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Setting VOD up to fail:

The problem with ‘fixed-rule’ optimisations

stu.carr@adgile.com

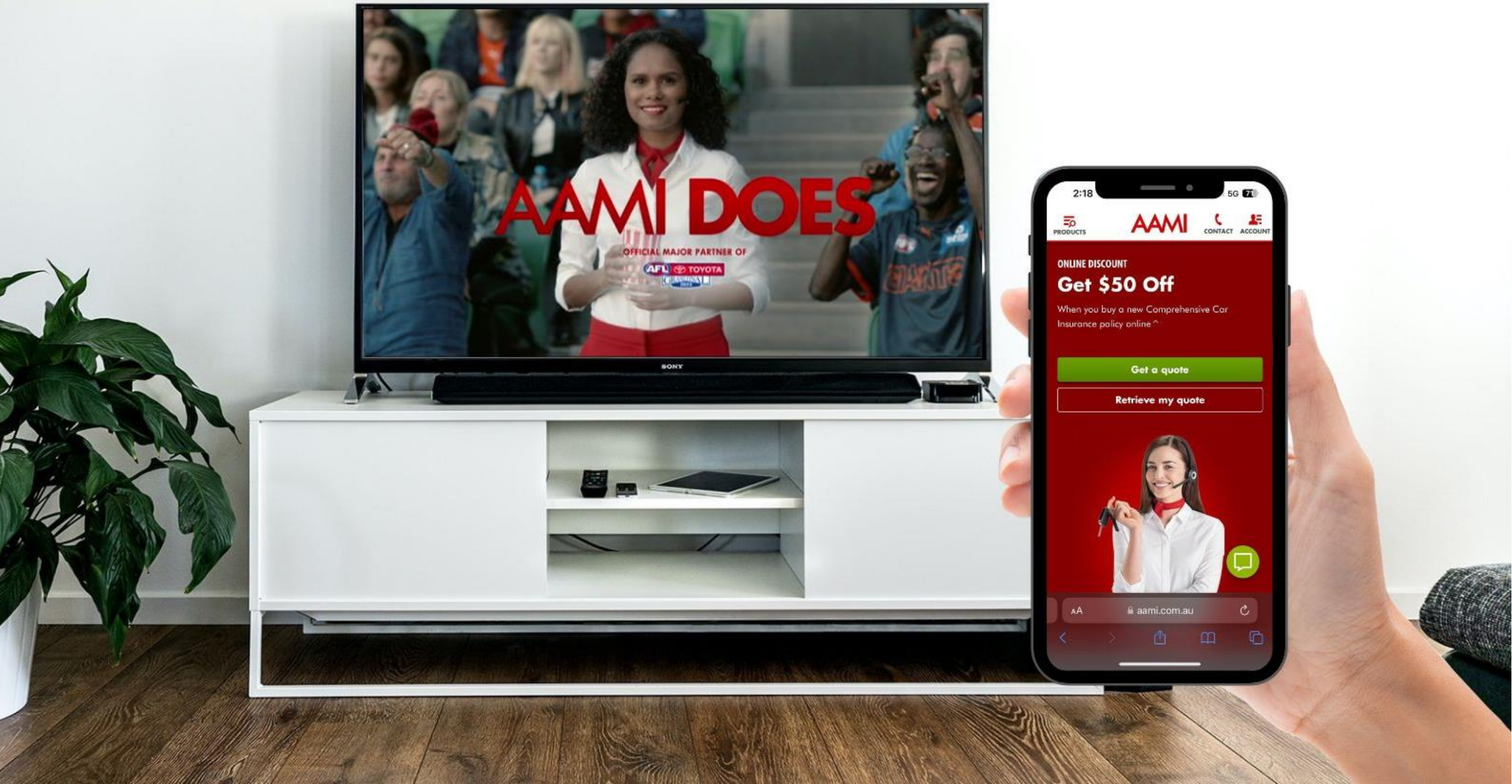
Watchlist

Sport

General Entertainment

News and Current Affairs

WWOS.COM.AU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80% of impressions under-deliver

Actual

	% of impressions served	at a response rate Index of	yields % of responses
Optimal	18%	199	31%
Sub-optimal	82%	100	69%

= 2.750 mil successful viewer engagements

Source: Adgile VOD performance data bank, 60 brands, Jan 22-Aug 23

VOD placements could generate 69% more viewer engagements

Actual

	% of impressions served	at a response rate Index of	yields % of responses
Optimal	18%	199	31%
Sub-optimal	82%	100	69%

= 2.750 mil successful viewer engagements

Simulated

	% of impressions served	at a response rate Index of	yields % of responses
Optimal	100%	199	100%
Sub-optimal	0%	100	0%

= 4.661 mil successful viewer engagements

Source: Adgile VOD performance data bank, 60 brands, Jan 22-Aug 23

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Who we are
Why we're here
What's going on
Nuances in brand
Nuances across brands
So what?

Source: Adgile VOD performance data bank, 60 brands, Jan 22-Aug 23

"We plan to a weekly frequency of 3"

Source: Adgile VOD performance data bank, 60 brands, Jan 22-Aug 23

“We have moved all our ad budget to sophisticated mass marketing”

Source: Adgile VOD performance data bank, 60 brands, Jan 22-Aug 23

"We follow the '60:40 rule' split between brand building and sales activation"

Source: Adgile VOD performance data bank, 60 brands, Jan 22-Aug 23

"We follow the '60:40 rule' split between brand building and sales activation"

"[It] is a metaphor to guide good marketing and not a reality in and of itself"

Source: Adgile VOD performance data bank, 60 brands, Jan 22-Aug 23

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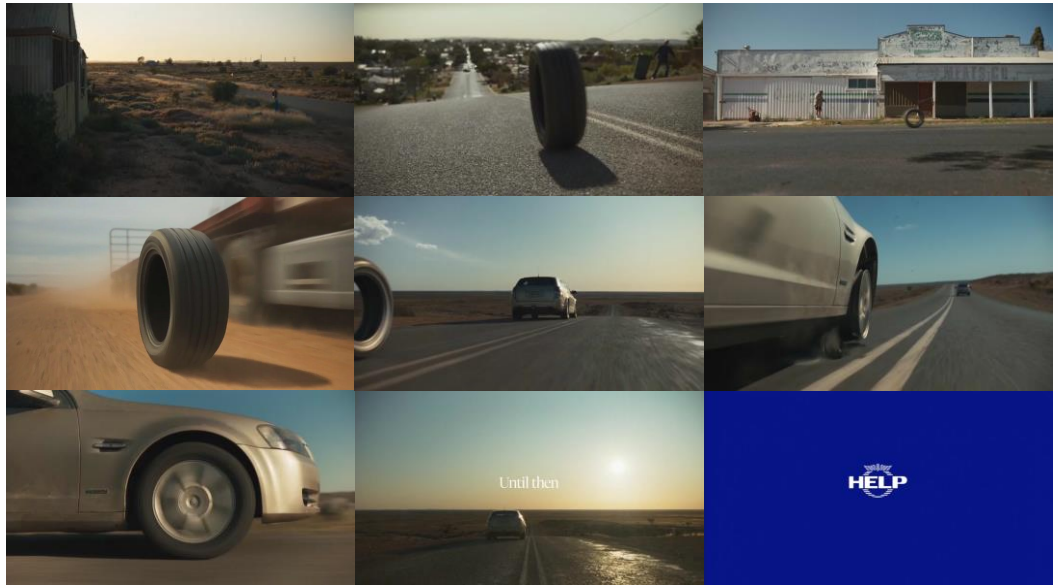
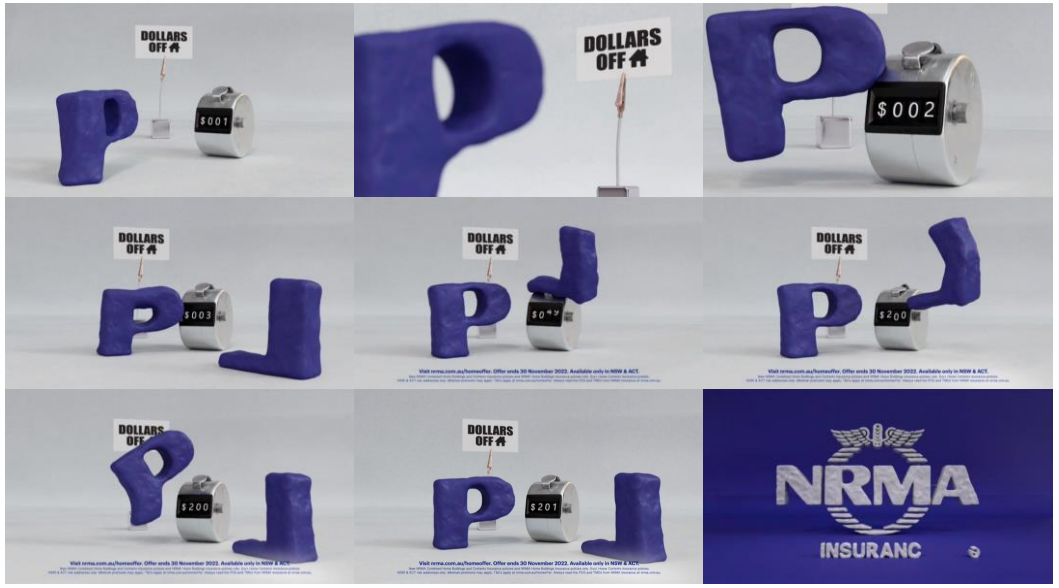
A look at the impact of a fixed-rule split between *brand building* and *sales activation*

Brand building



Sales activation



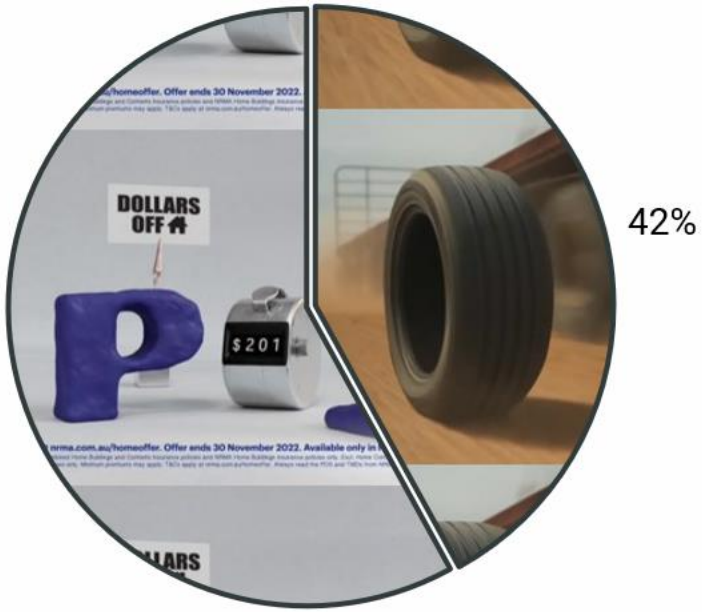
What *brand building* and *sales activation* undertaken by 60 brands will look like today

Brand building

Sales activation

VOD advertisers deliver a higher weight of sales activation ads

Share of impressions



58%

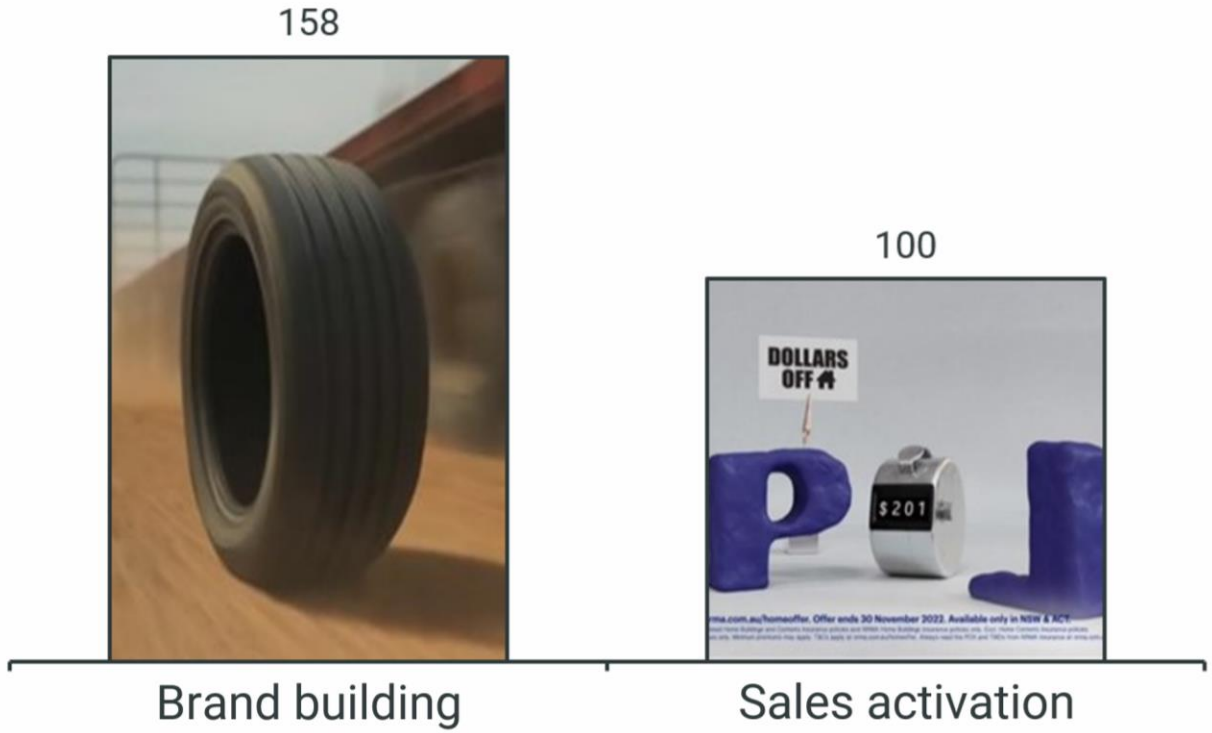
42%

Source: Adgile VOD performance data bank, 60 brands, Jan 22-Aug 23

But VOD viewers engage more with brand building ads

Share of impressions

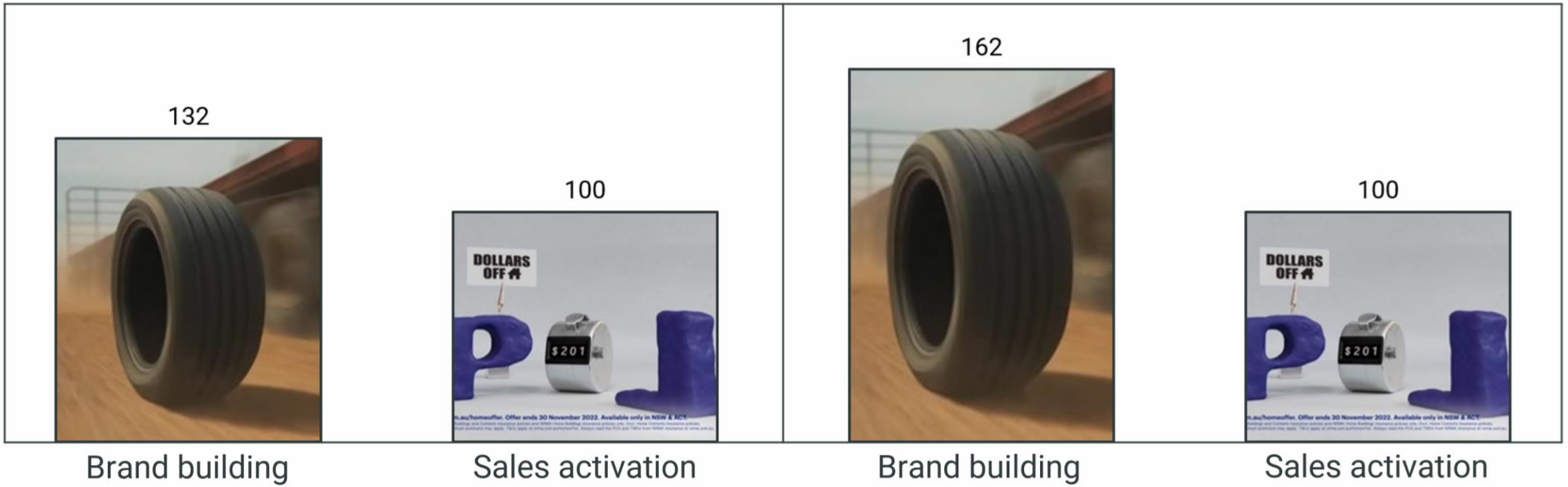
Response rate index



Source: Adgile VOD performance data bank, 60 brands, Jan 22-Aug 23

There are times when using the total result as a ‘fixed rule’ across placements works

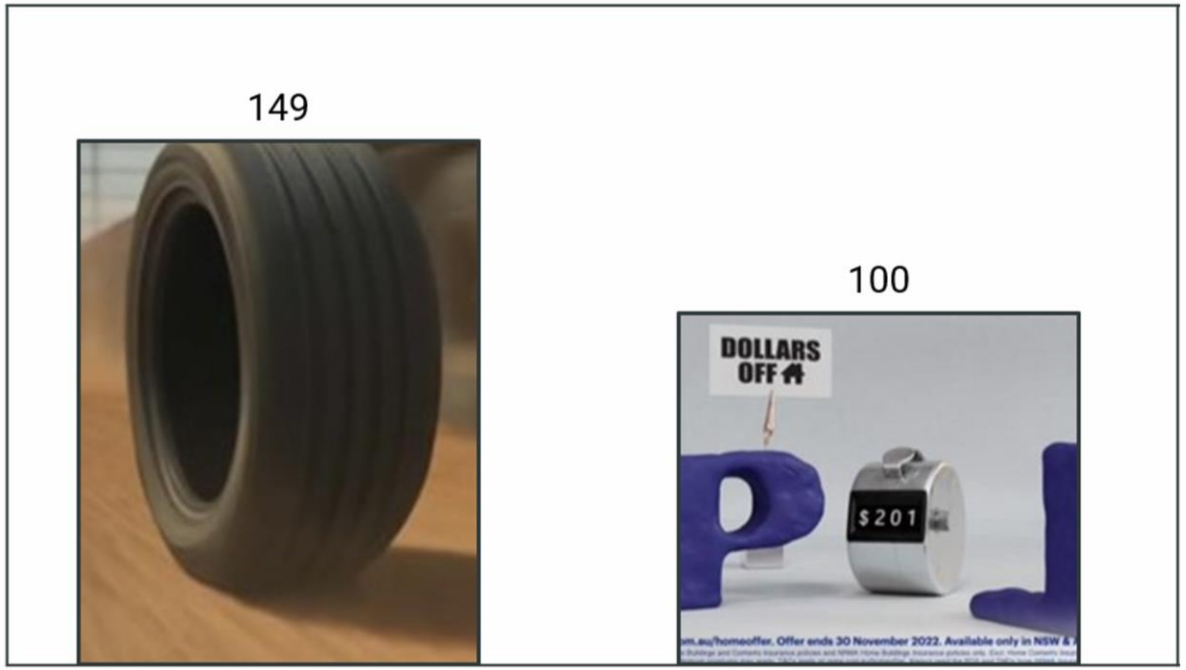
Response rate index – by level of integration in programme



Source: Adgile VOD performance data bank, 60 brands, Jan 22-Aug 23

But in some instances, the fixed rule doesn't work

Response rate index – by on-demand vs live viewing

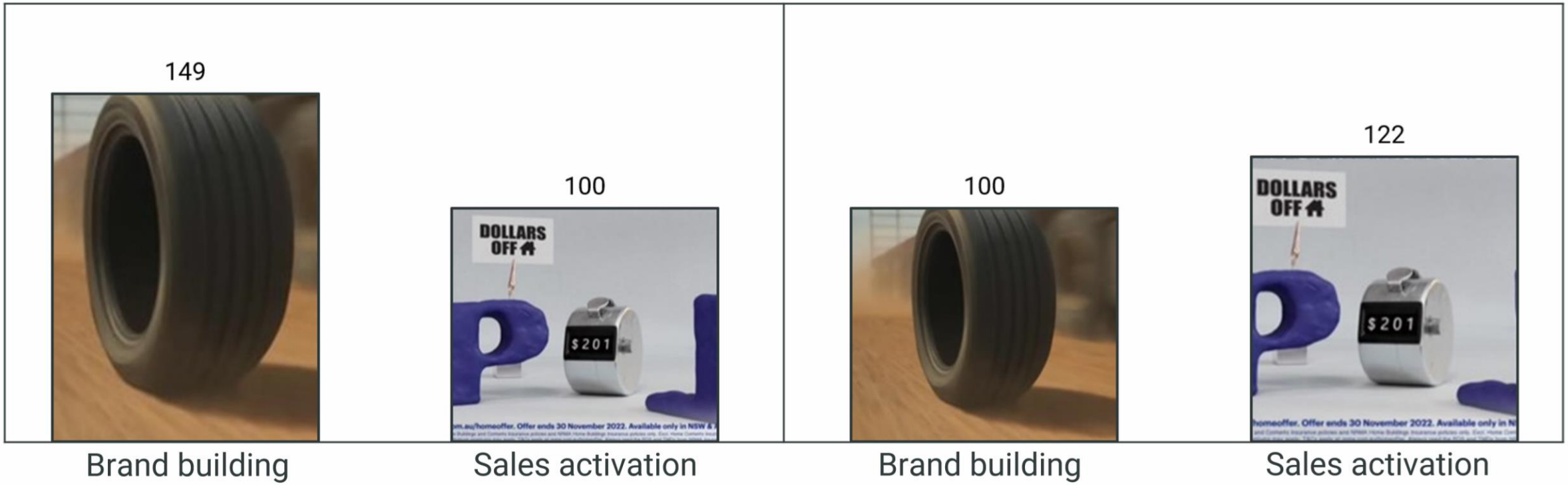


When viewed on-demand

Source: Adgile VOD performance data bank, 60 brands, Jan 22-Aug 23

But in some instances, the fixed rule doesn't work

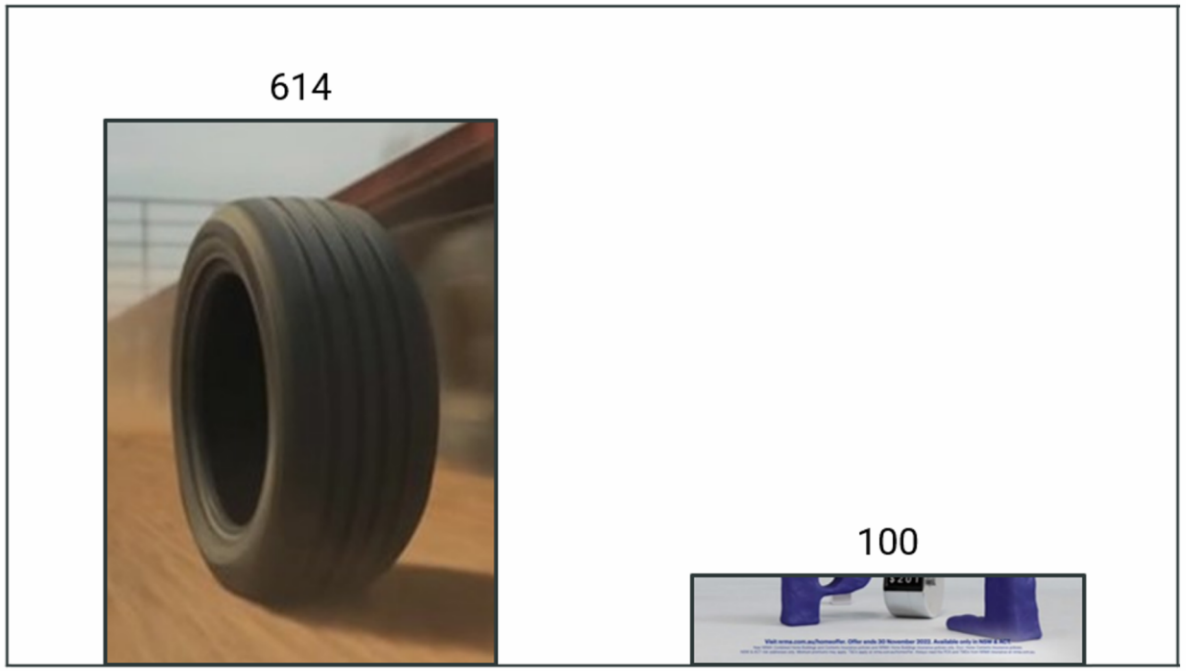
Response rate index – by on-demand vs live viewing



Source: Adgile VOD performance data bank, 60 brands, Jan 22-Aug 23

Fixed rules also break across brands, based on the brand's attributes

Response rate index – by size of brand in category

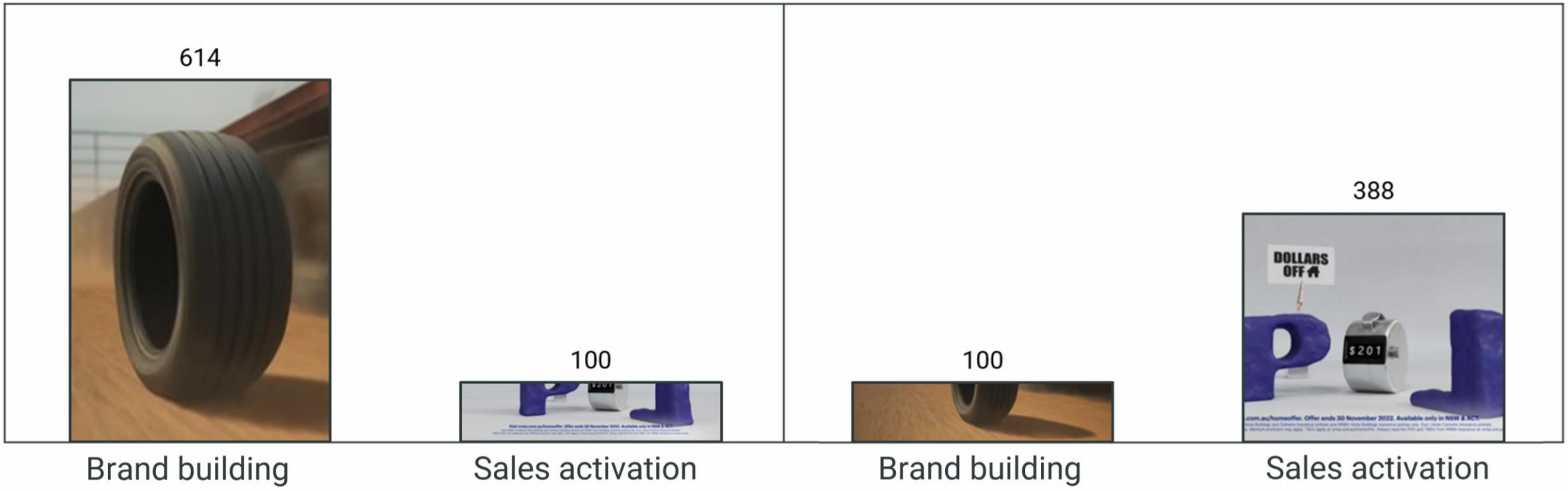


Higher SOV brands aka Leaders

Source: Adgile VOD performance data bank, 60 brands, Jan 22-Aug 23

Fixed rules also break across brands, based on the brand's attributes

Response rate index – by size of brand in category



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So what?

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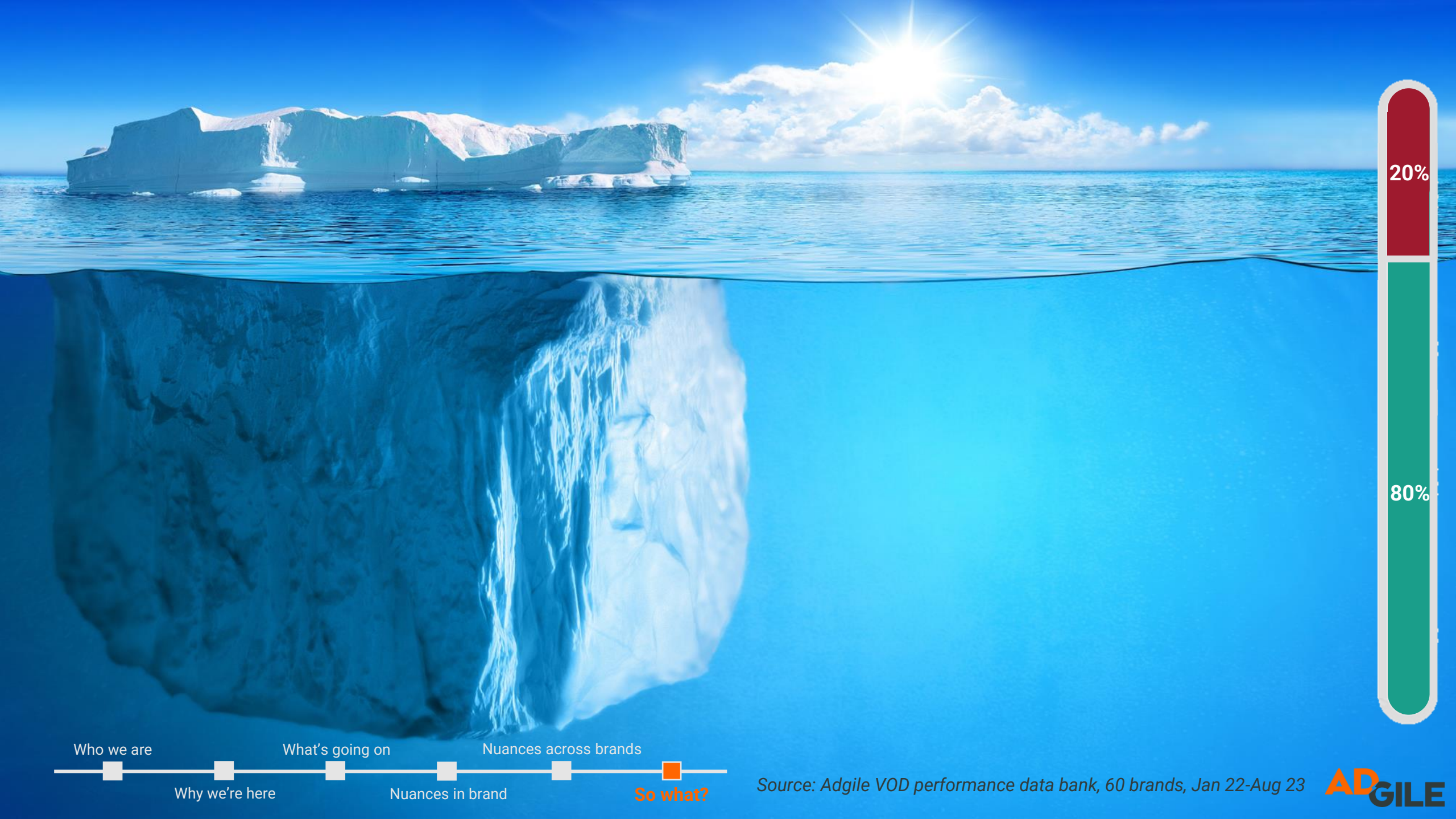

Source: Adgile VOD performance data bank, 60 brands, Jan 22-Aug 23

Look beneath the surface

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Thank you!

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