



# The U.S. Digital Video Benchmark

## 2012 Review

Adobe Digital Index

# Digital video is on the rise

As you relax at home, walk through stores, and sit in airports, you see people watching video on more screens than ever before. But don't rely on the eyeball test. The Adobe Digital Index team looked at 19.6 billion video starts on media websites to confirm the growth of broadcast video consumption across connected devices. But the useful insights don't stop there. See the latest trends in device use, ad placement, and more.

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# Year-over-year increase

Based on data recorded by the Adobe® Marketing Cloud customers, video consumption has grown dramatically over the past two years. To put that into context, the 15 billion video streams measured in Q4 of 2012 are 11 times more than all of the U.S. movie ticket sales in 2012.<sup>1</sup>

## The findings:

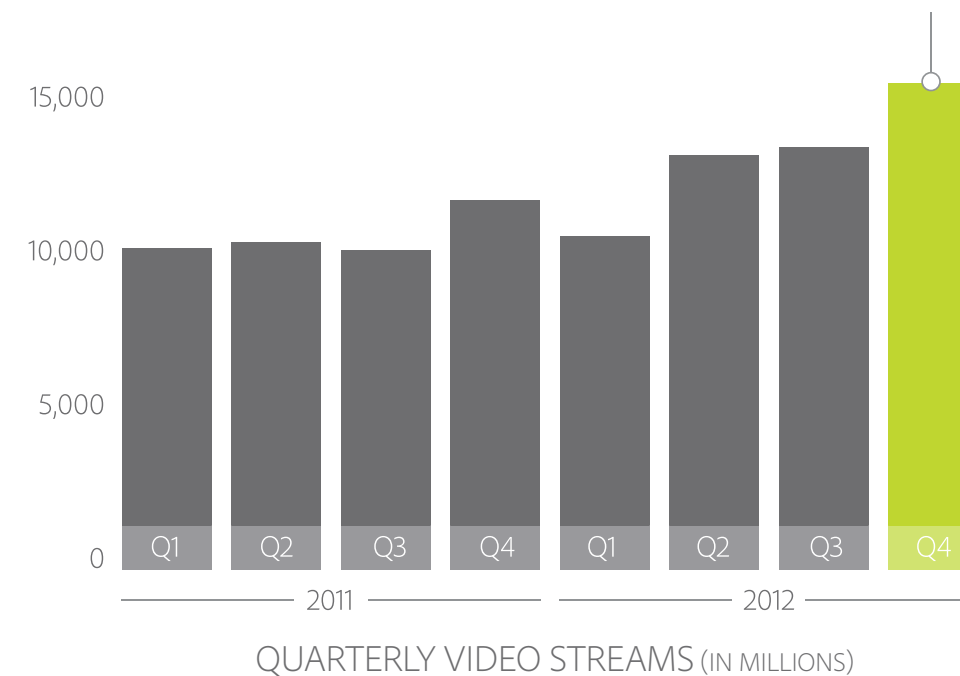
- Digital video consumption has grown 30% year over year in Q4 2012.
- From Q3 to Q4 2012 alone, video consumption grew 13%.
- There has been 50% growth in video streams since Q1 2011.
- New TV and sports content drove the highest growth in video streams in Q4 2012.

## The opportunity:

Find ways to create personalized digital video experiences for your viewers, visitors, and advertisers. While most videos are consumed on PCs, views on mobile devices have tripled from 2011 to 2012. Look for opportunities to weave more video content into your marketing channels, such as social media.

<sup>1</sup> Source: <http://www.the-numbers.com/market/2012/summary>

Adobe customers produced  
**15.6 Billion**  
 video streams in **Q4 2012** 



# Video on mobile devices

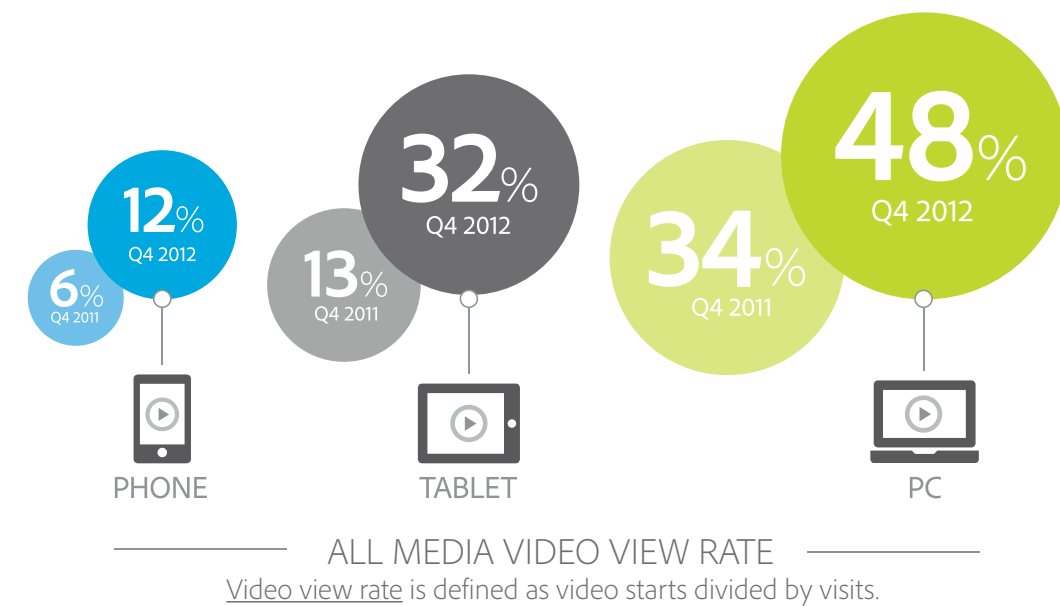
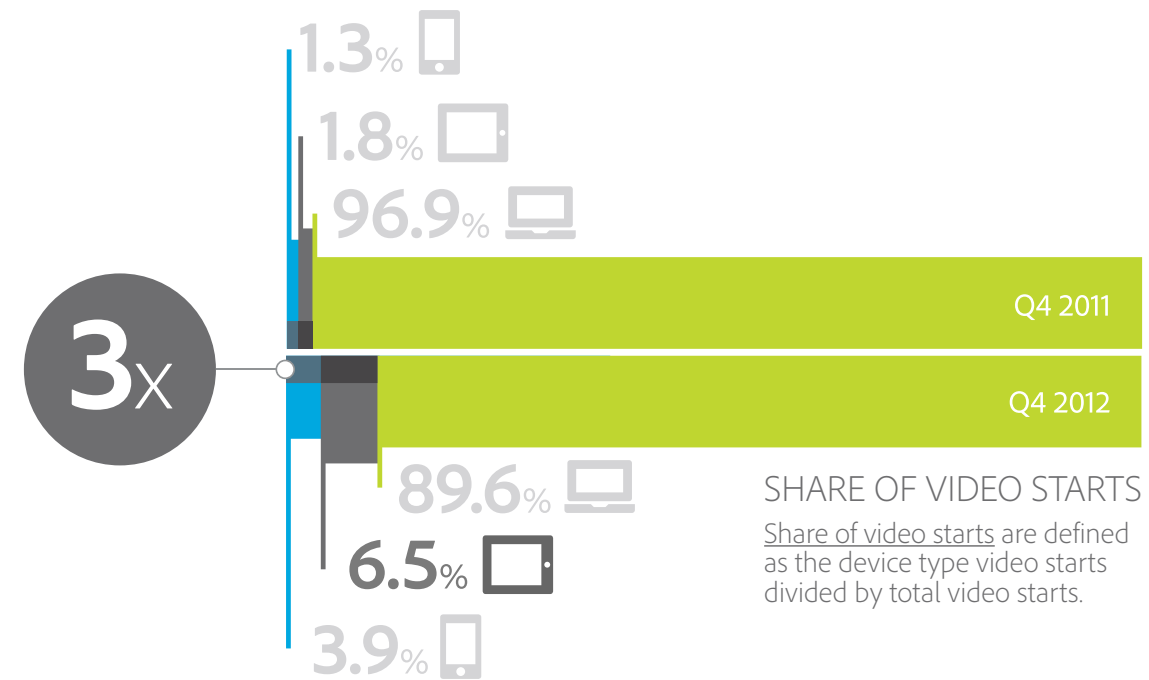
Mobile video consumption is on the rise. By Q4 2012, mobile video starts—including both smartphones and tablets—have tripled year over year and currently account for over 10% of total digital video starts.

## The findings:

- Video starts on smartphones tripled year over year from 2011 to 2012.
- Tablet video consumption slightly out paced smartphones in video starts.

## The opportunity:

The growing mobile audience provides incremental engagement and revenue opportunities for advertising. Tablet viewers, in particular, are early adopters who typically spend more money, book more trips, and consume more media content. Publishers can capitalize on this target audience with high CPMs and incremental impressions.



# Days and devices

Video consumption on smartphones has peaks and valleys throughout the week. But with tablets, there's a clear pattern of more video being watched on the weekends.

## The findings:

- Video content watched on smartphones is driven by “content snacking,” such as news, weather, and sports clips. It’s more likely to be consumed outside the home.
- Tablet video consumption is more likely to happen at home and through a WiFi connection, as well as consumed in longer periods in a single session.

## The opportunity:

Know what your tablet customers are watching. On the weekend, they’re streaming live sports, movies, and television shows—programs with traditionally longer run times. This should affect how and where you place and sell ads.



# The draw of TV content

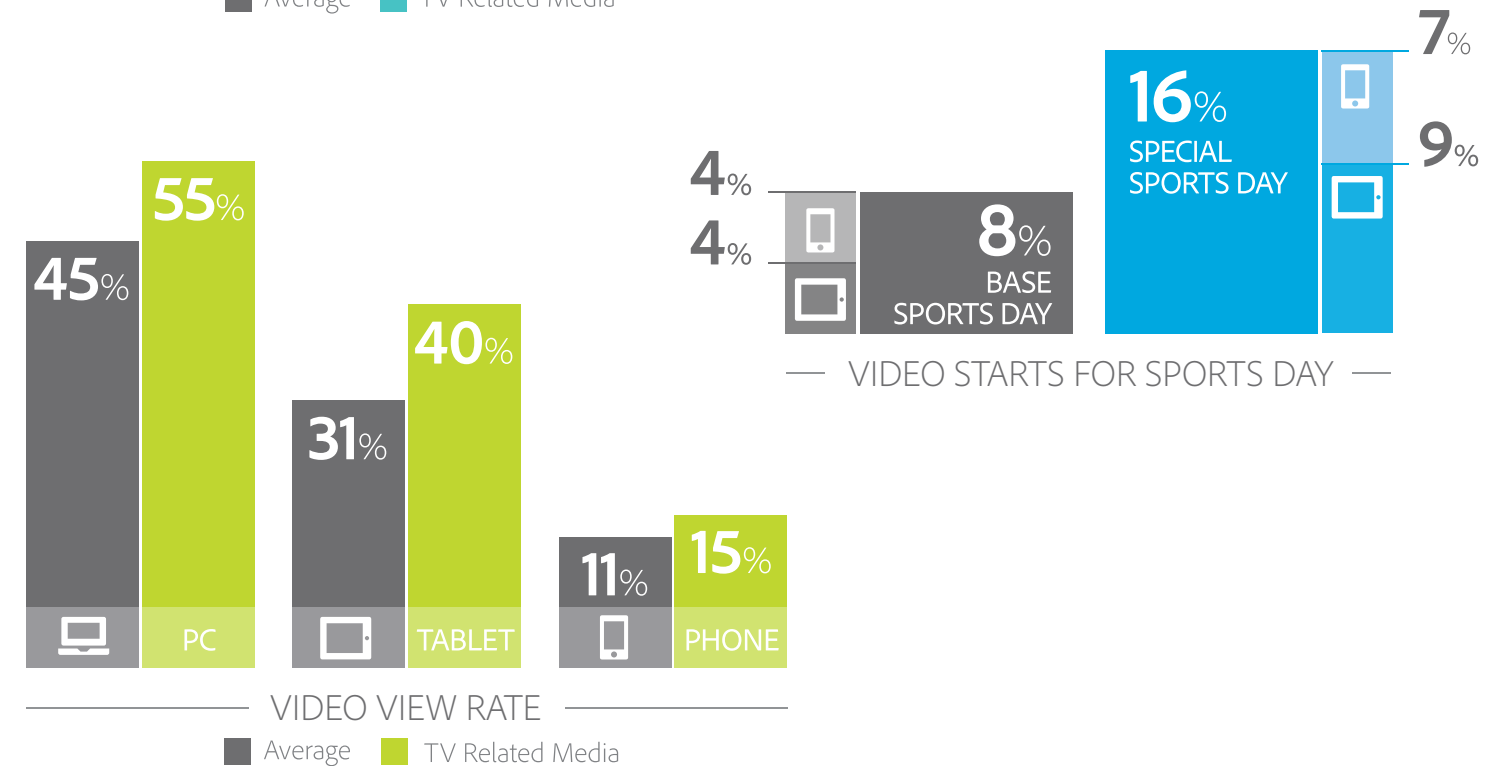
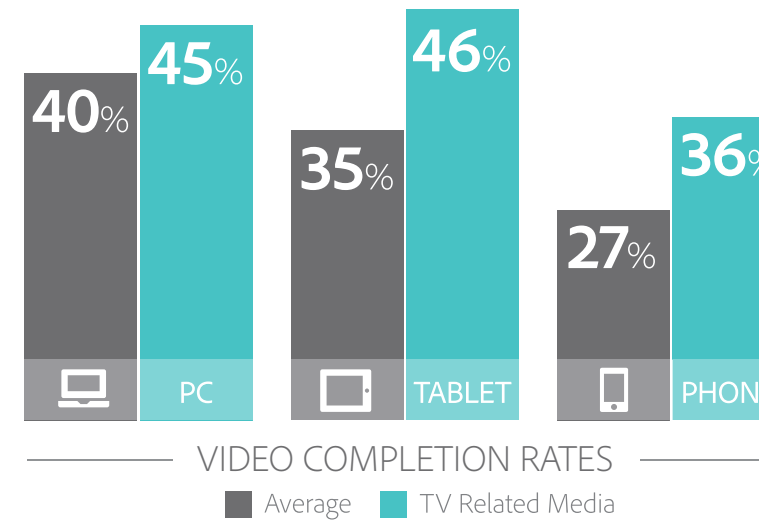
Among the different video options, broadcast TV content drives the most views. PCs are the source of the most views, however tablets produce the highest completion rates.

## The findings:

- Video starts for TV-related content (such as full episodes of television shows) are 30% higher when compared to other video types on tablets.
- Special sporting event days (like the Super Bowl or Daytona 500) see double the mobile video starts.

## The opportunity:

Consider the advertising goals when purchasing or placing video ads. Broadcast TV and special sporting events offer both branding and visitor acquisition opportunities. Viewers on PCs will see ads when they precede a TV program—great for brand opportunities. Tablet viewers (who are more likely to complete a video) are more likely to see post-roll ads which are best for call-to-action advertising.



# Social media and video

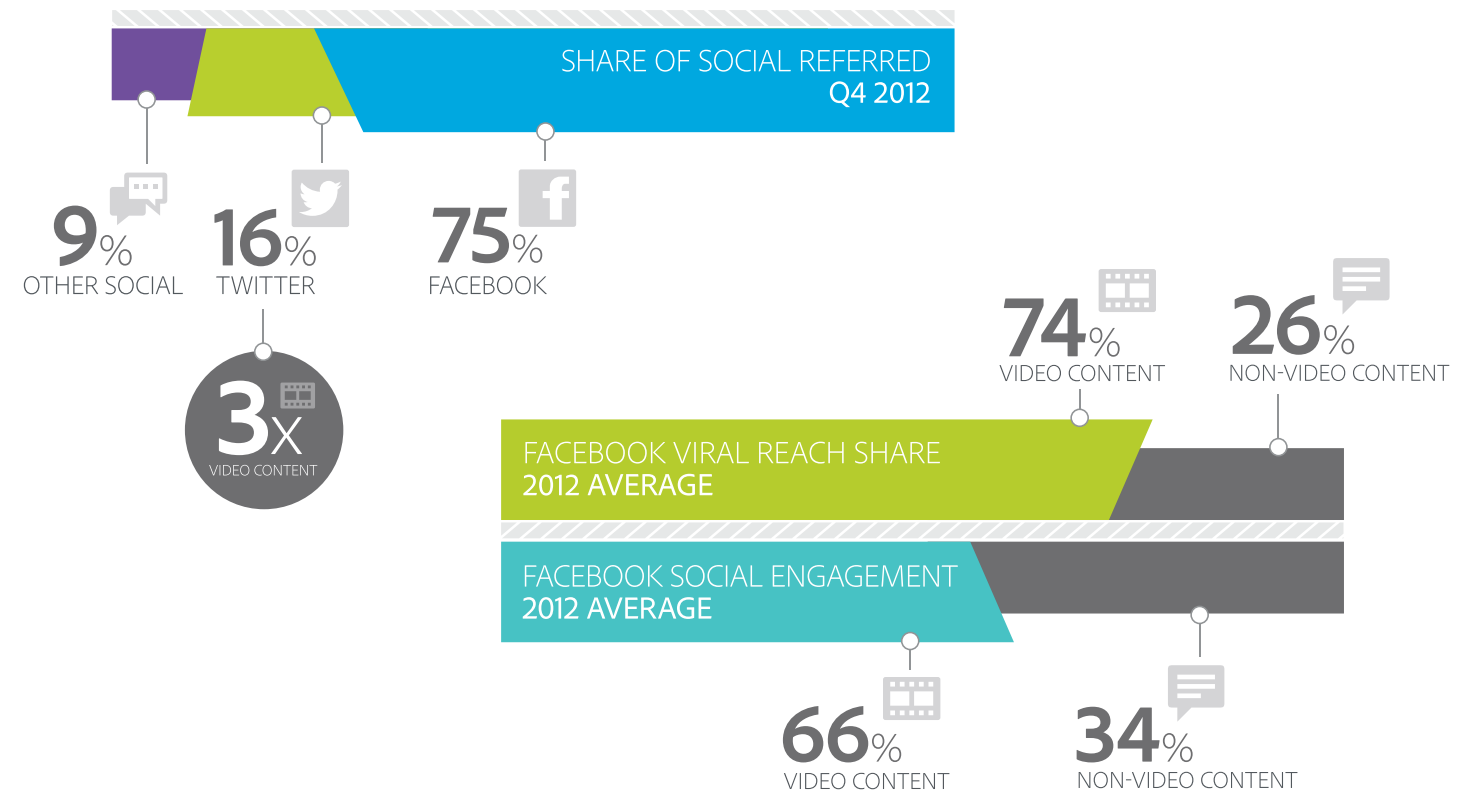
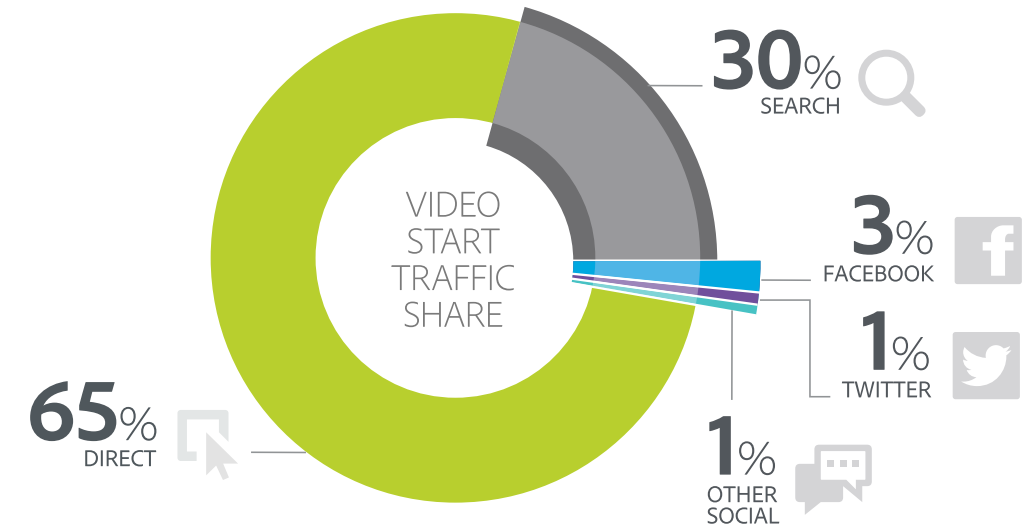
Social media and digital video are a natural fit. For brands, video content generates more engagement. For publishers, Facebook-referred traffic improves video completion rates.

## The findings:

- Although more people use search or go direct to video, socially-referred video starts are more likely to be completed.
- Facebook dominates the social referrals but Twitter is three times more likely to refer to a video than other types of content.
- During 2012, video social engagement jumped from 42% to 70%.
- Viral reach of video also outpaces other types of content. In Q1 2012, viral reach share was 55% versus non-video content, and by Q4 had grown to 77%.

## The opportunity:

Offering more video content is one key to unlocking the value of social media. Brands should create more video for use in social marketing and publishers should increase social media marketing efforts to attract more engaged digital video viewers.



# Ad click rates and impressions

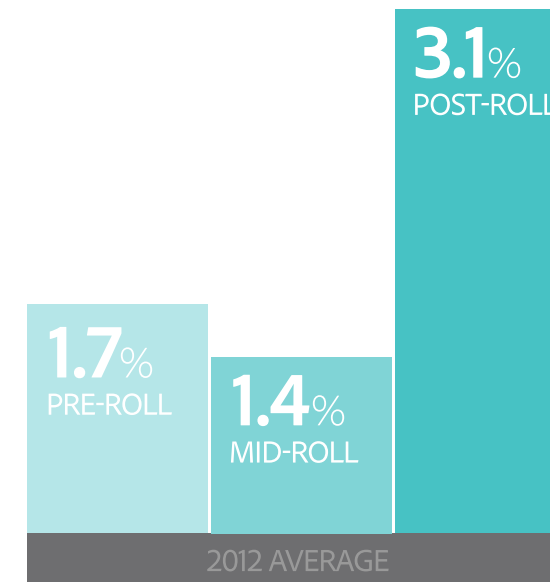
Ads placed at the end of a video have a better click-through rate—about 3%—when compared to ads placed within or on the front end. Not surprisingly, ads placed at the beginning of a video result in significantly more impressions than the other two types of positions.

## The findings:

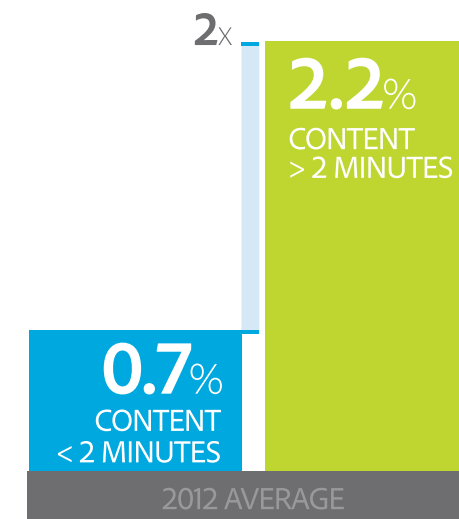
- Video ad click rates and ad impressions have remained consistent throughout 2012.
- Mid-roll ads have the second highest reach but the highest completion. Depending on the opportunity, they may deliver more engaged brand impressions.

## The opportunity:

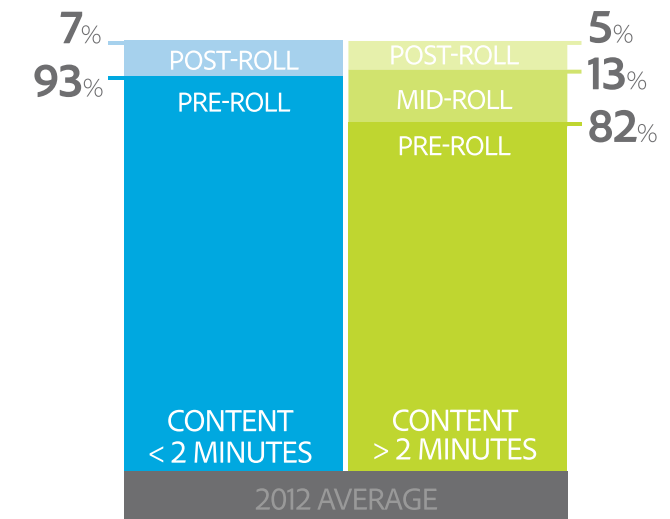
Mid-roll ads produce completions. But if the goal is simply impressions, advertisers should front-load their ads. Post-roll ads, which produce higher click-throughs, tend to appeal to direct response advertisers with a call to action.



AD CLICK THROUGH RATES BY SPOT POSITION



AD CLICK THROUGH RATES BY CONTENT LENGTH



AD IMPRESSIONS BY CONTENT LENGTH



# Complete ad views

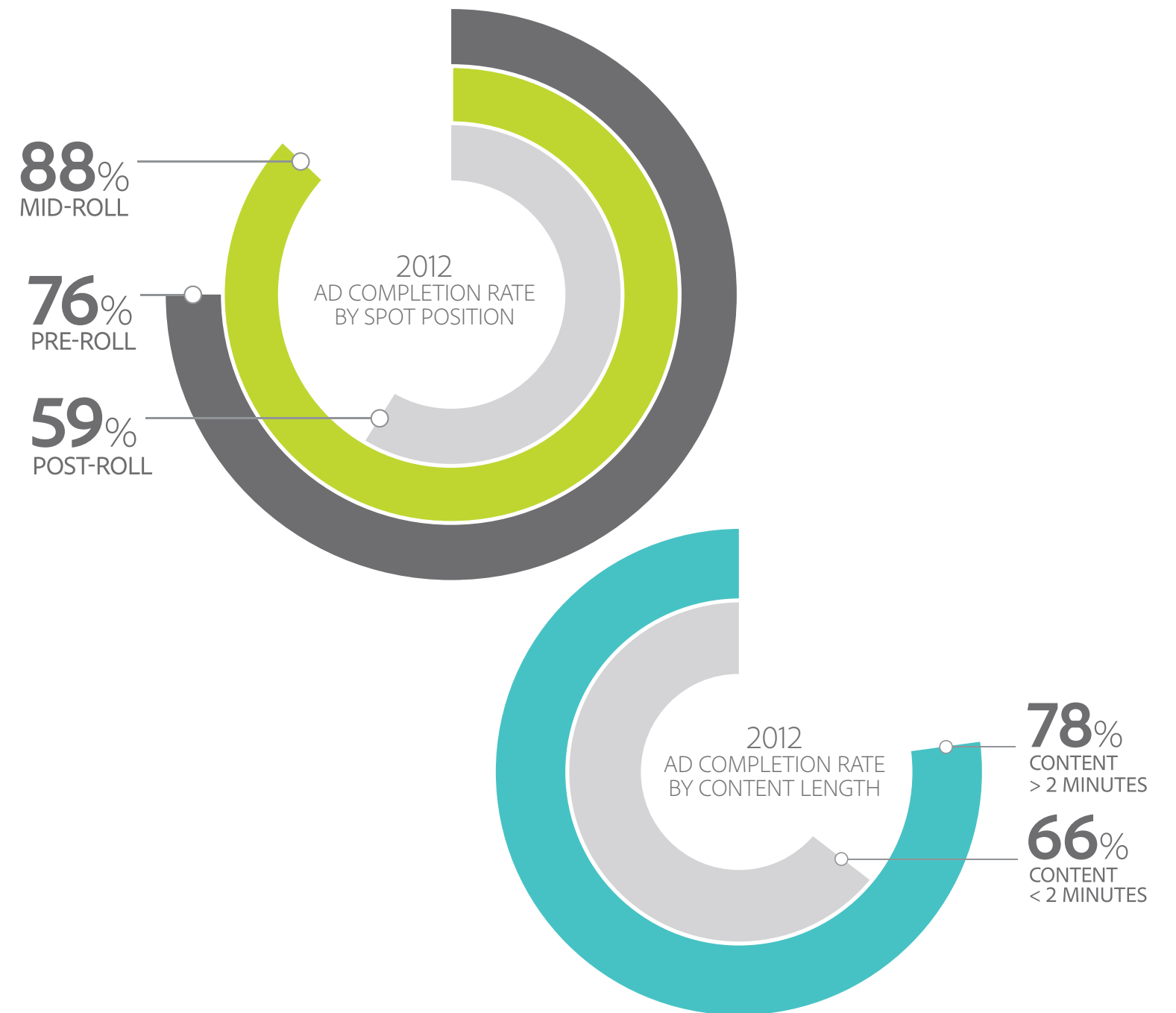
More ads are completed if they appear *within* the video, opposed to before or after. Interestingly, the ad completion rate—regardless of position—is higher in videos that are longer than two minutes.

## The findings:

- Ad completion by location remained unchanged throughout 2012.
- Ad completion rates for longer videos are generally trending down.

## The opportunity:

Find and test the best place within a video to place or sell ads. Consider grouping multiple ads within longer episodic and video-on-demand content, and disabling fast-forward if the overriding motivation is ad completion.



# The rise of authenticated streams

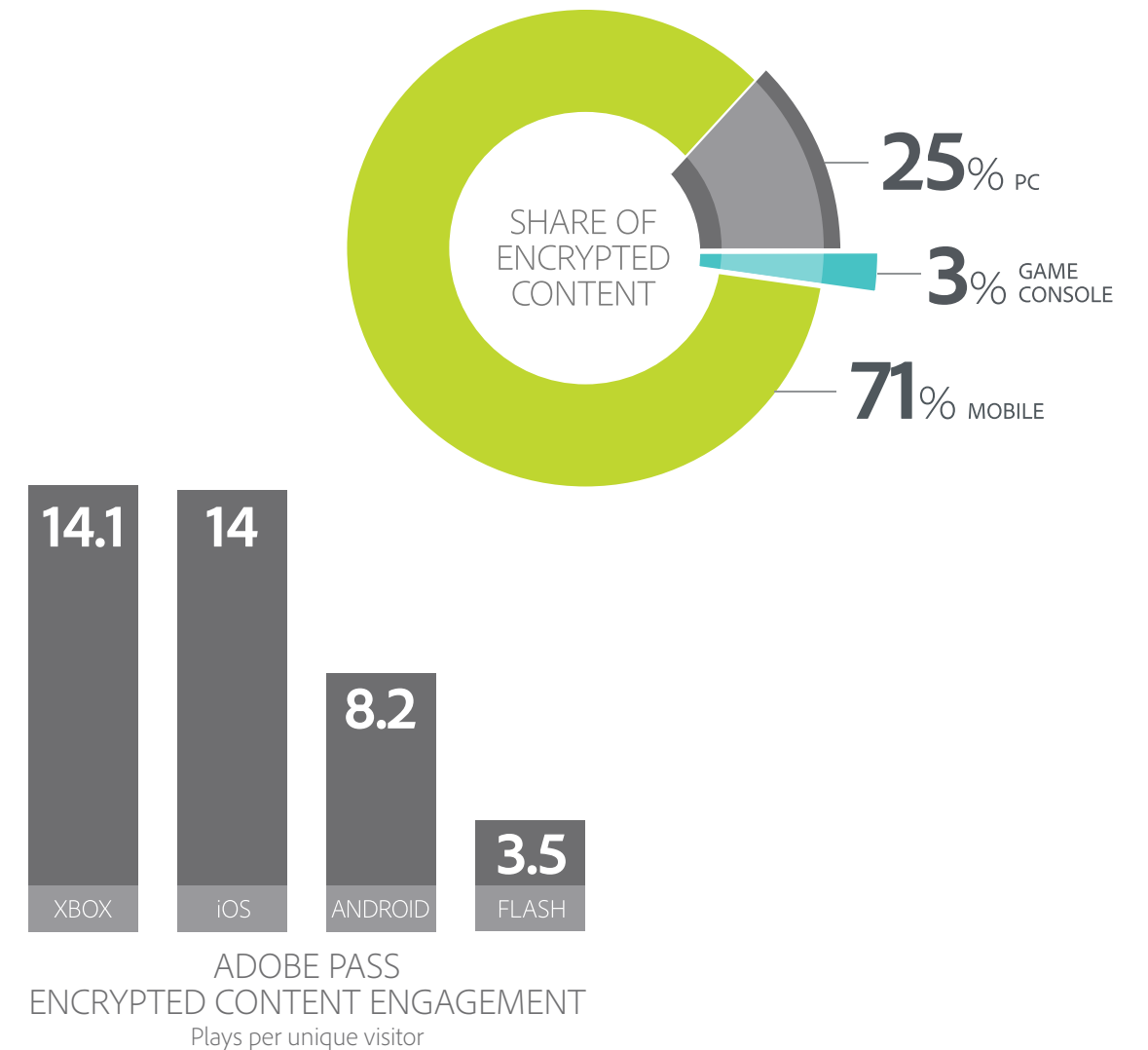
TV Everywhere has grown tremendously, wherein media providers are asking their customers to provide a secure login to stream their content. Adobe measured the rise in authenticated streams and saw a growth from 18.3 million streams in 2011 to 222.5 million in 2012.

## The findings:

- Unlike traditional online video, most authenticated video streams are viewed on mobile devices opposed to PCs.
- Game Console and iOS (likely tablet) viewers watch the most video, consuming an average of 14 streaming videos per visitor per month in January 2013.

## The opportunity:

The growth in authenticated streams, in particular the growth of mobile access to these streams, offers additional reach, targeting, and impressions with affluent and sophisticated consumers. As media accessibility expands, publishers and advertisers require more intricate ad packages, digital ad content, and improved technology to take advantage of this emerging advertising channel.



# Glossary

- **Ad click through rates:** The ratio of ad clicks to ad impressions.
- **Ad completion rate:** The ratio of ads completed after being started.
- **Ad position types:** Where an ad is placed within video content.
  - Pre-roll: Before the video starts.
  - Mid-roll: In the middle of the video content.
  - Post-roll: At the end of the content.
- **Social engagement:** Total number of Comments + Shares + Likes. (Facebook only)
- **Video completion rate:** The amount of videos that are completed after being started.
- **Viral media reach:** The number of unique people who saw a post from a story published by a friend. These stories can include liking, commenting, or sharing your post; answering a question; or responding to an event.
- **Video starts:** When a visitor engages with video content it is captured as a video start.
- **Video view rate:** The percentage of visits resulting in a video start.

# Methodology

This data is based on 19.6 billion video starts in 2012 and is comprised of the aggregated and anonymous data from media and entertainment websites. Additional sample information includes:

- 10.1 Billion ads served
  - 457 Million Facebook Posts
  - 365 Million Facebook Comments, Shares and Likes
  - This data does not contain any User Generated Video Content (UGC)
- 

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# Appendix

| Quarterly video stream starts (in millions) |         |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|---------|
| Q1 2011                                     | Q2 2011 | Q3 2011 | Q4 2011 | Q1 2012 | Q2 2012 | Q3 2012 | Q4 2012 |
| 10,381                                      | 10,535  | 10,237  | 11,851  | 10,730  | 13,352  | 13,592  | 15,633  |

| Video starts by device type |         |         |         |         |         |
|-----------------------------|---------|---------|---------|---------|---------|
| Device type                 | Q4 2011 | Q1 2012 | Q2 2012 | Q3 2012 | Q4 2012 |
| Phone                       | 1.3%    | 1.4%    | 2.4%    | 2.8%    | 3.2%    |
| Tablet                      | 1.8%    | 2.1%    | 3.4%    | 4.1%    | 6.5%    |
| PC                          | 97.0%   | 96.5%   | 94.4%   | 93.1%   | 89.6%   |

| Video view rate by device type |         |         |         |         |         |
|--------------------------------|---------|---------|---------|---------|---------|
| Device type                    | Q4 2011 | Q1 2012 | Q2 2012 | Q3 2012 | Q4 2012 |
| Phone                          | 6%      | 6%      | 9%      | 7%      | 12%     |
| Tablet                         | 13%     | 15%     | 21%     | 18%     | 32%     |
| PC                             | 34%     | 37%     | 43%     | 43%     | 48%     |

| Video completion rates by device type |           |            | Video view rate by device type |           |            |
|---------------------------------------|-----------|------------|--------------------------------|-----------|------------|
| Device type                           | All media | TV related | Device type                    | All media | TV related |
| Phone                                 | 27%       | 37%        | Phone                          | 12%       | 15%        |
| Tablet                                | 37%       | 46%        | Tablet                         | 32%       | 40%        |
| PC                                    | 40%       | 45%        | PC                             | 48%       | 55%        |

| Phone video starts by day (2012) |     |
|----------------------------------|-----|
| Monday                           | 16% |
| Tuesday                          | 13% |
| Wednesday                        | 13% |
| Thursday                         | 16% |
| Friday                           | 13% |
| Saturday                         | 13% |
| Sunday                           | 16% |

| Tablet video starts by day |     |
|----------------------------|-----|
| Monday                     | 14% |
| Tuesday                    | 13% |
| Wednesday                  | 13% |
| Thursday                   | 13% |
| Friday                     | 13% |
| Saturday                   | 16% |
| Sunday                     | 17% |

| Ad completion rate by spot position |         |         |         |         |      |
|-------------------------------------|---------|---------|---------|---------|------|
| Position type                       | Q1 2012 | Q2 2012 | Q3 2012 | Q4 2012 | 2012 |
| Pre-roll                            | 77%     | 74%     | 79%     | 76%     | 76%  |
| Mid-roll                            | 90%     | 88%     | 85%     | 91%     | 88%  |
| Post-roll                           | 57%     | 57%     | 61%     | 59%     | 59%  |

| Ad click-through by spot position |         |         |         |         |      |
|-----------------------------------|---------|---------|---------|---------|------|
| Position type                     | Q1 2012 | Q2 2012 | Q3 2012 | Q4 2012 | 2012 |
| Pre-roll                          | 1.4%    | 1.7%    | 1.4%    | 1.7%    | 1.7% |
| Mid-roll                          | 1.4%    | 1.4%    | 1.3%    | 1.4%    | 1.4% |
| Post-roll                         | 3.2%    | 3.1%    | 3.4%    | 3.2%    | 3.1% |

| Ad completion rate by content length |         |         |         |         |      |
|--------------------------------------|---------|---------|---------|---------|------|
| Position type                        | Q1 2012 | Q2 2012 | Q3 2012 | Q4 2012 | 2012 |
| Content < 2 minutes                  | 67%     | 66%     | 65%     | 65%     | 66%  |
| Content > 2 minutes                  | 82%     | 79%     | 78%     | 73%     | 78%  |

| Ad click rate by form type |         |         |         |         |      |
|----------------------------|---------|---------|---------|---------|------|
| Position type              | Q1 2012 | Q2 2012 | Q3 2012 | Q4 2012 | 2012 |
| Content < 2 minutes        | 0.8%    | 0.8%    | 0.7%    | 0.7%    | 0.7% |
| Content > 2 minutes        | 2.1%    | 2.0%    | 2.4%    | 2.1%    | 2.2% |

| Ad impressions by position type |                     |                     |
|---------------------------------|---------------------|---------------------|
| Position type                   | Content < 2 minutes | Content > 2 minutes |
| Pre-roll                        | 93%                 | 82%                 |
| Mid-roll                        | 0%                  | 13%                 |
| Post-roll                       | 7%                  | 5%                  |

| Adobe Pass Encrypted Content |                         |             |             |
|------------------------------|-------------------------|-------------|-------------|
| Device type                  | Encrypted content share | Device type | Engagement* |
| PC                           | 25%                     | Xbox        | 14.1        |
| Gaming console               | 3%                      | iOS         | 14.0        |
| Mobile                       | 71%                     | Android     | 8.2         |
|                              |                         | Flash       | 3.5         |

\*Plays per unique visitor

| Sporting event video starts |                  |                             |
|-----------------------------|------------------|-----------------------------|
| Position type               | Base sports days | Special sporting event days |
| Mobile % of video starts    | 8%               | 16%                         |
| Tablet % of video starts    | 4%               | 9%                          |
| Phone % of video starts     | 4%               | 7%                          |

| Video starts vs. completion rate |              |                 |
|----------------------------------|--------------|-----------------|
| Social referrer                  | Video starts | Completion rate |
| Facebook                         | 75%          | 37%             |
| Twitter                          | 16%          | 33%             |
| Other social                     | 9%           | 31%             |

| Video starts vs. video view rate by referrer (Q4 2012) |              |            |            |
|--|--------------|------------|------------|
| Referrer type  | Video starts | Video view | Completion |
| Direct   | 65%          | 36%        | 34%        |
| Search   | 30%          | 35%        | 33%        |
| Facebook   | 3%           | 31%        | 37%        |
| Twitter  | 1%           | 20%        | 33%        |
| Other Social   | 1%           | 20%        | 31%        |

| Social engagement share |         |         |         |         |      |
|-------------------------|---------|---------|---------|---------|------|
| Content type            | Q1 2012 | Q2 2012 | Q3 2012 | Q4 2012 | 2012 |
| Video content           | 42%     | 49%     | 73%     | 70%     | 66%  |
| Non-video content       | 58%     | 51%     | 27%     | 30%     | 34%  |

| Facebook content viral reach |         |         |         |         |      |
|------------------------------|---------|---------|---------|---------|------|
| Content type                 | Q1 2012 | Q2 2012 | Q3 2012 | Q4 2012 | 2012 |
| Video content                | 55%     | 62%     | 84%     | 77%     | 74%  |
| Non-video content            | 45%     | 38%     | 16%     | 23%     | 26%  |