



LUNIO

Mastering Display & Videos Ads:

From Awareness to Action



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How to Use This Guide

As a marketer, are you being asked to “do more with less” in 2023?

Given the current economic climate, many of us are having to adapt to less budget, reduced headcount, and fewer shiny new tools. But revenue targets remain as ambitious as ever.

So in this context, performance marketing efficiency is the key to success. Gone are the days of simply throwing more money at ad networks until goals are met.

If you're one of the lucky ones that hasn't been affected by budget cuts, efficiency still matters. You can become more efficient while increasing marketing spend by ensuring your campaigns are seeing higher profitability ratios over time.

It's time to start spending smarter, not harder. And that's exactly why we've created this guide, it covers the processes, practices and technologies you can put in place to ensure 100% of your paid Display & Video Ads budget is used wisely.

About Lunio

[Lunio](#) is a performance marketing efficiency platform that automatically removes bots and fake ad engagements across all your paid marketing channels - including Google, Bing, Meta, LinkedIn, TikTok, and many more.

By eliminating fake traffic, 100% of your ad spend is focused on audiences with genuine conversion potential, allowing you to make better campaign optimisations with validated data. No more wasted spend. No more worthless traffic. And no more guesswork. Get complete traffic transparency to help you improve metrics that matter. The way paid media should be.



Know someone who'd find this guide useful? Share the love and pass it on!



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43% of PPC professionals say display ads are their least effective channel – yet 84% of them are still investing in the channel. So display ads clearly aren't dead (yet, at least). But where do the sources of frustration come from?

For starters, a good display ad click through rate is around 0.05%, which pales in comparison to the 3% you'd expect to see with search. On top of that, based on data we've collected at Lunio, 36% of all display ad clicks are either fraudulent or invalid. So if you don't carefully consider your targeting and proactively block fake ad engagements, display can be incredibly inefficient.

In contrast, video ads, especially on YouTube, are proving to be a promising growth area for many brands. Click through rates tend to hover around 2% and YouTube ads often drive significant increases in direct and branded search traffic. This helps explain how YouTube generated more than **\$7.9 billion in ad revenue** in Q4 of 2022 alone.



Silvio Perez

Founder of AdConversion

For this chapter, we interviewed Silvio Perez, founder of [AdConversion](#). His 10 tips will help you maximise performance across Display and YouTube – with a focus on refining your targeting, ensuring brand protection, and optimising ad viewability.

AdConversion, a digital advertising academy teaching B2B marketers how to scale paid ads for free, regardless of skill level. Silvio has also profitably managed \$100M+ in ad spend for some of the fastest-growing B2B startups and was formerly the Head of Performance & Product Innovation at Metadata.

Silvio is also the author of Google Ads Profits and has published 50+ in-depth marketing tutorials on his [YouTube channel](#).

01.

Avoid Google Display Network and Use a Third-party DSP Instead

If you're serious about scaling this channel, Silvio strongly recommends purchasing inventory through a third party demand side platform (DSP) rather than running display through Google Ads. There are several important reasons for this:



Enhanced Targeting

When you use Google Display Network, you're buying inventory on the millions of sites that have opted into Google AdSense (i.e. the biggest sell side platform in existence). But when you do so, you're limited to the targeting options Google gives you, namely, in-market audiences, custom intent audiences, and customer lists.

But if you use a third party DSP you gain much more flexibility and control, such as IP address targeting and ABM targeting to put your display ads in front of specific accounts. Plus, still retain the ability to buy Google Display Network inventory through all major DSPs in addition to other exchanges such as OpenX.

Controlling Costs

Marketers often think when they spend a dollar on display, all of it goes towards actually buying inventory. But Silvio pointed out this isn't the case.

"In reality only around 60 cents of that dollar goes on the inventory itself. There can be up to a 40% markup due to hidden costs associated with that buy."

Running ads through a third party DSP won't eliminate these extra costs. But because you have much more control over your supply chain, it gives you greater visibility over costs which can help minimise the problem of overspending on inventory.

Which Third-party DSP Should You Use?

Historically, third party DSPs were inaccessible to most brands due huge associated costs. But that has begun to change in recent years thanks to the rise of self-serve DSPs designed to serve mid-market businesses. Silvio's top two recommendations are:

- [StackAdapt](#)
- [Ad Lib](#)

"I'm not running a single dollar through Google Display Network currently."



Gaining Access to the Larger Programmatic Ecosystem

Once you get started running display through a third party DSP it opens up the door to different (and often more effective) forms of programmatic advertising. For example, you might want to start experimenting with digital audio ads on Spotify or connected TV ads on Hulu.

Should Small Brands Ever Use Display?

Silvio recommends that startups and small businesses on a tight budget should stick with Google Discovery over Display. With display, you have to vet thousands of placements you're eligible for and the process of pruning down that list is very time consuming.

"Discovery limits you to three placements – YouTube, Google Discover Feed, and Gmail – so it's much easier to manage. So for smaller brands I always recommend starting with that and if they want to get into display then just stick to remarketing."

Note:

To learn more about Discovery campaigns, [check out this guide](#).



02.

Always Use Whitelists and Exclusion Lists

A whitelist is a list of approved domains that you're willing to serve your display ads on. And an exclusion list is the opposite – a list of shady or suspect domains you don't want to appear on.

Your whitelist should include websites you know are authoritative, trusted, and frequently visited by members of your target audience, such as established industry publications or respected local news outlets.

As well as including shady websites on your exclusion list, you should also consider websites that an automated system might think are relevant to your campaign but that you know shouldn't be associated with your brand. For example, if you're in the financial services industry, you might want to use an exclusion list to keep your ads from appearing in the finance sections of politically extreme news websites.

The bottom line is, if you're not using whitelists and exclusion lists when running display ads, you're wasting budget and exposing your brand to considerable risk.

At Lunio we've put together a 60,000+ display network exclusion list of low converting / spam website and junk mobile app inventory. Download the list and apply it to your campaign to get an instant uplift in performance.

[Download Lunio's 60k display placement exclusion list](#)



03.

Use Content Exclusions and Look into Pre-bidding Solutions

Alongside vetting placements with whitelists and exclusion lists, you should further improve brand safety through content exclusions. These let you opt out of showing your ads alongside certain categories of videos and other content that may not be appropriate for your brand or serve your advertising goals.

Pre-bidding Solutions

With Google Ads Manager you're limited to the natively available placement exclusions and content exclusions. But this only offers a baseline level of protection.

If you use a third party DSP you can use vendors like [Integral Ad Science \(IAS\)](#) to further enhance your brand safety protocols.

"IAS vets each placement before you even enter the auction. It will check to see that it's brand safe i.e. that the contextual content isn't associated with drugs, alcohol, terrorism, adult content etc. It will also vet for things like suspicious activity. So if a website has been flagged for suspicious activity in the past, it'll prevent you from bidding on the inventory."



Verifying Placements Through ads.txt

If you have the ability to filter your buys based on publications that have ads.txt, it's really beneficial. It's a little piece of code that these publishers place on their site so they can manually verify that they're legitimate. This helps ensure you're only buying inventory from authorised vendors.

Always Check Your Placement Report

Make sure you're constantly checking your placement report for signs of suspicious activity or ad fraud. Look at your engagement metrics from each traffic source on GA4. If you spot high levels of traffic with little to no engagement, it's a strong indicator of invalid traffic.



Tip:

Rather than manually screening for potential fraud and invalid traffic, implementing [Lunio](#) to block all fake ad engagements automatically eliminates the problem at the source.

04.

If Running ABM Display Campaigns, Use Very Narrow Targeting

Rather than thinking “Am I getting in front of the right company?” You should think “Am I actually driving enough exposure so those companies can remember us and engage?”

If you upload a list of 10k target accounts and spend £100 a day on targeting, that’s going to do very little (if anything) to drive revenue growth. Within those 10k target accounts, there are often up to 100k employees. So when you do the math, you’ll be spending a fraction of a penny per employee at each account. In other words, a complete waste of time and money.

“A single impression on a target account does not equate to awareness.”

Instead, segment your account list into tiers based on potential value to your business. Tier 1 should include up to 50 ideal companies. And the vast majority of your ABM display budget should be spent on them. This allows you to saturate them with impressions at the company level.

“If you want to make a real impact you want to aim for at least 10k impressions per account. You’re looking for a correlation on opportunities being influenced based on the amount of exposure per account.”

Display Retargeting

On the flipside, if you’re not running ABM, display works best when you use it to stay top of mind through retargeting. You’re getting additional touchpoints at very low cost, so it’s almost always worthwhile.

Cookieless Retargeting

With the impending deprecation of third-party cookies on Chrome set for 2024, many brands are looking for ways to maintain the effectiveness of their retargeting campaigns. Silvio explained that pushing in-feed native consumption on platforms like LinkedIn can be effective here.

“If you’re running LinkedIn ads, you can still retarget based on video views, image interactions, company page visits. None of that is cookie based.”

As cookies are phased out the question to start asking is – “How can I acquire as many first touches possible for the lowest cost in feed to fuel my retargeting campaigns?”

05.

Use Personalised and Animated Creative

Following on from the previous tip, if you're running AMB display campaigns, personalised creative is essential for maximising engagement and impact. You want to explicitly call out your target accounts within your ads.

"Personalised creative for one-to-one ABM campaigns will lift your click through rate significantly, transforming these placements into very cost effective inventory."



For other kinds of display campaigns, animation can help drive a significant uplift in performance. And thankfully, animated ads are now much easier to create with the help of tools like [Creatopy](#). Even [Google Web Designer](#) now allows you to create animated HTML5 ads, so it's a great starting point if you've never experimented before.

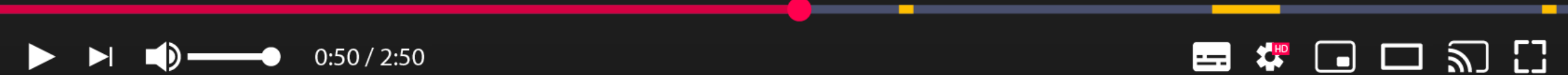
Once you've got some experience with HTML5, you should aim to move on to dynamic display ads where the layout and messaging is tailored to the user based on previous interactions with your website, other websites, and demographic data.



YouTube Video Ads

The five tips below relate specifically to running video ads on YouTube. Currently, the average cost per view on YouTube ranges from \$0.05 to \$0.45, which is incredibly cheap given an average click through rate 0.65% on the low end 2%+ on the high end.

But the cost won't remain this low indefinitely. So Silvio strongly recommends all brands make the most of the opportunity offered by YouTube ads while it's still highly spend-efficient.



06.

Don't Try to Repurpose Social Video Ads

You might already be running video ads on social platforms like LinkedIn and Facebook. And there's an understandable temptation to try and reuse that creative for your YouTube campaign. But Silvio explained that's a bad idea, for several reasons.

Aspect Ratio

Social videos are usually 1200 x 1200, but the ideal aspect ratio for a YouTube ad is 1200 x 628, so it won't correctly fit the placement.

Editing Style

YouTube ads tend to have their own unique editing style that differs from social videos. They typically use fast cuts and lots of animation to maximise click-through rates. People have become used to this on YouTube, so it's important your video ad aligns with viewer expectations (stylistically at least).

Optimising the "Hook"

Most importantly, social video ads aren't created with the hook in mind. The hook simply refers to the opening five seconds of your ad. And getting it right is vital on YouTube if you want to control your costs and maximise performance.

"Because you're not charged for a "view" until at least 30 seconds of your ad has been watched, the key to success is keeping your view rate low and your click rate high. And achieving that is almost entirely dependent on your video opening.

"Your hook needs to strongly resonate with the right person and repel the wrong person. As the old saying goes, if you're speaking to everybody, you're speaking to nobody. And that's very true when it comes to YouTube ads."

07.

Write and Test Multiple Hook Variations

Given that your video hook is so important, you should aim to create 5 – 10 different variants to test. This will help you hone in on the best performer and maximise future spend efficiency.

How to Come up With Ideas for Hooks

When Silvio is crafting hook variants, he looks to testimonials first.

“There’s so much gold there. What are the things customers like about your product? What use cases are they calling out? What pain points are you solving? That usually gives me more than enough inspiration for hook angles and video concepts.”

By focusing on what your existing customers are saying, it helps ensure your hooks will resonate with similar audiences of like-minded people.

Direct vs Indirect Hooks

There are generally two different ways to script a hook: direct and indirect.

With a direct hook, you simply ask the viewer a qualifying question e.g:

“Are you’re a B2B marketer looking to learn how to rapidly scale your pipeline and revenue? Then stick with me for the next 30 seconds and I’m going to show you a step by step framework that helped me achieve X”

With an indirect hook, you’re not asking a question, but only a very specific person will relate:

“There’s nothing like having to hit pipeline and revenue targets when your budget has been cut in the same year, but let me show you exactly what I did to hit my goals with less ad spend last quarter...”

Play around with both types to see which works best with your audience. Aside from your script there are other subtle elements that can make your hook even more effective such as the B-roll you’ve used, what the actor looks like, and the accent of the voiceover.

“Monday.com does this really well with their YouTube ads. They’ve gotten to the point where they’re micro-optimising different parts of their videos. They test different actors, voiceovers, animations, and edit cut points. It’s hard to appreciate the level of work that’s going on behind the scenes of these campaigns.”

08.

Focus on Your Script and Keep Production Costs Low

If you're just getting started with YouTube ads, don't make a big upfront investment in studio-quality production value. You need to spend a little (i.e. £500 - £2000) to bring your concept to life, but Silvio made a few helpful recommendations to keep your costs down.

Use a Tried and Tested Video Structure

The vast majority of YouTube video ads tend to follow the same formula:

- Hook
- Problem
- Solution
- Social proof
- Call to action

You can use this to your advantage to create multiple videos inexpensively. Instead of producing five completely different videos, simply create it once but refilm the hook 10 times. The rest of the video can stay the same. This will keep your costs down and allow you to rapidly test the part of the video that will have the most impact on performance.

Never Outsource Your Script

It's very hard to find good freelance writers. Those with impressive portfolios often charge £3000 or more for a 30 second video script. And there's no guarantee they'll get it right.

You know your customers better than anyone else. So use that knowledge and channel it into your script. There's a much better chance you'll be able to craft something that resonates with the right audience than a freelancer who's only just learned about your business yesterday.

Once you've got an initial draft then edit, edit, edit. The more rounds of revision you put your script through, the better it will be. This is the part of the process where you should invest most of your time and effort.

Outsourcing Production

Unlike writing, video production is very easy to outsource. The results you'll get are much more reliable and predictable. So once you've written a script you're happy with, you can start looking at freelancers on Fiverr and Upwork to bring it to life in an affordable way.

"Lusha has great examples of simple but effective video ads. They develop a really strong script and then use B-roll and basic animations to create the video. I can't imagine they're paying anything more than a few grand per video."

09.

Set Frequency Caps

No one likes seeing the same ads they just skipped 6 times in the same day. That's why YouTube has introduced the frequency cap. This feature allows you to limit the number of times your ads are displayed to each user. There are two types of frequency cap:

- **Impression Capping** – Limit the number of times your ad is shown without the user interacting with it.
- **View Capping** – Limit the number of times your ad is shown if the user watches it for at least 30 seconds or interacts with it.

Impression capping will stop your ads annoying potential customers. It also weeds out some of those who are unlikely to convert. View capping will help you retain tighter control over your budget as you're not paying to replay the same as again and again to the same viewer. Ultimately, using both these caps effectively can reduce your wasted ad spend.

Scaling Your Impression Capping

Silvio recommends starting very conservatively at one impression every 48 hours and increasing from there. The next logical step would be one impression every 24 hours, and then cut down in six hour increments from there to a maximum of one impression every 6 hours.

There are times when you might want to be even more aggressive though – for example if you've got a conference or webinar and the date is approaching. In those cases you might want to go to one impression every 2 hours.

10.

Don't Measure Success on Direct Conversions Alone

I Don't measure YouTube success solely on direct conversions. Make sure you're monitoring the "halo effect" through brand and direct traffic increases.

Many viewers who don't click on your ad will remember your brand and go on to visit your website directly, or look you up on Google. So an effective YouTube campaign should correlate with an overall increase in traffic to your site.

"Look at your baseline figures for direct and branded search traffic on Google Analytics before launching your YouTube campaign. If you're not seeing any increase over time, it's an indication you need to revise your creative to make it more impactful. Having self-reported attribution is also helpful to see if new prospects/customers cite your YouTube as where they heard about you."



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Platform Overview

Google

Google Overview

Google Ad Accounts

Google Ads Campaigns

Google Ad Stats

Clicks Log

Exclusions

Conversions



Ready For Take Off, Red?

Active Platforms Health

< 1 / 3 >



Meta
Platform Health: 18%



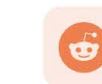
Twitter
Platform Health: 31%



LinkedIn
Platform Health: 29%



TikTok
Platform Health: 32%



Reddit
Platform Health: 64%



Google
Platform Health: 0%



Clicks from Legitimate
Sources
88,465 (68.11%)



Clicks from Suspicious
Sources
7,992 (5.97%)



Clicks from Invalid Sources
37,357 (27.92%)

Cost of clicks from Invalid Sources

\$79,503.16

Active Exclusions

17,947 IPs