased viewership on larger displays. This trend is expected to continue as more individuals switch to Connected TV devices and consume content on larger screens. YouTube's AI-powered ad tools provide advertisers with critical insights and deliver enhanced traditional TV platforms to viewers. In the succeeding pages, let's look further at the variety of industry trends and updates on sectors such as Automotive, Business and finance, Electronics, Food (CPG), Healthcare, and Insurance, Science and Technology, and Travel.



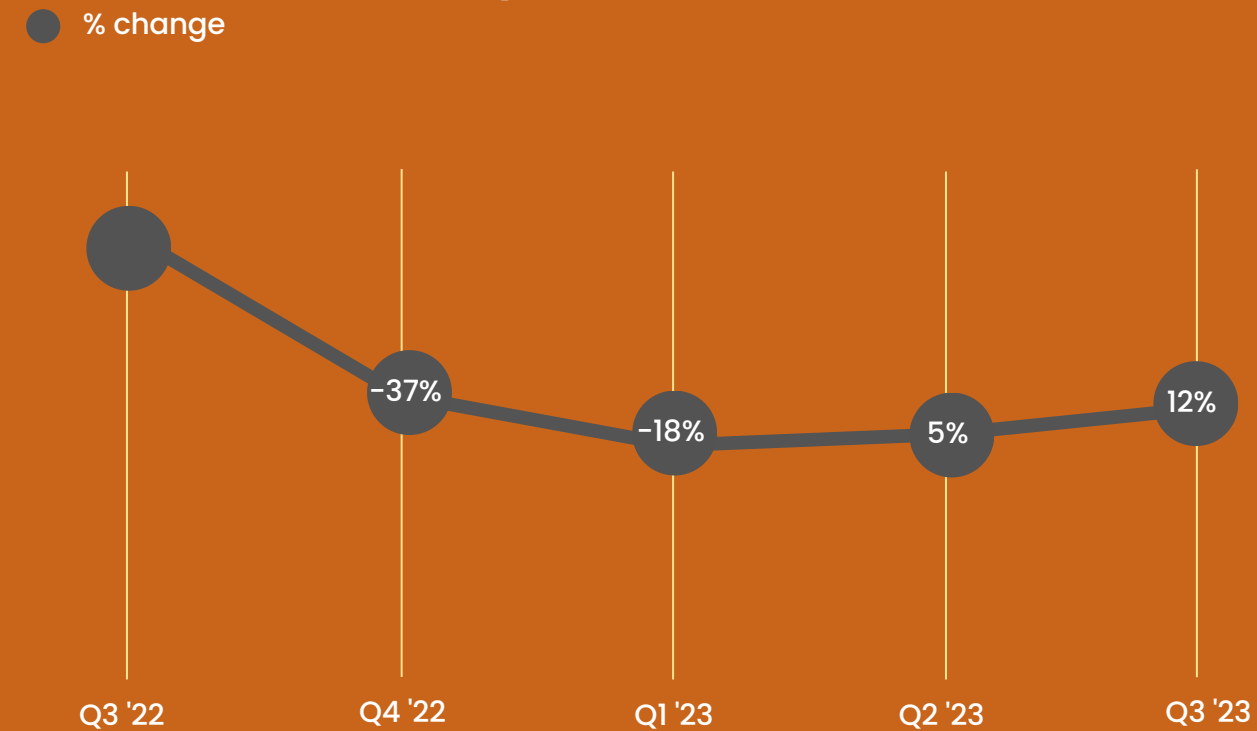
### CPV Yearly Trend



### View Rate Trend



### '22 - '23 Quarterly CPV Trend



# Automotive

Economic projections from S&P Global Mobility indicate a rebound in US light vehicle sales as of Q3 this year, marking a welcome year-over-year growth following recent years of declining sales. This surge in sales likely impacted digital advertising expenditure. The growing demand for electric vehicles significantly affected the automotive industry's rally. The consumer interest in electric vehicles might also contribute to the rebound in overall vehicle sales, potentially leading to altered advertising strategies.

## ADDITIONAL DEVICE DATA INSIGHTS

Based on our Q3 data, Connected TV exhibits the most favorable CPV at -7.90%, indicating cost efficiency, and also boasts a positive VTR of 7.50% when compared to overall device performance, indicating better engagement.





# Business & Finance

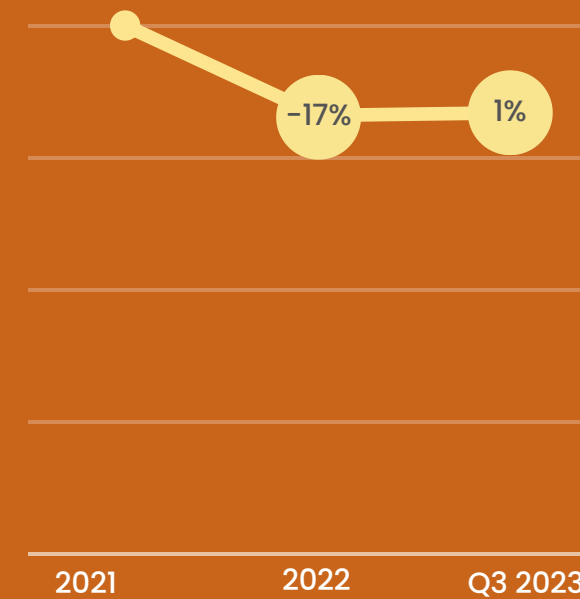
The transition towards digital banking and financial transactions could have altered advertising strategies, potentially affecting advertising spending in the Business and Finance sector. Part of this shift is the marketing focus towards younger audiences who are more tech-savvy with digital gadgets. Adapting to digital channels for awareness and customer engagement could intensify competition in capturing the attention of these younger demographics.

## ADDITIONAL DEVICE DATA INSIGHTS

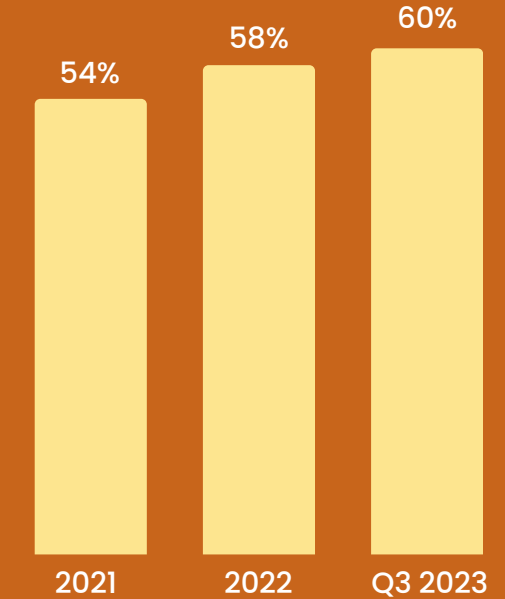
The majority of the cost and views for our Business & Finance Q3 Youtube Skippable ads are concentrated on Connected TV, accounting for over 73% in both metrics, indicating a strong preference or effectiveness in this channel. Ad cost on CTV is 5% lower than overall cost output.

### CPV Yearly Trend

% change

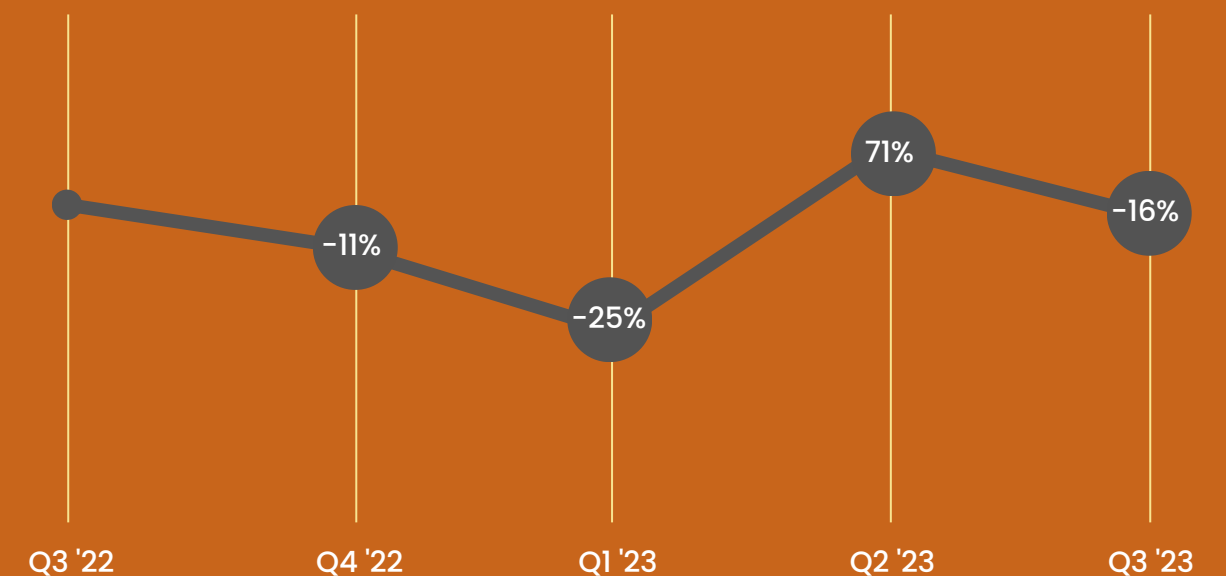


### View Rate Trend



### '22 - '23 Quarterly CPV Trend

% change

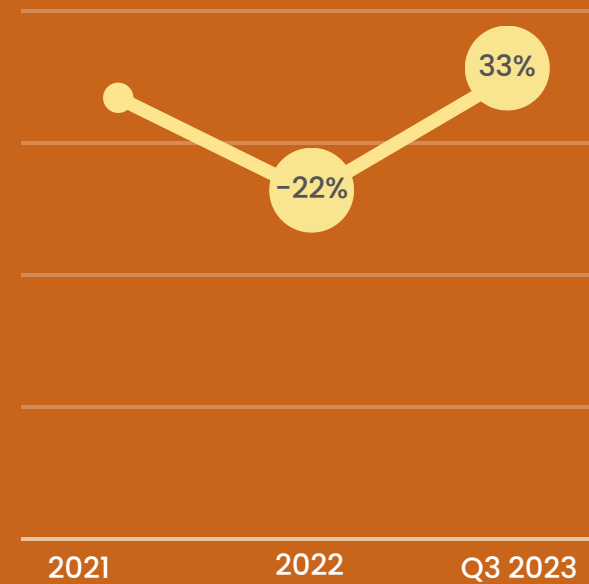


Data source: Strike Social, CampaignLab. Data varies based on monthly campaign input

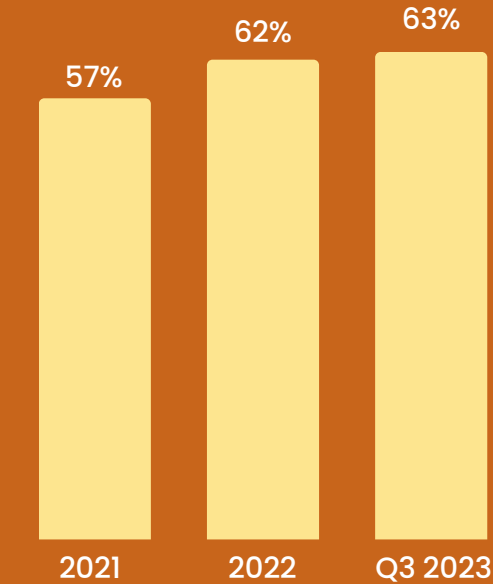


## CPV Yearly Trend

% change

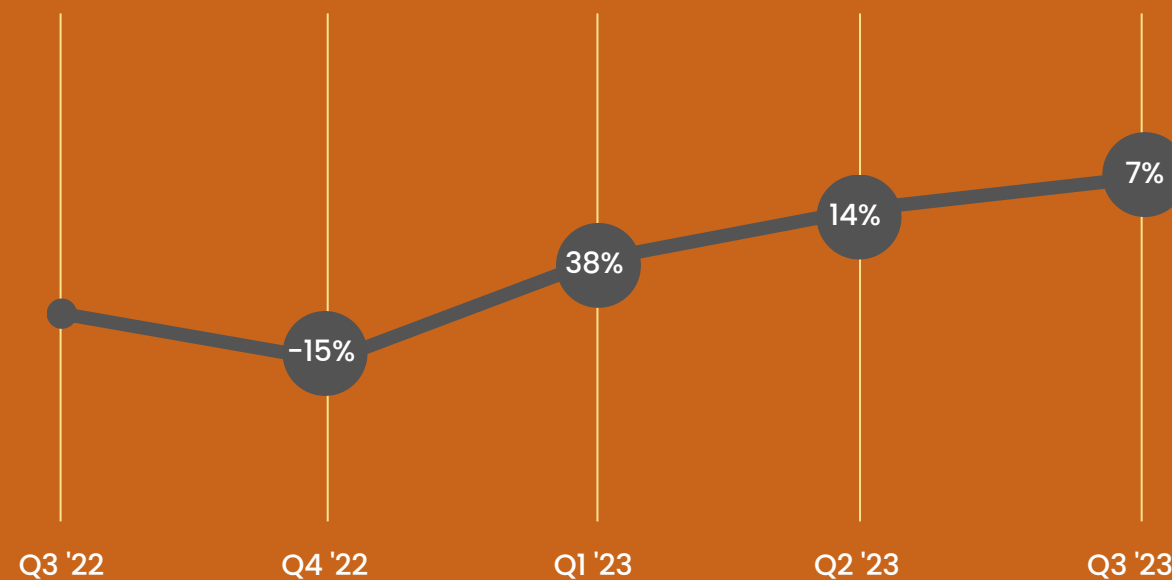


## View Rate Trend



## '22 – '23 Quarterly CPV Trend

% change



# Electronics

The economic shifts triggered by early 2023 events such as the Ukraine-Russia war, lingering effects of COVID-19, rising inflation, and soaring cost of living have fostered uncertainty about the future, which could affect consumers' purchasing behavior and interest in electronic devices. Inflation has impacted electronics production, with many manufacturers expressing concern about cost escalations. This could have prompted changes in advertising strategies or budget allocations to mitigate these challenges."

## DATA INSIGHTS

The highest concentration of cost and views is on Connected TV (CTV), with over 71% of the cost and nearly 73% of views. This suggests a strong preference or effectiveness in advertising through this channel. In addition, CTV has an almost 11% lower Q3 Cost Per View (CPV) than the overall campaign's CPV.



# Food (CPG)

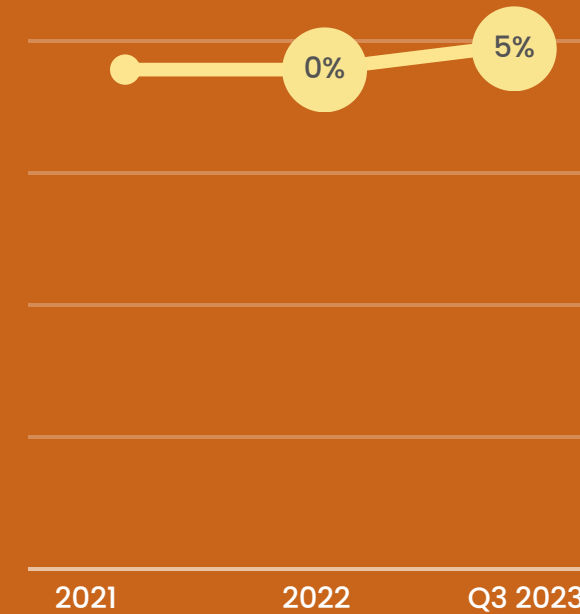
The US Consumer Packaged Goods (CPG) industry was projected to spend nearly \$40 billion on digital advertising, with a significant portion of this spending attributed to the food industry. This substantial investment suggests a likely competitive landscape on platforms like YouTube, which could lead to fluctuations in advertising costs. Another possible factor impacting costs is the growing disparity in the market; low-income households have been opting for more affordable products, while high-income households have been demanding more premium offerings.

## DATA INSIGHTS

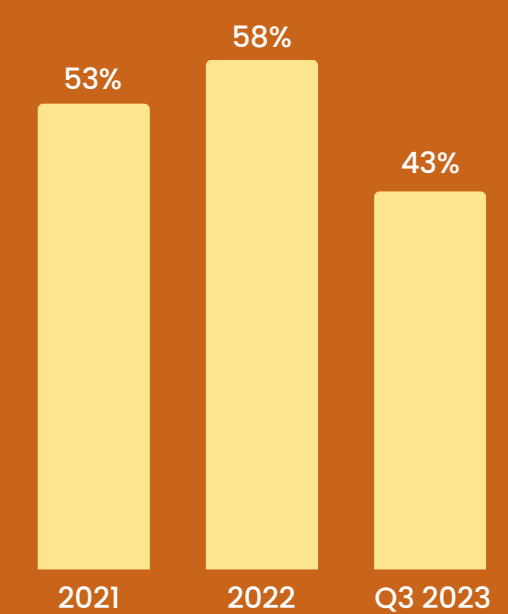
Connected TV emerges as a balanced cost-efficiency and engagement device, exhibiting a CPV of -4.40% and a VTR of 10.67% vs overall device performance. On the other hand, Mobiles showcase notable cost efficiency with a CPV of -8.42% yet lag in engagement with a VTR of -2.55%.

### CPV Yearly Trend

% change

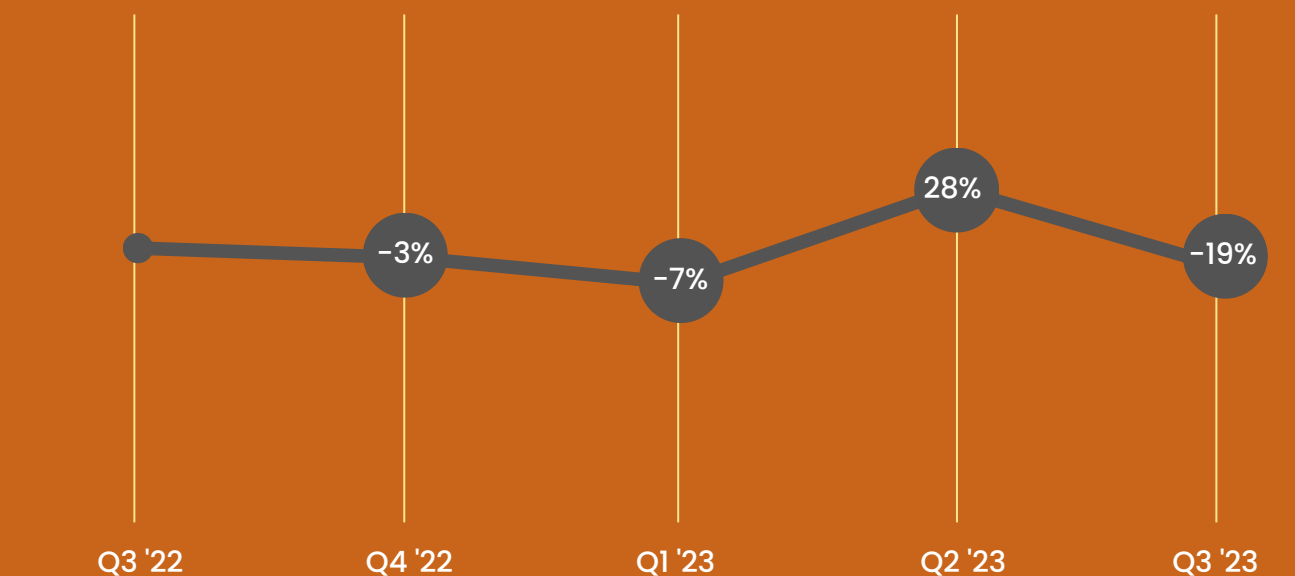


### View Rate Trend



### '22 - '23 Quarterly CPV Trend

% change

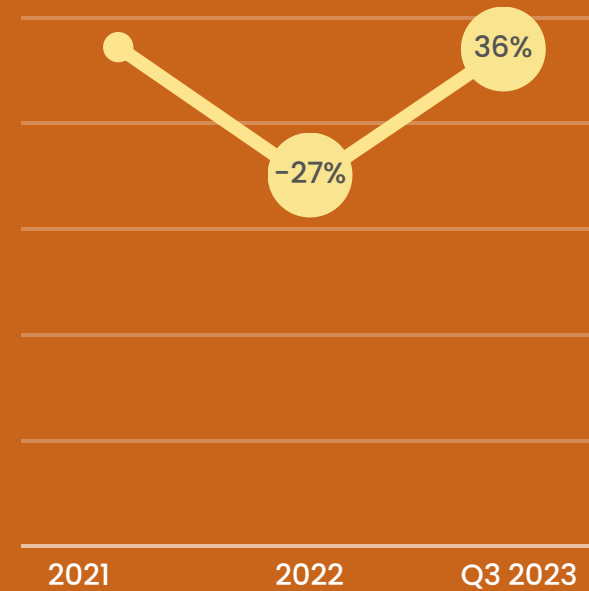


Data source: Strike Social, CampaignLab. Data varies based on monthly campaign input

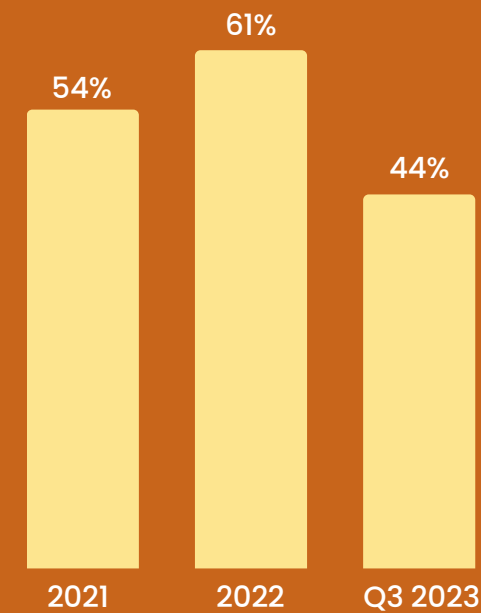


## CPV Yearly Trend

% change

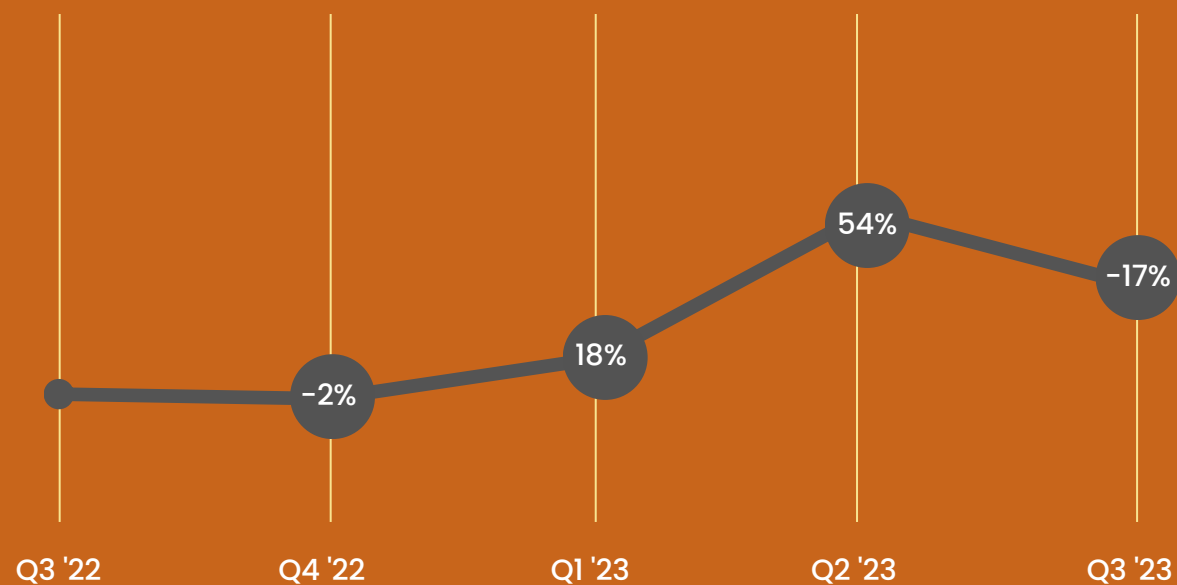


## View Rate Trend



## '22 - '23 Quarterly CPV Trend

% change

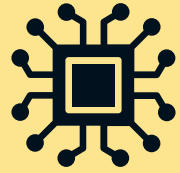


# Healthcare & Insurance

The healthcare industry is entering a new era as patients seek on-demand healthcare services. The rise of virtual consultations, user-friendly apps, and personalized online experiences has transformed the industry, making it more accessible and convenient for patients. However, HIPAA regulations have challenged advertisers to develop patient-centric content or carefully screen user-generated content. Digital transformation in healthcare looks quite promising, with the main goal of streamlining medical processes.

## DATA INSIGHTS

CTV leads in cost and views distribution, 79.77% and 78.41%, respectively. Mobiles, with a cost of 11.55% and views of 13.26%, exhibit a favorable cost-to-view ratio. Mobiles stand out for cost efficiency with the lowest CPV at -13.70% than overall costs.



# Science & Technology

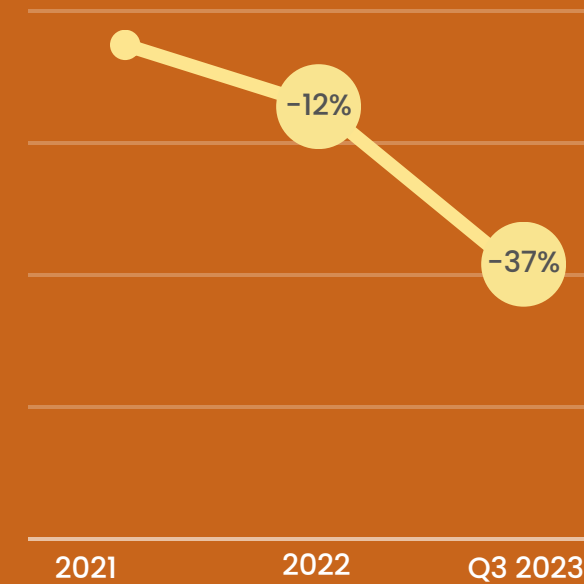
The increasing adoption of generative AI across various software domains has increased interest in AI-generated content, particularly among technology enthusiasts. Spanning a wide range of industries, AI and machine learning advances enable a diverse range of new products, from autonomous vehicles to office software. These advancements likely played a role in the quarterly changes observed in campaign performance.

## DATA INSIGHTS

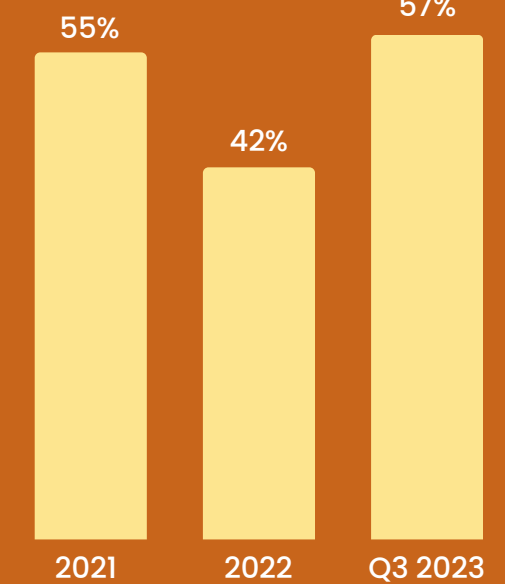
Our data reveals that Connected TV provides the most cost-effective platform for skippable ads, as evidenced by its significantly lower CPV than other devices. This implies that viewers are likelier to watch more ad minutes on this platform.

### CPV Yearly Trend

% change

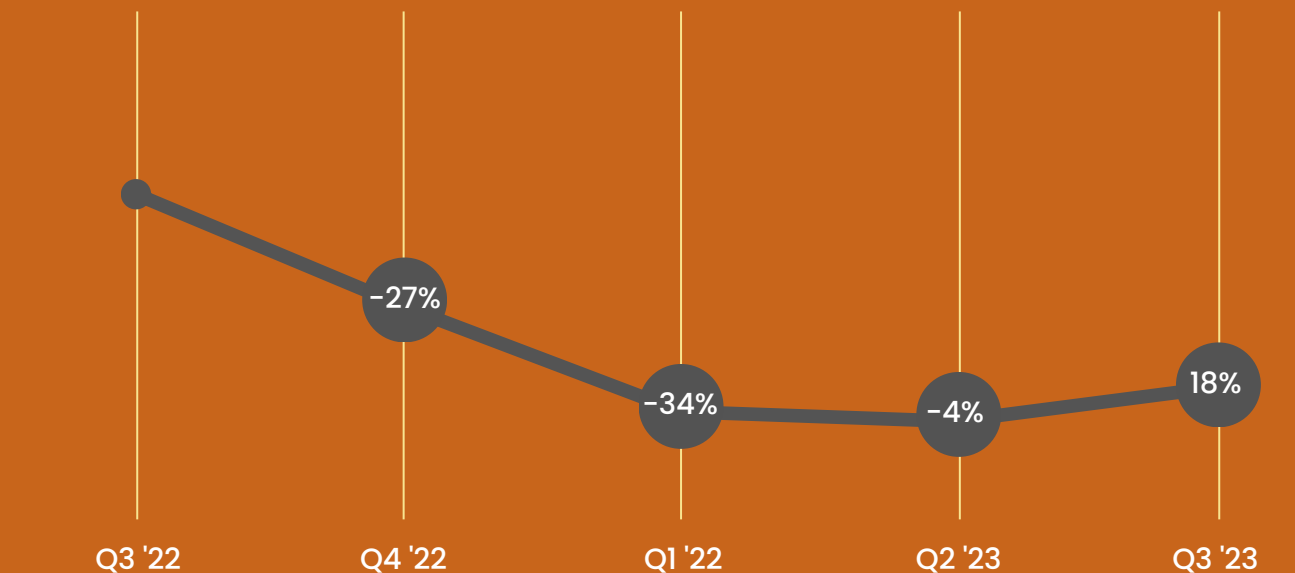


### View Rate Trend



### '22 - '23 Quarterly CPV Trends

% change

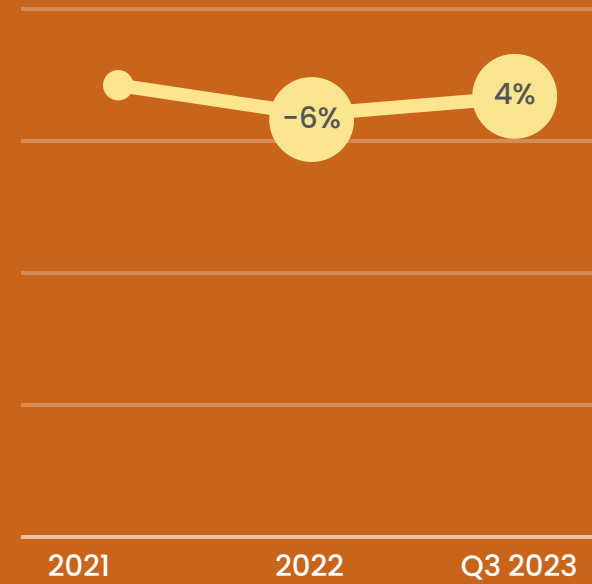


Data source: Strike Social, CampaignLab. Data varies based on monthly campaign input

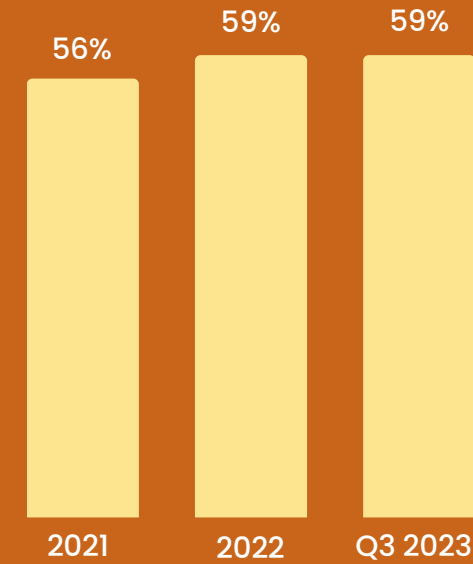


### CPV Yearly Trend

% change

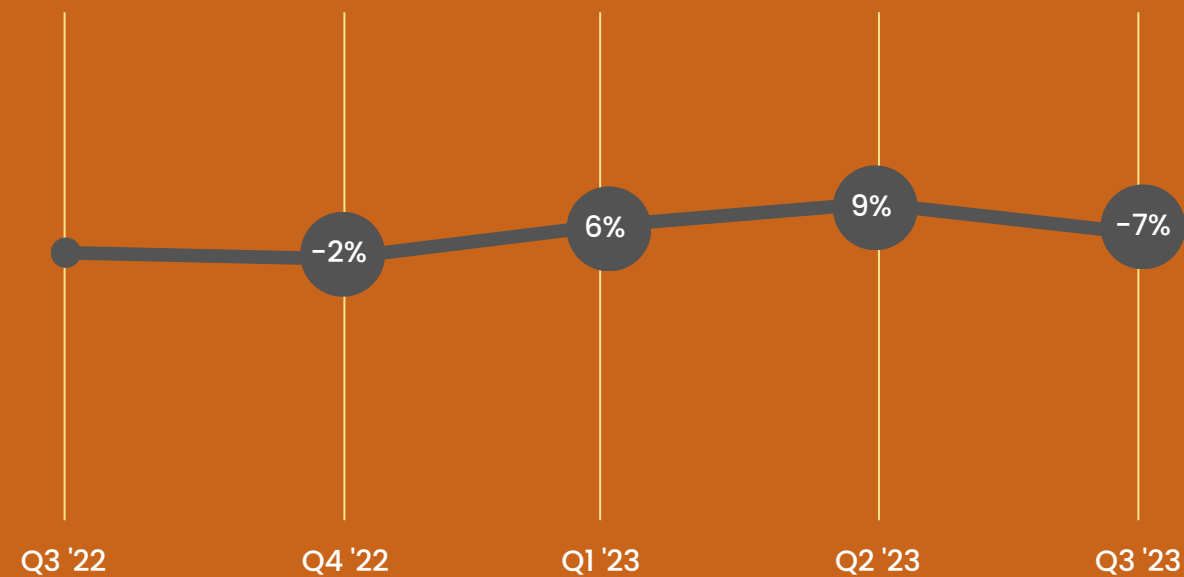


### View Rate Trend



### '22 – '23 Quarterly CPV Trend

% change



# Travel

Shifts in travel sentiment, such as the excitement for travel remaining at record levels and the high number of existing trip plans, could have impacted the effectiveness of paid social advertising on platforms, including YouTube. Additionally, the increasing popularity of YouTube Shorts and long-form travel content on bigger screens may have influenced the effectiveness of skippable ads on YouTube. Travel-related companies could have shifted their advertising focus to these strategies, resulting in more stable campaign performance.

## DATA INSIGHTS

Connected TV holds the most cost and views, with approximately 62% and 63% in both metrics. Mobiles follow with around 35% cost and 34% views, suggesting a balanced distribution between cost and viewer engagement. Similar to other verticals, CTV shows cost-efficiency than other devices.

Data source: Strike Social, CampaignLab. Data varies based on monthly campaign input

# conclusion

In Q3 2023, the performance of YouTube Skippable ads across various industries manifested diverse outcomes, reflecting different sector-specific marketing dynamics. Our data highlights that the Connected TV platform emerged as a significant player for advertisers in several sectors, including Travel, Food CPG, and Business and finance. Like traditional TV, this platform offered a cost-effective and engaging ad experience. Particularly in sectors like Travel and Food CPG, ads on TV screens accounted for most of the cost and views distribution, portraying a strong alignment between budget allocation and viewer engagement. On handheld screens, Mobiles held a substantial share in cost and views but exhibited contrasting performance; despite their cost efficiency in several sectors, the View-Through Rate (VTR) on Mobiles often lagged, hinting at challenges preventing users from skipping the ads. As industries adapt to these emergent trends and consumer behaviors, optimizing the effectiveness and reach of YouTube Skippable ads campaigns will be instrumental.



Strike Social is a global advertising company that leverages automation and data-driven solutions to optimize advertising campaigns across various social media platforms, including YouTube, Instagram, Facebook, TikTok, LinkedIn, Twitter, Snapchat, and other paid social platforms.

With offices across Asia, Europe, and the Americas, we provide businesses and brands with the expertise and technology 24/7 needed for successful campaign management and optimization.



Interested in collaborating on content and data with us?

[\*\*SIGN-UP NOW\*\*](#)

[LINKEDIN](#)

[EMAIL](#)

[WEBSITE](#)

