

In this Marketing Action Guide, you'll learn the secrets to creating a profitable video advertising campaign on YouTube.

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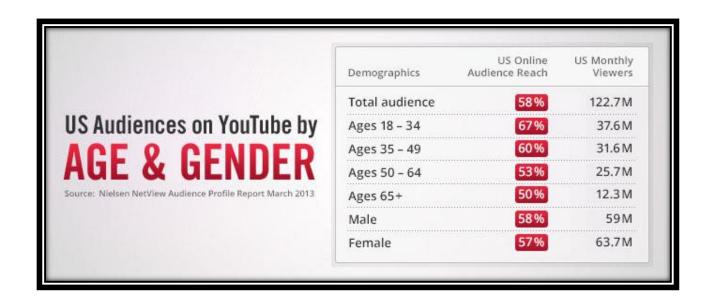
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WHY SHOULD YOU ADVERTISE IN YOUTUBE?

If you're like me, then you're probably skeptical about advertising in YouTube. To be honest, it took me about a year of prodding by my Google rep (nice reminder about the importance of follow-up!) before I even dipped my toe in the water. So I understand the hesitation.

That's why I want to start by looking at the statistics because they are pretty impressive:

- More than 1 billion unique users visit YouTube each month so there's a TON of traffic on this website
- Nielson reports that YouTube reaches more US adults (18 34 years old) than any cable network. See image below for full breakdown by age and gender.
- Over 6 billion hours of video are watched each month on YouTube and that number is growing every year



As you can see, no matter what business you're in, you can target your ideal prospects on YouTube. Don't fall for the misconception that YouTube is just for kids who want to watch monkeys skateboarding. Sure, there's a lot of that going on, but there's also a lot of older and more sophisticated users on YouTube. In fact, CEOs and decision makers in businesses are watching videos on YouTube, so video ads can even work for B2B.

Alright, the stats don't lie. You can absolutely reach your target prospects by advertising in YouTube. But how does it work? And can you really drive leads and sales from YouTube videos?

How do YouTube Ads Work?

Over the past few years, there have been a lot of changes in the way you can advertise in YouTube. The options used to be very limited, which is one of the reasons I was dragging my feet to test this out myself. But recently Google launched a new ad format that I recommend every business start testing right away.

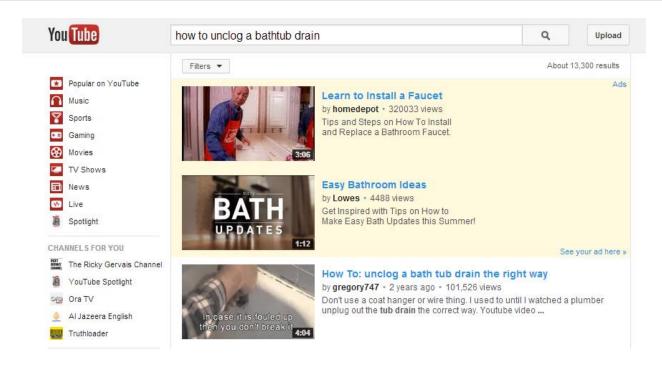
At the time of writing this guide, there are 3 ad formats to choose from:

- 1. In-Search ads
- 2. In-Display ads
- 3. In-Stream

IN-SEARCH ADS

Did you know YouTube is the 2nd largest search engine? That was shocking to me when I first heard that fact. A lot of people search in YouTube to find a video for information and entertainment purposes.

In-Search YouTube ads are very similar to ads on the Google AdWords Search network. When I search "how to unclog a bathtub drain" then I see the results in the image below.



The top two results highlighted in yellow are In-Search advertisers (Home Depot and Lowes). They are advertising on the keyword "how to unclog a bathtub drain" in YouTube.

When a prospect clicks on one of these ads, then she is redirected to one of your YouTube videos within YouTube.com. This is not ideal because you're not sending the traffic directly to your website. Instead, the prospect stays on YouTube.com and you need to compel her to then go to your website after watching the video.

I do **not** recommend this ad format if your goal is to drive leads and sales to your website.

In-Display Ads

The next format is called In-Display ads and they are similar to Google AdWords Display network text ads. Instead of advertising when people search in YouTube, you'll display your ad while people are watching another video. See the image below to see an example of an In-Display ad targeting a video about unclogging a bathtub.

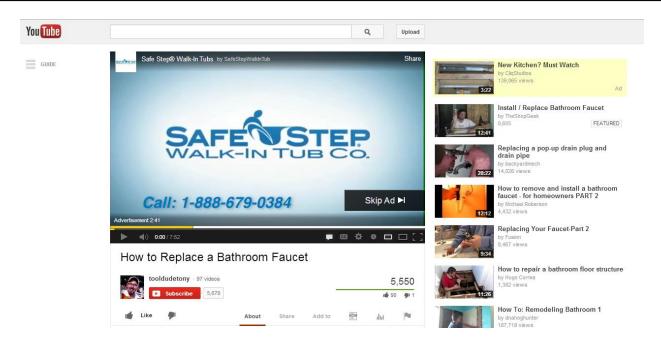


Again, when a prospect clicks on one of these ads, she is sent to your video on YouTube.com. Therefore, I do **not** recommend this ad format either. That leaves just one more format...

IN-STREAM ADS

Finally, let's talk about the ad format that I **do** recommend. The In-Stream ad is just like a 30-second commercial you're used to watching on TV. The difference is the ad is going to play right before your prospect watches a relevant video on YouTube.

For example, I clicked on a video about replacing my bathroom faucet and before the video played I saw an ad for Safe Step Walk-In Tub Co. (shown in the image below). This is a fairly relevant ad since I'm about to watch a video about replacing something in my bathroom. Therefore, Safe Step knows I'm interested in bathroom repair and I may be a good prospect for their walk-in tub product. Of course, they can and should use even more targeting filters that I'll explain later.



You'll notice in the lower right corner of the ad there's a button that says "Skip Ad." If a prospect skips the ad before 30-seconds, then the advertiser does NOT pay for the ad placement. That's a critical feature of In-Stream ads. You only pay for actual views of your ad. If the prospect skips the ad, then you do not pay a penny. That's why this type of advertising is called pay-per-view, or PPV.

There's one more important feature about this ad format, which makes it far superior than the previous two formats. When a prospect clicks on the video while the ad is playing, she is redirected to YOUR website (not YouTube.com). For example, when I clicked on the ad in the image above, I was sent to the webpage shown below.



Bingo! Now you can target your ideal prospect on YouTube and then send her directly to your website to complete a webform, call you, get directions to your store, place an order, or any other action you want your prospect to take on your website.

Can you see now why I'm such a big fan of YouTube ads? With In-Stream ads, you can track how many people watched your ad, how many people clicked to visit your website, and of course, how many people completed a webform or any other conversion action.

Plus, a lot of advertisers (aka your competitors) have not caught on to this opportunity so the ad costs are really low. For one of my private clients we're paying \$0.10 per view of our in-stream video ad and the ads are *very* profitable.

OK, at this point I hope you're as excited about this as I am and you're ready to dive in to get your ads set up.

5 Steps to Setup Your YouTube AD Campaign

Follow these 5 steps to set up a profitable YouTube advertising campaign from scratch.

STEP 1: IDENTIFY & TARGET YOUR IDEAL PROSPECT

The first step in any advertising campaign is to identify exactly who is your target prospect. The more specific you get at this step, the better, because you want to talk directly to your ideal prospect in your ad and offer. If you try to target everyone on YouTube or a very broad audience, then you're going to waste a lot of money with unqualified people watching your ad and clicking to your website.

There are 4 ways to target your prospects in YouTube:

- A. Demographics
- B. Topics
- C. Interests
- D. Keywords

Based on those 4 targeting options, it's important to think through which make the most sense for your business.

A. Demographics

Do you (or can you) tailor your product or service to a certain demographic? For example, if you're in the fitness industry, then it makes sense to target men versus women differently. You wouldn't want to show a man with bulging muscles to get a woman to join your gym, right?

Also, consider age ranges. YouTube breaks up the following age ranges:

- 18 24
- 25 34
- 35 44
- 45 54
- 55 64
- 65+

Does it make sense to target one or more of those ranges and/or block other age ranges? If you're not sure, then that's OK. Once you get your ads running, then you'll be able to run reports by demographics to see which age ranges are most profitable.

B. Topics

Topics allow you to target videos related to predefined topics. For example, YouTube gives you the following topics to choose from and you can drill down deeper within topics to get even more granular with your targeting:

Arts & Entertainment	Computers & Electronics	Hobbies & Leisure	News	Reference
Autos & Vehicles	Finance	Home & Garden	Online Communities	Science
Beauty & Fitness	Food & Drink	Internet & Telecom	People & Society	Shopping
Books & Literature	Games	Jobs & Education	Pets & Animals	Sports
Business & Industrial	Health	Law & Government	Real Estate	Travel

What types of videos do you think your ideal prospect watches on YouTube? Can you relate your product or service to a type of video your prospect is watching? For example, Safe Step targeted a video about replacing a bathroom faucet to sell their walk-in bathtub product.

C. Interests

Interests allow you to target based on the known interests of your prospect. For example, if I go to ESPN.com and other sports related websites, then eventually Google figures out that I'm a sports fan. My website browsing history gives valuable insight to advertisers who want to sell sports fan related products and services. So Google allows advertisers to target ads based on online user behavior.

There are tons of interest categories for both B2C and B2B. Here's the top level list and again you can drill down within each interest to get even more specific:

Art & Theater	Do-It-	Home & Garden	Outdoor	Shutterbugs
Aficionados	Yourselfers		Enthusiasts	
Arts & Entertainment	Fashionistas	Home Decor Enthusiasts	People & Society	Sports
Auto Enthusiasts	Fast Food Cravers	Internet & Telecom	Pet Lovers	Sports Fans
Autos & Vehicles	Finance	Jobs & Education	Pets & Animals	Technophiles
Avid Investors	Food & Drink	Law & Government	Political Junkies	Thrill Seekers
Beauty & Fitness	Foodies	Movie Lovers	Real Estate	Travel
Beauty Mavens	Gamers	Music Lovers	Reference	Travel Buffs
Books & Literature	Games	News	Savvy Parents	TV Lovers
Business & Industrial	Green Living Enthusiasts	News Junkies & Avid Readers	Science	World Localities

Computers &	Health & Fitness	Nightlife	Shoppers	
Electronics	Buffs	Enthusiasts		
Cooking Enthusiasts	Hobbies &	Online	Shopping	
	Leisure	Communities		

Think of your ideal prospect. What type of interests does he or she have?

For example, one of my private clients sells a business planning product and deep within the interest category lists are two highly relevant categories: Strategic planning and Business plans & presentations.

D. KEYWORDS

The final targeting option is to use keywords. This is similar to using keywords in the Google AdWords Display network. YouTube can find videos that are related to the keywords you want to target. For example, if you want to advertise on videos about bathroom remodeling, then you would include the keyword "bathroom remodeling" in your ad account.

Before we move on it's important to note that you can combine any and all of these 4 targeting options. If you want to target women, ages 25 – 44, who are interested in health and fitness, then you can combine the demographic targeting with Interest categories. To take this a step further, you could also add keywords and topics to only display your ads on the most relevant videos. The possibilities are endless and it's really up to you to figure out what makes the most sense for your product or service.

Then once you identify whom you're targeting and which videos you're going to show your ads on, it's time to move on to step 2.

STEP 2: DEFINE YOUR IRRESISTIBLE OFFER

The most important element in your video ad is your offer. YouTube ads are an example of interruption marketing. Interruption marketing *interrupts* your prospects from whatever it is they are doing. For example, when you're relaxing on the couch watching your favorite Seinfeld episode, and suddenly there's a gecko talking about car insurance, then you just experienced interruption marketing.

The same thing happens on YouTube. Your prospect will be in front of her computer about to watch an interesting video and -- BOOM! -- your ad will start rolling. Clearly,

you must have something compelling in your ad to pull your prospect's attention away from the original video she was about to watch.

That's where your irresistible offer comes into play. In my AdWords Success Formula course (www.AdWordsSuccessFormula.com), I walk through the following 5 offers. As you read the list and examples brainstorm ideas for how you could create a similar offer.

- 1. Free sample offer
 - a. Free beer, wine, spirits tasting at a bar
 - b. Free tax audit for a CPA
- 2. Special discount offer
 - a. 50% off first time visit to chiropractor
 - b. 30% off 3-course dinner for two at a restaurant
- 3. Strong guarantee
 - a. Guaranteed overnight delivery
 - b. Guaranteed same day service
- 4. Free gift with order
 - a. Free massage with a chiropractic adjustment
 - b. Free dog bone with veterinarian visit
- 5. Free information
 - a. Free book, CD, webinar, seminar

Once you determine what you're going to offer, then define the following key elements of your offer:

- The value of your offer
- Reason why you're making the offer (i.e. for 1st time customers only)
- Deadline to take advantage of the offer
- Next step to take advantage of the offer (i.e. call, complete a form on your website, print a coupon, etc.)

This information will be included in your video to make it even more compelling.

STEP 3: CREATE YOUR VIDEO AD

This is the step that prevents a lot of businesses from ever testing YouTube video ads. But it's actually NOT hard to create a video.

If you take the time to create an irresistible offer in Step 2, then this should be a breeze. As I mentioned before, In-Stream video ads are going to interrupt your prospect. Therefore, the first 5 seconds are critical. You absolutely must capture your prospect's

attention with a big promise or a curiosity-provoking statement. So take a look at your offer again and brainstorm ideas for what you could say in the beginning of your ad that would almost guarantee your prospect would watch your video ad.

Remember, in Step 1 you identified your targeting options and now you can use that information to make your video even more relevant. For example, if you're targeting women, then you know you're going to be talking to women and not men. Use that to your advantage in your video.

Here's the basic structure to use for your video ad:

- 1. Capture attention (first 5 10 seconds)
- 2. Explain your offer (10 20 seconds)
- 3. Call to action (last 10 20 seconds)

To see this in action, take a look at the following video ad that I created for one of my private clients: http://www.mainstreetroi.com/samplevideo

I should clarify that I did not personally create that video. My client recorded himself talking and then I hired someone on Elance.com to "make it look nice." The total cost was only \$200 for the video example above so this is not an expensive undertaking.

You can also hire a professional to do the voiceover if you don't have time or don't want to record anything yourself.

STEP 4: CREATE YOUR LANDING PAGE

OK, at this point you have everything you need except for your landing page. The landing page is the webpage your prospect "lands" on after clicking on your video to learn more about your offer.

The biggest mistake with landing pages is sending your prospect to your homepage. Do NOT use your homepage as your landing page! Instead, create a webpage that perfectly matches your targeting and your offer.

For example, if you're targeting women for a special free trial membership to your fitness gym, then create a webpage that is appealing to women, and that explains the free trial offer. Your homepage speaks to both men and women and probably does not explain the special offer you're promoting in the video ad, so it's not 100% relevant. Again, use the targeting information to your advantage.

Here's an example of one of our landing pages for our Google AdWords checklist: http://www.mainstreetroi.com/the-ultimate-adwords-checklist/

As you can see the page is laser focused about the free AdWords checklist so there is no way the prospect would be distracted away from the webpage. Basically, the only two options are to enter your email address to get the checklist or exit the page altogether. If you also want to receive phone calls, then you certainly want to include your phone number.

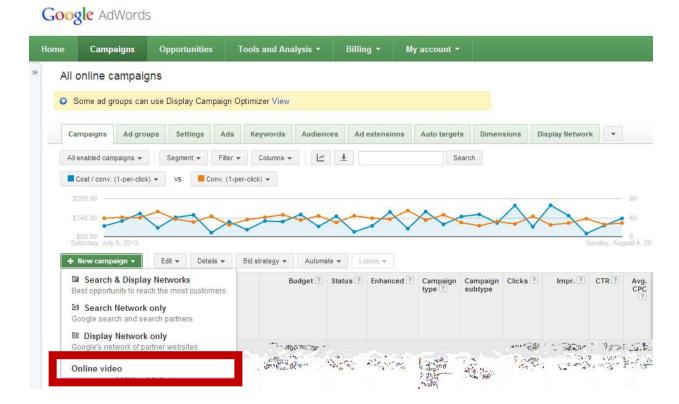
STEP 5: SET UP YOUR AD ACCOUNT & TRACKING

Finally, it's time to set up your ad account and conversion tracking. The process is very similar to setting up a Search or Display AdWords campaign, but there's one extra step.

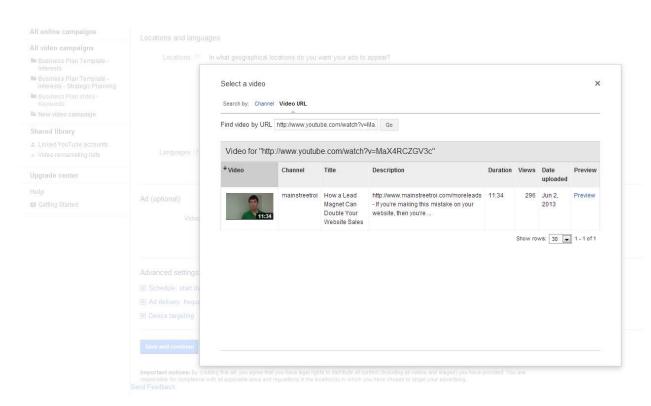
The first step is to upload your video to your YouTube account. If you do not yet have an account, then go to http://www.youtube.com and sign in with your Gmail account. If you do not have a Gmail account, then you can follow the steps to register without one.

Simply follow the steps to upload your video to YouTube and copy the URL once your video is live on YouTube. Then go to your AdWords account.

Once you're in your AdWords account, click on the green [+ New campaign] button and click on "Online video." (see below)



Next, give your campaign a name and set your daily budget. Select your geographic targeting (i.e. United States or narrow your targeting to your city). Then click on the green [select a video] and paste the URL of your video in the "Video URL" section (see below).



Next, choose "Let me choose.." to the right of Ad formats & networks and select Instream only. As I said earlier, I do not recommend the other two ad formats.

Complete the remaining sections and then click the "Save and Continue" button.

On the next page, set your Max Cost Per View to 10 cents. I've seen good results so far with low bids, but this will depend greatly on your exact targeting and competition for those targets. Below your Max Cost Per View bid you'll see your targeting options. Simply select the options you already identified in Step 1 above and then click "Save targeting group."

That's it! The AdWords team will review your campaign and once it's approved your video ads will start to play on relevant videos.

WAIT! Don't run ads until you set up conversion tracking. If you already set up conversion tracking in your AdWords account, then you're done. YouTube ads will use the same conversion tracking as your regular AdWords campaigns.

If you have not yet set up conversion tracking in AdWords, then you need to do that now before you ads are approved.

Simply go to Tools & Analysis in the top navigation and select "Conversions." Then click the green [+ Conversion] button and follow the directions to get the conversion code. On the final page you'll have the option to add the code yourself or send an email to your webmaster to add the code to your website. Once the code is pasted into your website, then you're campaign is finally ready.

TAKE ACTION CHECKLIST

Go through the list below and check off the items you have already completed. When you're done reviewing the list, then assign each incomplete task to a team member and set a deadline.

Identify your advertising targeting
Define your irresistible offer
Create your video ad
Set up your account in AdWords
Add conversion tracking to your website

WANT MY HELP?

If you'd like me to setup and manage your YouTube ad campaign for you, send an email to privateclient@mainstreetroi.com (and be sure to mention YouTube ad campaigns).