

# Breaking Down 2 AI Ads Funnel That's Printing on YouTube

## Why Every Ecom Brand Should Test YouTube Ads Right Now

Before diving into the details, I want to set the context for why this matters.

In this section, I'll convince you that YouTube Ads are worth testing right now and should be taken more seriously, especially if you haven't tested them or you paused them in the past.

If you want to get straight into the breakdown, [click here](#) to skip ahead to the **The New YouTube Opportunity** section.

### The Second-Mover Advantage

Here's something most people don't know about: plenty of brands tried YouTube Ads before 2024, saw mediocre results, and completely abandoned the platform.

But Google rolled out significant changes to YouTube Ads in 2025, and the platform has become way more effective. This creates a rare window where you get the best of both worlds:

- You're competing against fewer advertisers than other channels
- The platform is performing better than it ever has

I've seen a bunch of big brands say that YouTube was their biggest unlock in 2025, and I think this is the main reason.

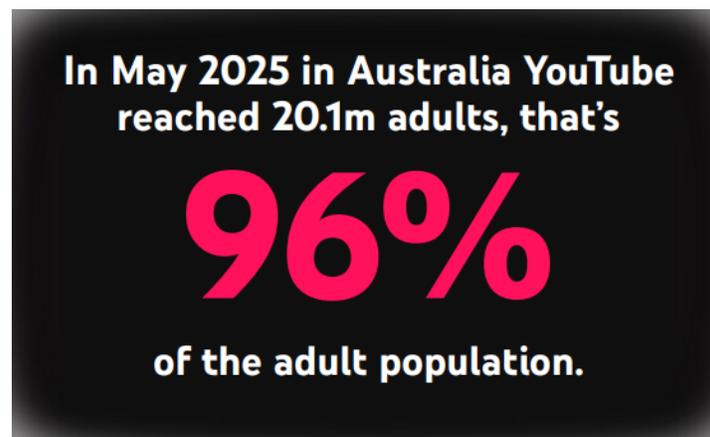
4/ YouTube is potentially our most significant win YoY,

We came into this year with a focus on horizontal video — unlocking in-stream YouTube Ads & linear TV — and getting to 10%+ of budget well above target makes it a great alternative to Meta and I believe drives a lot of downstream value.

*From the CMO of Ridge*

## The Sheer Scale of the Audience

Globally, it reaches billions of users every month and captures attention across nearly every age group, income bracket, and intent level. In a recent report, YouTube reached 96% of the adult population in Australia in May. That is near absolute market coverage.



When a platform has that level of reach, ad budgets naturally follow. I personally know a lot of companies that are spending over \$10 million/month on YouTube alone.

## Multiple Formats Give You Flexibility

YouTube offers several distinct ways to reach your audience:

- Short-form video (YouTube Shorts)
- Personalized feed placements
- Streaming content (in-stream ads)

This variety means that:

- You can target people at different awareness stages
- Almost any brand can find a format that works for them

There's another advantage here: people feel more connected to creators on YouTube than they do on any other platform. This means user-generated content (UGC) and creator-style ads tend to perform exceptionally well.

YouTube is where you can find **someone like me**

61%

of Gen Zs

agree they feel **closer to creators** they watch on YouTube than on other platforms

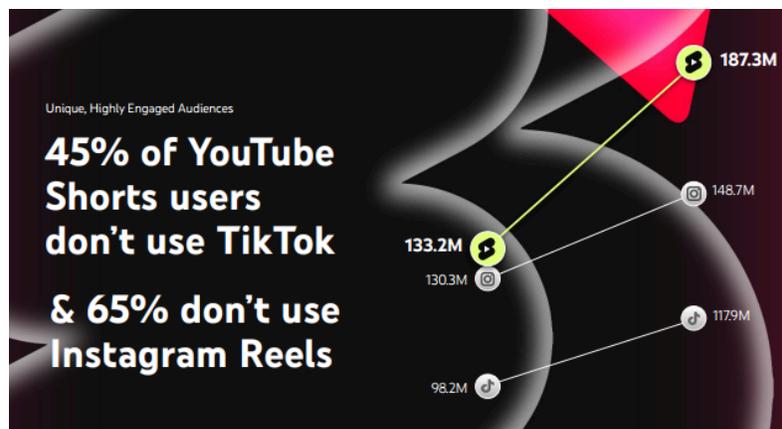
74%

of AU viewers

Feel a strong connection with creators on YouTube, more than on other platforms (68%)

### Low Barrier to Entry

YouTube has moderately low audience overlap with other platforms. About 45% of YouTube Shorts users don't use TikTok, and 65% don't use Instagram Reels.



Which means... you don't need to start from scratch with new creatives. You can begin testing YouTube ads by repurposing the creatives you're already running on Meta and TikTok.

In my experience, TikTok creatives generally translate better to YouTube Shorts, but the point is you can test quickly without a huge upfront investment.

### The Halo Effect on Other Channels

Even though we treat YouTube as a direct conversion channel, it's also a powerful brand awareness tool.

With reach campaigns, you can get in front of 1 million people in just 14 days with a A\$10,000 budget. That makes it an incredible tool for sales events or retargeting warm audiences.

We've also found that YouTube contributes significantly to indirect conversions. Many people watch a YouTube ad, get interested, but don't convert immediately. Instead, they go search for the brand on Google, check it out on Amazon, or visit the Shopify store later.

Channels	Spend ↓	MMM Paid Revenue	Channel Revenue	MMM Paid Shopify New Customers	MMM Paid Amazon New Customers	MMM Paid ROAS	MMM Paid New Customers	MMM Paid CAC	Channel ROAS
Total	\$14,548	\$76,381	\$54,565	615	627	5.25	1,242	\$11.71	3.75
 YouTube	\$14,548	\$76,381	\$54,565	615	627	5.25	1,242	\$11.71	3.75

Modeled Metrics are current through Jun 23, 2025

*Google Ads reported a 3.75X ROAS. But when we factored in Shopify and Amazon, the actual ROAS was 5.25X.*

## The New YouTube Opportunity

I live inside ad research tools. Every single day, I'm seeing more and more YouTube ads hit serious scale.

**The most surprising part is that... many of them are AI-generated ads.**

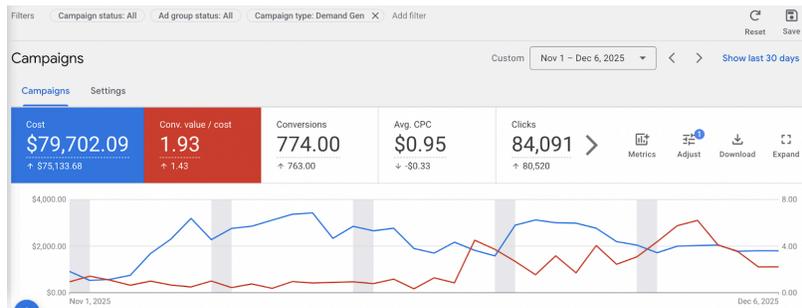
We're not talking about small tests. These are campaigns making hundreds of thousands, some even hitting seven figures per month in spend. And they're using AI to crank out creative at a volume traditional production could never match.

So here, I'll walk you through two types of funnels working extremely well right now.

## Funnel #1: AI In-Stream Ads → VSL Sales Pages

**Result: \$0 to \$2.5K/day spend in 10 Days**

A while ago, we found a brand that had essentially zero brand awareness in their market. They started running YouTube ads from scratch, and within 20 days they were spending \$40,000. By day 40, they'd scaled to \$80,000 in ad spend.



This completely destroys the myth that you can't scale YouTube like you can scale Meta.

Here's exactly how they achieved this, and how you can replicate it.

## In-Stream Only

They built their entire strategy around YouTube in-stream campaigns. They created AI-generated long-form video ads running 2-5 minutes, featuring an AI-generated doctor to establish authority.

## Targeting: Radically Simple

Their targeting was super simple:

- Single demographic: 65+ years old only
- No complex layering or interest stacking
- No fancy audience strategies

They let the creative do the heavy lifting for segmentation. This proved that compelling creative combined with simple targeting outperforms complex audience strategies.

## Creative Strategy: Problem-Focused Long-Form

Their ads ran 2-5 minutes and followed a classic direct response framework..

The AI doctor provided authority positioning, and despite the obvious AI generation, the 65+ audience was forgiving. These ads consistently achieved a 2%+ click-through rate, which is exceptional.

Normal YouTube CTR sits below 1%, so anything above 2% is outstanding performance.

## Video Structure Breakdown

Let me walk you through the exact structure of their winning video:

## Hook (0:00-0:12) – Pattern Interrupt

They open with a bold claim: "Eat this one vitamin to rebuild bone density."

Then they immediately reject the obvious answers in rapid-fire succession:

- Calcium? Nope
- Vitamin D? Nope
- Exercise? Nope

This creates a curiosity gap by eliminating what viewers expect to hear. It promises to reveal "what actually works," which keeps people watching.



## Problem Setup (0:12-0:26) – Educate Before Agitate

Before diving into fear, they educate:

- Bones are living tissue with rebuilding cells, not just calcium deposits
- The system is "perfectly engineered"
- They use a bone model as a visual prop

This sets up the mechanism so viewers understand the villain that's about to be revealed.



### Villain Introduction (0:26-0:53) – The "Zombie Cells" Concept

Now they introduce the enemy: zombie cells.

What are they?

- Aging cells that refuse to die
- Flood bones with inflammatory chemicals that cause bone decay
- Linked directly to physical pain (that deep, bone-on-bone ache people recognize)

It's a memorable, visceral metaphor that creates genuine concern.



### Amplify Stakes (0:53-1:23) – Quantify and Discredit Competition

They cite research showing 2% bone density loss per year after age 50.

Then they paint the worst-case scenario:

- Broken hip
- Loss of independence

Finally, they discredit conventional solutions like calcium supplements and medications, claiming they only "slow loss" but don't address the root cause (those zombie cells).

### **Solution Reveal (1:23-1:42) – The Hero**

Finally, they introduce their "little-known vitamin" that flushes zombie cells and rebuilds bone density naturally. They promise results in 30 days.

### **Benefits (1:42-2:02) – Transformation Stack**

They stack the benefits quickly:

- Clear zombie cells in 30 days
- Rebuild natural bone density
- Stop aching and grinding
- Move confidently without fear

### **Soft CTA (2:02-2:19) – Friction Removal**

They mention:

- The "Prevention Research Center" for authority
- Call it a "short presentation" instead of a sales pitch
- Emphasize that no email is required
- Use a mobile-optimized call-to-action: "Tap below now"

### **Close (2:19-2:41) – Final Fear and Social Proof**

They return to urgency (your bones are hollowing out, your independence is at risk), then add social proof by mentioning they've "helped thousands." They close with an empowerment message: "You've got this."

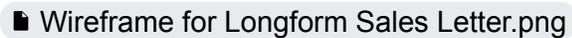
### **The structure follows classic direct response principles:**

- Hook with pattern interrupt
- Educate the mechanism
- Introduce a memorable villain
- Discredit the alternatives
- Reveal the hero
- Stack the benefits
- Close with social proof

## The Landing Page: VSL Sales Letter

All traffic goes to a sales letter landing page featuring a video sales letter (VSL). The page follows a proven long-form sales letter structure.

Here's the outline of their VSL:



This funnel works extremely well for problem-aware audiences, where you have more runway to educate viewers about their problems and introduce your product as the solution.

Now, we'll talk about an ad that's more targeted towards solution-aware audiences.

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## Funnel #2: AI Shorts Ads → Quiz Funnels

### Result: \$1M/Month on YouTube

Let me show you how a company spending \$10 million per month on YouTube runs their ads

When I analyzed their account, they were launching over 400 creatives per month. Most of them were AI-generated.

A huge portion of these ads follow the same funnel:

### AI Ads → Quiz Page → Offer

I'm going to break down one of their top-performing ads. This ONE single ad drove over \$1 million in ad spend.

Frame	Total ad spend	Ad spend 30	First seen	Last seen	Publish Date	Duration
	\$1M	\$4.7k	Dec 4, 2025	Dec 8, 2025	Oct 29, 2025	0:54

They ran this to capture people's desire to lose weight for Christmas and New Year, and it absolutely crushed.

## Video Breakdown: The Tai Chi Indoor Walking Ad

Watch the ad here: <https://www.youtube.com/watch?v=nDnku6l1HWQ>

Let me walk through what makes this ad work so well.

## Hook (0:00-0:09) – Qualifier + Urgency Stack

"For my ladies over 220 pounds, do Tai Chi indoor walking to lose weight by Christmas. We start this Sunday."



This hook is brilliant because it uses:

- Hard qualifier: not "overweight women" but specifically "ladies over 220 pounds"
- Specific method: Tai Chi indoor walking, not generic exercise
- Deadline urgency: by Christmas
- Start urgency: this Sunday

## Enemy Introduction (0:09-0:12) – The Gym Rejection

"How many times should I go to the gym?" "Zero. Do Tai Chi indoor walking, not gym."

This immediately establishes a clear villain:

- Simplifies the choice to this versus that, not this AND that
- Repeats the method name again (repetition is key throughout this ad)
- Creates curiosity: why NOT the gym?

## Proof Setup (0:12-0:22) – Social Proof Through Hypothetical

"What happens if my mom starts Tai Chi indoor walking tomorrow?" "How old is your mother?"  
"She is 56." "Oh, perfect. By the end of November, you won't even recognize her."

Notice they:

- Use "your mother" as a relatable proxy instead of "you"
- Validate the age (56 is perfect for women 40+)
- Make a bold transformation promise: you won't even recognize her
- Include timeline specificity

I love the subtle "Oh, perfect." It smoothly addresses a common concern of older people that there's no workout suitable for them.

### **Objection Handling #1 (0:22-0:26) – Turn Weakness Into Strength**

"But what if she hasn't worked out in years?" "That's even better. Tai Chi indoor walking was built for women 40 plus."

Beautiful reversal here:

- The objection: "hasn't worked out in years"
- The response: "That's even better"
- They turn a perceived barrier into a qualification
- Reinforce the target demographic
- Position the solution as beginner-friendly without ever saying "easy"

### **Fight Against the "Enemy" (0:26-0:35)**

"Isn't the gym better?" "After 40, the gym breaks you. Tai Chi indoor walking heals your body and makes you lose weight faster than in your 20s."

Direct attack on the gym:

- "Breaks you" versus "heals you" (contrast in mechanisms)
- Benefit escalation: lose weight faster than in your 20s
- Creates age-specific fear + age-specific promise
- Positions the solution as restorative, not just about weight loss

### **Objection Handling #2 (0:35-0:44) – Friction Removal**

"Does she need any equipment?" "No, her body is enough. Just do it for 9 minutes a day and see your body get younger."

They demolish the equipment objection:

- "Her body is enough" (no equipment needed)
- "9 minutes a day" (removes effort barrier)
- "See your body get younger" (anti-aging promise)

By stacking low time commitment with youth restoration, they eliminate every excuse.

### **Soft CTA (0:44-0:50) – Three-Step Simplicity**

"So, what's the first step? Click the link, get the app, and start."

The conversational partner asks the CTA question, not the seller. They break it into three clear micro-steps: click the link, get the app, start.

This removes decision paralysis. There's no mention of price, trial, or commitment. It positions the next action as inevitable and easy.

### **Why This Script Is a Masterclass**

Even though this is AI-generated, the script demonstrates direct response fundamentals at the highest level.

#### **Specific Avatar:**

"ladies over 220 pounds" and "women 40 plus." Specificity sells.

#### **Concrete Promises with Real Timelines:**

- "Lose weight by Christmas"
- "By the end of November you won't recognize her"
- "9 minutes a day"

#### **Friction Removal at Every Turn:**

Every line removes an obstacle and repositions barriers as advantages:

- No equipment needed ("her body is enough")
- Minimal time required (9 minutes)
- Haven't worked out in years? "That's even better"

#### **A Clear, Relatable Enemy:**

The gym is the villain, and they hammer it repeatedly. The gym breaks you. Tai Chi heals you. Simple, memorable, effective.

#### **Disguised Objection Handling:**

The dialogue format makes aggressive objection handling feel like casual conversation. Every question anticipates real viewer doubts: equipment? time? is the gym better? am I too old?

This is an ad promoting a fitness app, but the exact structure works for any ecommerce product. Just adapt the specifics to your audience and offer.

## The Quiz Funnel

After clicking the ad, people land on a quiz funnel designed specifically for the avatar. The quiz qualifies them, builds engagement, and segments them into the right offer path.

**Are any of these activities part of your life?**

- Walking outside 🚶
- Morning exercise 🏃
- Walking my pet 🐕
- Climbing stairs frequently 🏠
- Spend time with my child 🧒
- Household affairs 🧹
- None of the above

Continue →

**The perfect approach is right before you!**

Tai Chi helps maintain **joint and muscle mobility**, especially after 40. It promotes:

- 🕒 Better **coordination and balance** .
- 🕒 Reduced **risk of falls** and injuries

Source: Harvard Medical School

Got it →

Tai Chi is just one of many workout types they offer. They also have military-style workouts, yoga, and more. Every single angle has a quiz funnel tailored to the avatar they're targeting.

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## Final Thoughts

When people think about reaching cold audiences, Facebook is the automatic choice.

But YouTube is rapidly becoming a serious alternative, and right now it's one of the most overlooked acquisition channels available.

Over the past few years, YouTube has become a core part of our scaling stack, driving 6, 7 figures in direct revenue for our clients.

When you execute it properly, it can deliver massive volume and scale. In some cases, even more than Meta.

The beautiful thing about YouTube right now is that very few brands have figured it out.

**Which leaves a massive edge for those who do.**

If you want our help to crack this channel, we're opening up some free strategy sessions.

Happy to take a look at your Google Ads setup... and if you're a good fit, walk you through exactly how to implement this in your business.

**[Grab a spot with us here.](#)**