

Mid-Year Key Findings & Results

choozle



The current state of digital advertising

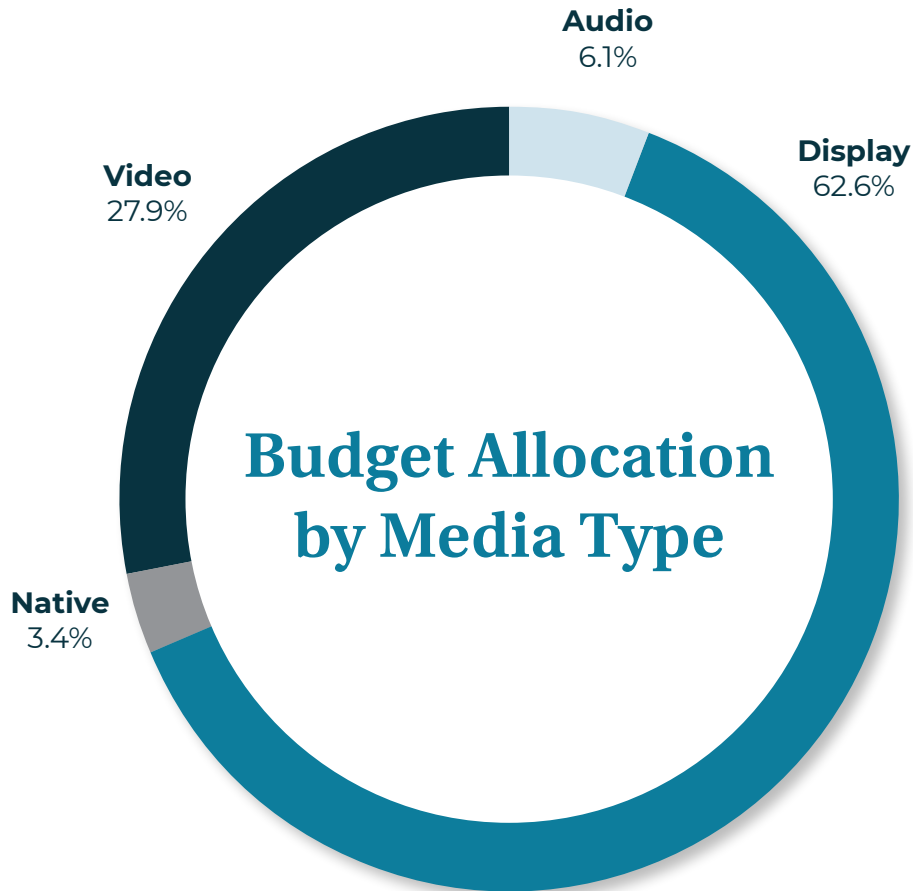
Throughout the first half of 2022, we've experienced advertising trends that have asked us to grow and adapt to a changing world where people really care about digital advertising. Behaviors continue to evolve rapidly with new technology, along with new timelines for privacy-centric advertising and so much more.

The remainder of the year still has more in store for us that we can take advantage of to build amazing campaigns for the return of Football, political advertising season, and The Holiday season to cap it all off. As you look ahead to prepare for the last quarter of the year, use our Key Findings Report to guide your digital advertising strategy. The metrics in this report were pulled from the Choozle platform and include data from January 1, 2022, to June 30, 2022.



According to eMarketer, US advertisers have spent 41.2% more on programmatic display ads during 2021. That's the biggest annual increase in spending since 2016."

Media Type



takeaways:

While display makes up the majority of spend, audio continued its growth during the year from 3.3% in 2021 to 6.1% in 2022, and video advertising lowered slightly from 32.9% in 2021 to 27.9% in 2022.

Leverage resources like Spotify's free ad creator to maximize budget for new channels like the growing audio advertising space.

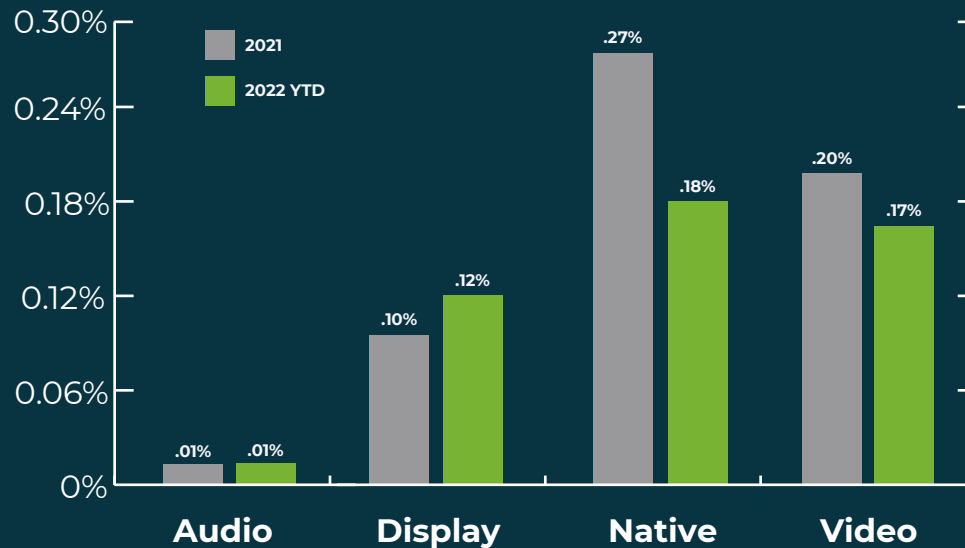
Look to diversify the media types you are using for campaign strategy. This will help lower CPMs and engage your audience across different media types.

Omnichannel strategy will encompass and help achieve your goals for the rest of 2022.

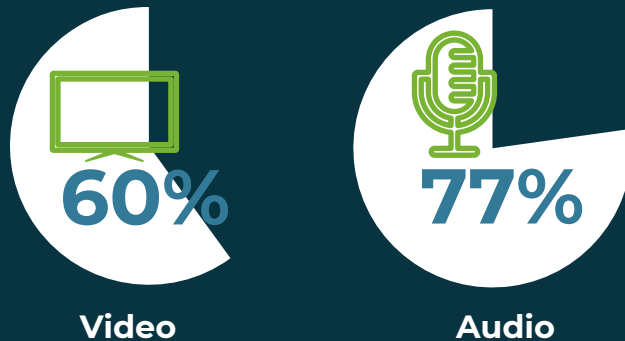
Media Type

Performance by Media Type

Average CTR Based on Media Type



Average Completion Rate



Audio completion rates are over 75% along with very high win rates compared to other media types.

Display saw the most earned impressions at 87%, showing how much display inventory is available relative to other channels.

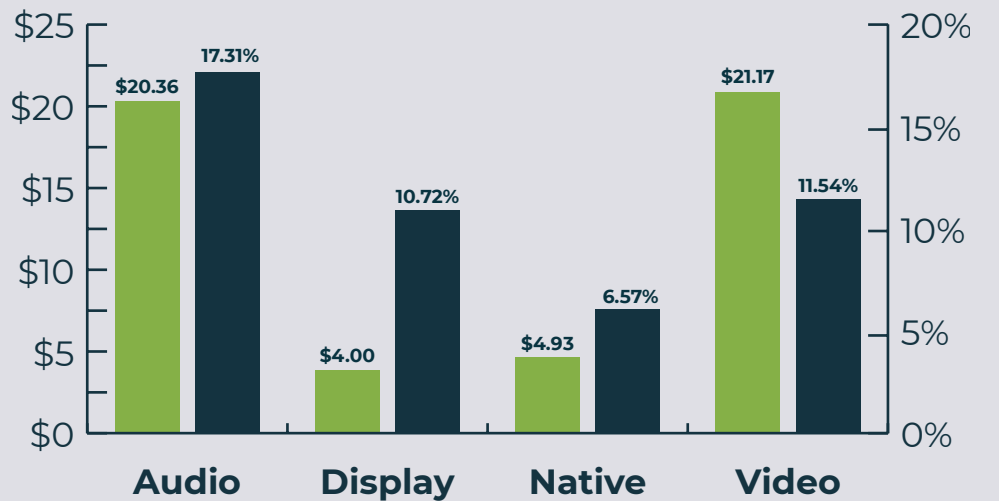
The number of video impressions was 7.3% of the available inventory, but video took 27.9% of the available advertising budgets which shows that although there is less available inventory, video advertising is still growing and getting more competitive.

Video and audio see high completion rates and low click-through rates (CTR), as they are top-of-funnel strategies that drive brand awareness.

Media Type

Performance by Media Type

Average CPM & Win Rate Based on Media Type



Earned Impressions by Media Type

2%
Audio

4%
Native

87%
Display

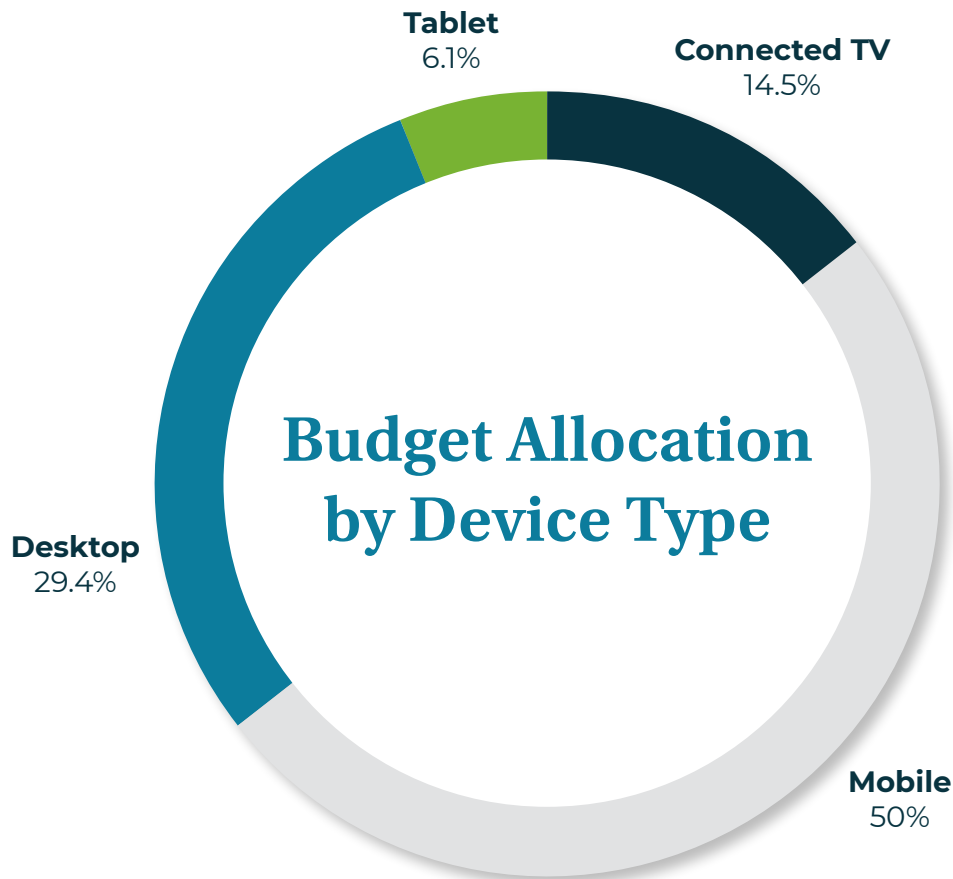
7%
Video

Too often, marketers focus on using the least expensive CPM available instead of finding their ideal audience. Achieving effective CPMs across all channels creates more value for all of your campaigns.

- Audio and video's high completion rates ensure your message is heard and seen.

Strike a balance between tried and true channels while adopting newer channels that will generate top-of-funnel results and boost your marketing ROI.

Device Type



Consumers continue to use multiple devices

Mobile's dominant presence in daily consumer activity, as well as marketing budgets, continues to prove the viability of a mobile-first strategy.

Connected TV is seeing a slight dip in the budget allocation, which may account for the increase in mobile advertising through audio channels.

Marketers are continuing to diversify their advertising channels, media types, and device types for a dynamic campaign strategy while keeping CPMs low and engaging all consumers.

Device Type

Performance by Device Type

With the majority of audio and CTV inventory in the Private Marketplace, CPMs for connected tv will be higher than other devices because of the quality of the premium inventory.

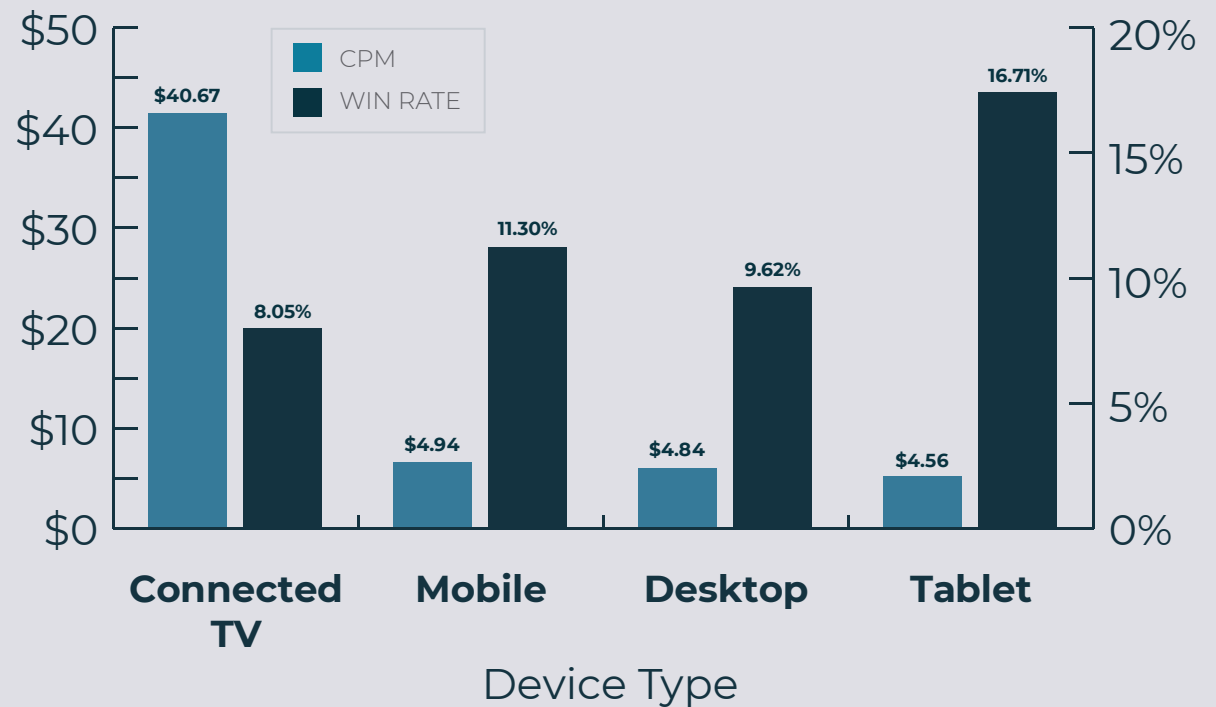
The CPMs for mobile, desktop, and tablet are almost identical, but the win rate for tablets is much higher than mobile and nearly doubles that of desktop.

- Incorporate tablet-specific creative sizes in your ad groups to increase your win rate for no extra cost.

Marketers should use win rate as an indicator of targeting performance. Increased base and max bids should raise win rate to stay competitive.

Separate ad groups for video strategies. This will allow for better optimization and keep CPMs lower based on the video type.

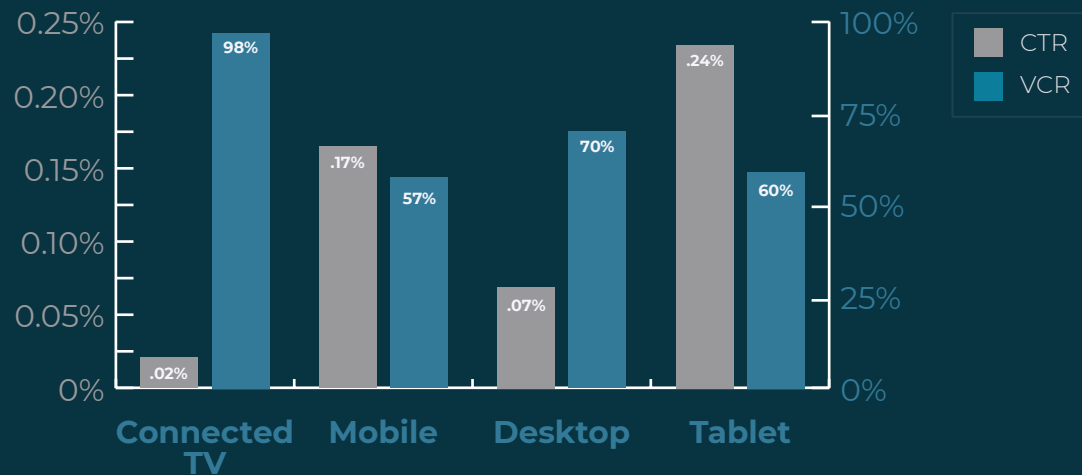
Average CPM & Win Rate Based on Device Type



Device Type

Performance by Device Type

Average CTR & VCR Based on Device Type



Unsurprisingly, connected TV shows very strong player completion rates (VCR) about 97%, whereas mobile, desktop, and tablet VCRs are hovering around 60%.

Tablet CTR greatly surpassed the average mobile CTR and doubled the desktop CTR

- Tablet CTR is higher than mobile's which indicates consumer behavior and preferences for multiple devices

Prioritize CTV in your omnichannel strategy to capitalize on the extremely high VCRs.

- Separate your live connected TV event inventory from your videos and other creative types to ensure campaigns pace properly.

Think about emphasizing tablets more in your strategy to capture a new and engaged audience.

- Separate out campaigns by device type so you can be more thoughtful when creating user experiences.
- Make ads accessible and meaningful when clicked on so the user has a positive experience with your brand.

Earned Impressions by Device Type

2%

Connected TV

57%

Mobile

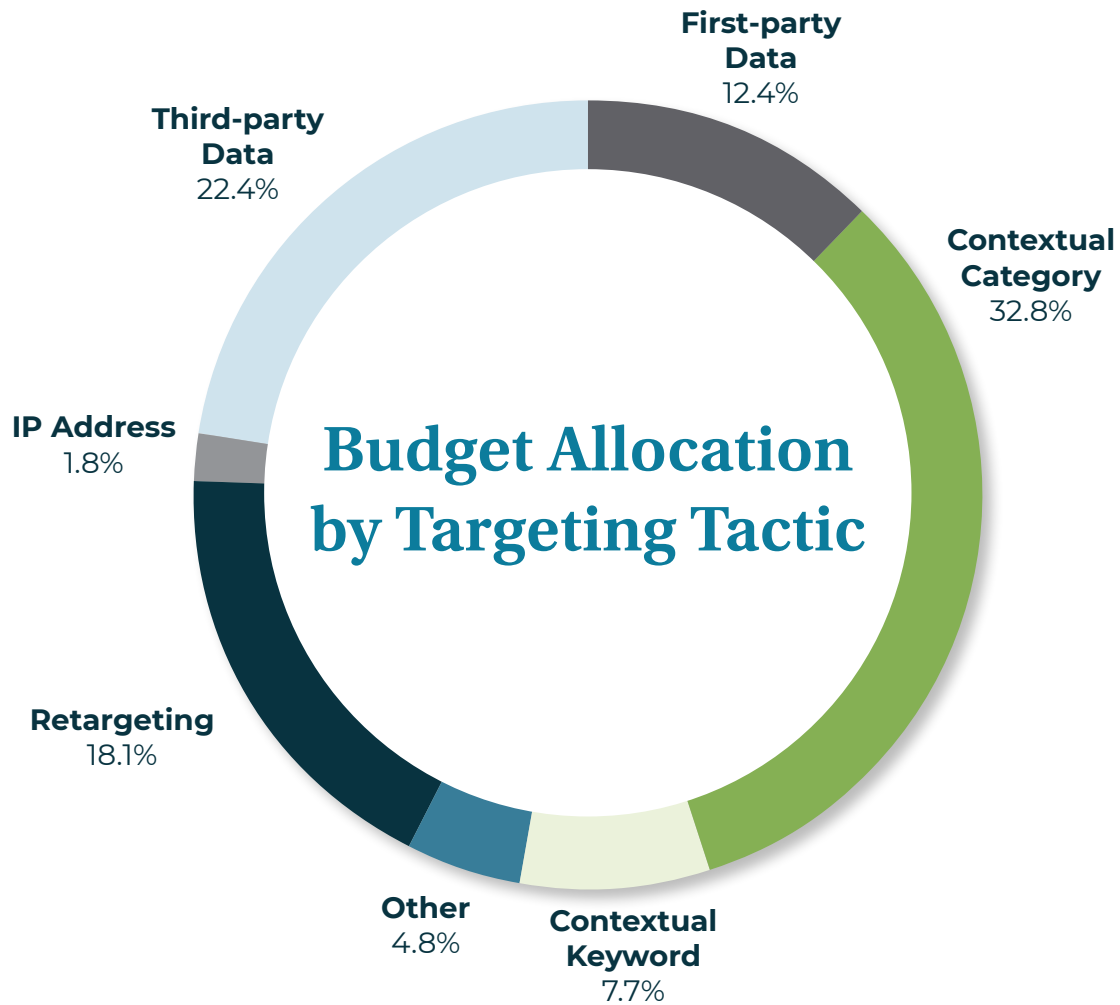
32%

Desktop

7%

Tablet

Targeting Tactics



takeaways:

Ad spend continues to spread out between channels as third-party data's unknown future creates exploration with new tactics.

Third-party data usage is nearly half at 22.4%, compared to 2021 when it was still at 42%.

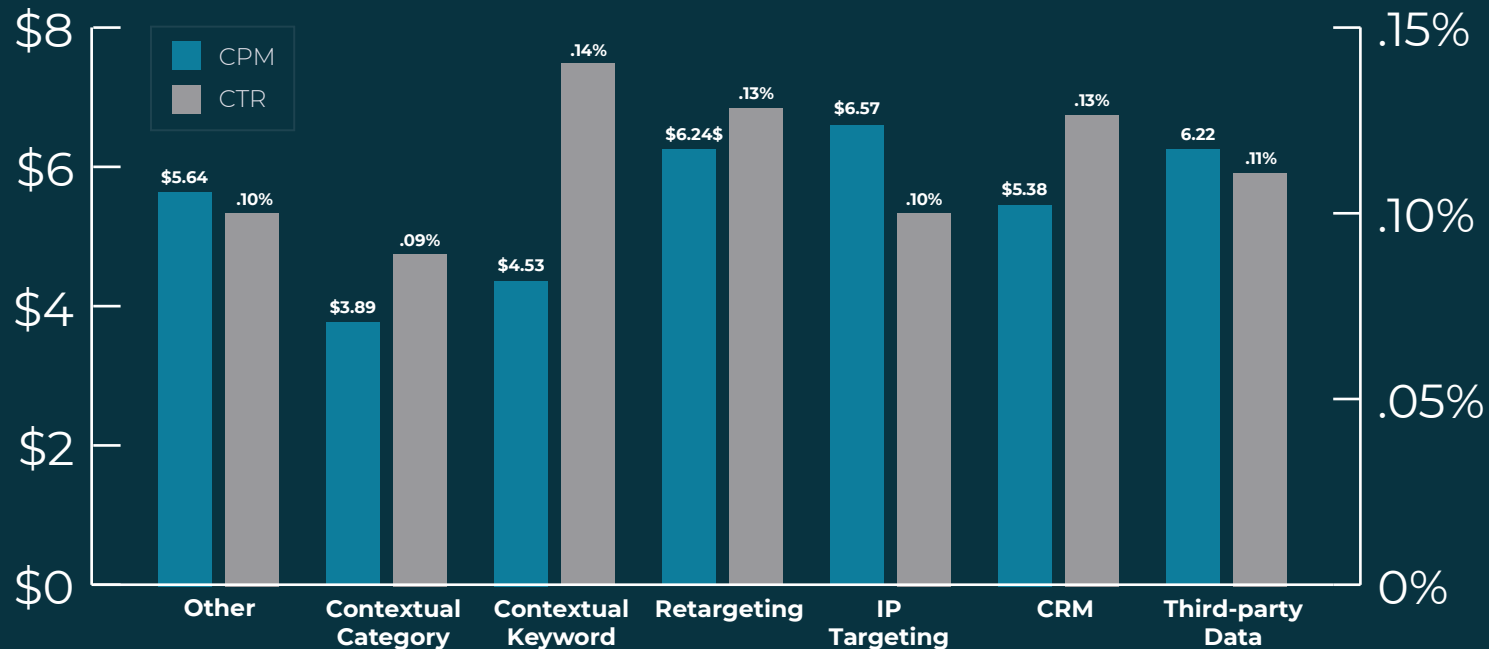
Cookieless targeting like Contextual and CRM targeting must be a priority throughout 2022.

Use the tactics that speak directly to each section of the funnel to create incremental conversions and engagement.

Targeting Tactics

Performance by Tactic

Average CPM & CTR
Based on Targeting Tactic



At the beginning of the year the end of third-party cookies was approaching quickly. However, Google recently announced to push back their deadline to the second half of 2024. That doesn't mean marketers aren't starting to leverage first-party data, shown by the increased CTR and lower CPMs.

Contextual and keyword targeting will help drive new users down the funnel. Think about aligning your brand with the content consumers engage with and create relevance for your offer.

Industry Trends

Average CPM, CTR and VCR by Industry

Regardless of industry, the upcoming political election cycle will impact all channels and CPMs. Two ways to combat this are picking private marketplace deals that exclude political buyers or using site lists to avoid news sites.

Events that will affect CPMs across industries in remaining in 2022:

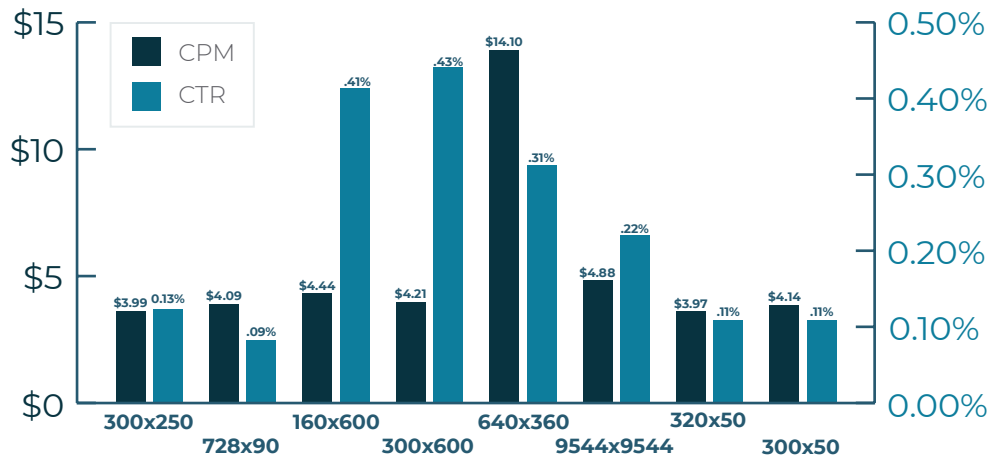
- Live sporting events
- Holiday shopping season
- Election and political advertising

Industry	Avg CPM	Avg VCR	Avg CTR
Automotive	\$4.25	8.95%	0.16%
B2B	\$8.58	30.95%	0.17%
Consumer Discretionary	\$7.68	25.80%	0.19%
Consumer Goods	\$6.41	60.78%	0.17%
Consumer Staples	\$20.95	27.65%	0.14%
Financial Services	\$9.44	22.15%	0.11%
Food & Beverages	\$3.60	12.05%	0.16%
Health Care	\$4.44	17.25%	0.23%
Hospitality	\$14.06	41.50%	0.08%
Insurance	\$3.73	5.37%	0.23%
Software & Technology	\$4.33	20.98%	0.18%
Real Estate	\$6.03	13.35%	0.23%
Retail	\$12.62	25.80%	0.15%
Specialized Consumer Services	\$6.61	19.80%	0.18%

*All metrics are inclusive of multiple channel types, including display, mobile, video, connected TV, audio and more. Higher CPMs or CTRs, could indicate a higher use of a specific channel type such as video or connected TV.

Creative Assets

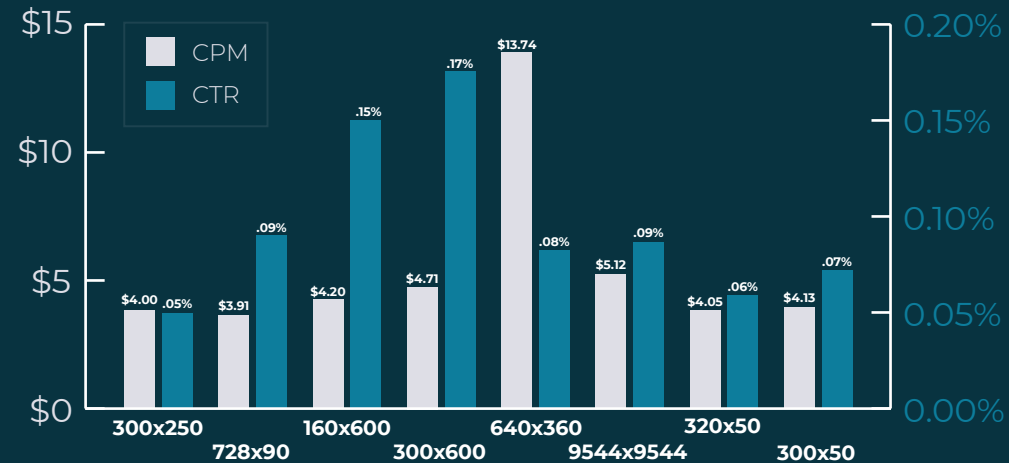
Average CPM & CTR for Top Mobile Creative Sizes



As you plan out your creative strategy, be sure to use these sizes (300x250, 728x90, 160x600, 300x600). Effective campaigns must use these sizes to scale.

Maximize your impact with creative diversity. Think about balancing smaller creative sizes with larger sizes. Larger creatives will drive a higher CTR and that engagement will start to bleed over for other creative sizes once brand recognition is developed. Look out for new inventory that is available and emerging trends while utilizing what works.

Average CPM & CTR for Top Desktop Creative Sizes



- A mobile-specific strategy drives engagement without directly affecting CPMs.
- Consumer behaviors are shifting to connected TV and video, and marketers should follow suit. Not only has inventory increased over the past year, but user engagement has also increased.

What the future holds for digital

The path forward in today's digital advertising landscape is changing, but there are more and more growing opportunities for marketers to connect with audiences and make meaningful engagements.

In 2022 so far, we've seen the growth of several channels, including digital out-of-home, the continual shifting timeline for the end of third-party cookies, adoption of connected tv, and the changing landscape surrounding consumer behavior. But there is one thing that is always certain, change.

As we head into the final quarter of 2022, marketers should prepare to prioritize loyal audiences. With the end of third-party cookies still on the way, it is important to start building opportunities to use first-party. This will be the most accurate and valuable data you'll have access to for your audience because it will come straight from a highly trusted source.

