



# Retail (Ad) Therapy: The Roles of CTV & Advanced Video Creatives

Insights into Retailers'  
Media & Creative Strategies



# Retail Video Mix & Creative Strategies Evolving to Better Reach Audiences

While consumer behavior has been evolving for a while, the last three years have seen it turned on its head. The global pandemic changed the way people buy everything – from clothing and groceries, to electronics and even cars. Combine that with the fragmented media landscape, where audiences are dispersed across platforms and devices, and retailers have had to rethink advertising strategies to stay competitive in a saturated market where consumers can quickly and easily change their shopping habits, loyalties, and minds.

While retailers have been and will continue to be a mainstay on linear due to its sheer reach, these brands have increasingly turned to connected TV (CTV) to play a crucial role in the video mix. Embodying the best of linear and digital, CTV is a platform that allows retailers to reach diverse audiences and provides the targetability, interactivity, and measurement needed to build brand engagement and drive shoppable experiences.

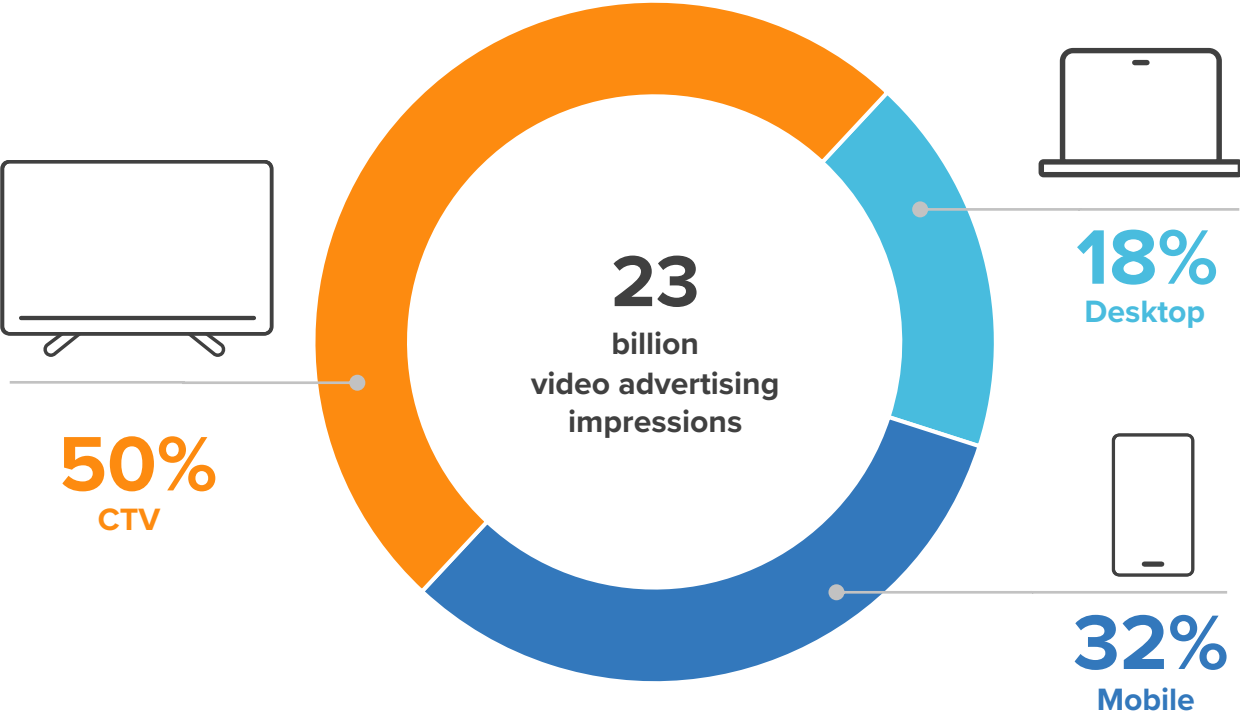
With consumers expecting relevant, one-to-one ad experiences, it is no longer enough for retailers to “copy and paste” assets across platforms and channels.

The use of advanced creative technologies is growing among retailers as a way to deploy immersive, personalized messaging at scale. These include dynamic formats for personalization (day, time, location, weather, etc.), and interactive/shoppable formats that leverage things like QR codes and branded canvases to encourage viewers to learn more or convert – whether it’s driving directly to retail, pickup, online retail, or e-commerce.

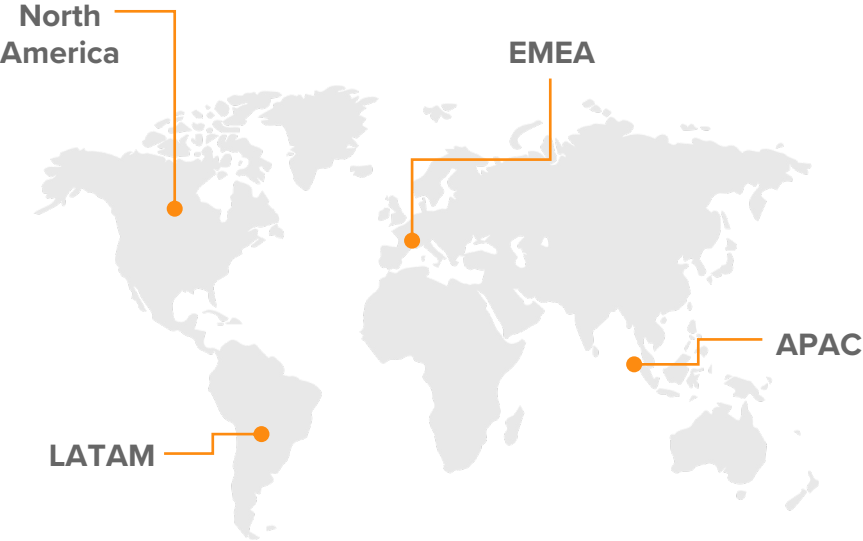
In the following report, Innovid analyzed 23 billion video advertising impressions from retail advertisers served on our platform between Jan. 1-Dec. 31, 2022. We looked across CTV, mobile, and desktop devices to compile a snapshot of global video advertising insights and a view into how retailers are adapting media and creative strategies for a market in flux.

# Snapshot of Retailers Analyzed

Global Video Impression Share By Device



Global Regions Analyzed



Among retail advertisers, CTV’s share of impressions has grown by **51.5% since 2019.**

# | Key Retail Insights

## CTV Solidifies Impression Leadership Position

CTV has established itself as an integral part of the retailer media mix, maintaining the majority of total video ad impressions for the last two years – even amid economic uncertainty. In 2022, CTV accounted for 50.0% of global video impressions, an increase of 51.5% compared to 2019. At 32.0%, mobile represented the next largest impression share, but has seen a slow decline since 2019. At 18.0%, desktop had a slight increase in 2022 compared to 16.0% in 2021.

## Relevant, 1:1 Creatives Work

Across CTV, mobile, and desktop, it was the year of the advanced creative. Retailers ran 39.1% more dynamic video campaigns and increased the number of dynamic display campaigns by more than 4x compared to 2021. While interactive CTV saw modest growth, with 7.7% more retail advertisers leveraging the format, it was the clear performance winner, with an engagement rate far higher than standard video.

## Short Ads Win Engagement, but VCRs are Anyone's (Any Length's) Game

For retail advertisers, ≤ 10-second ads performed well with engagement – beating the second highest length, 15 seconds, by 20.0%. Other than ≥ 75-second ads, all lengths had solid video competition rates (VCRs), averaging 85.5%. Given these findings (more below), there is a strong case to be made for testing and learning when it comes to creative lengths.



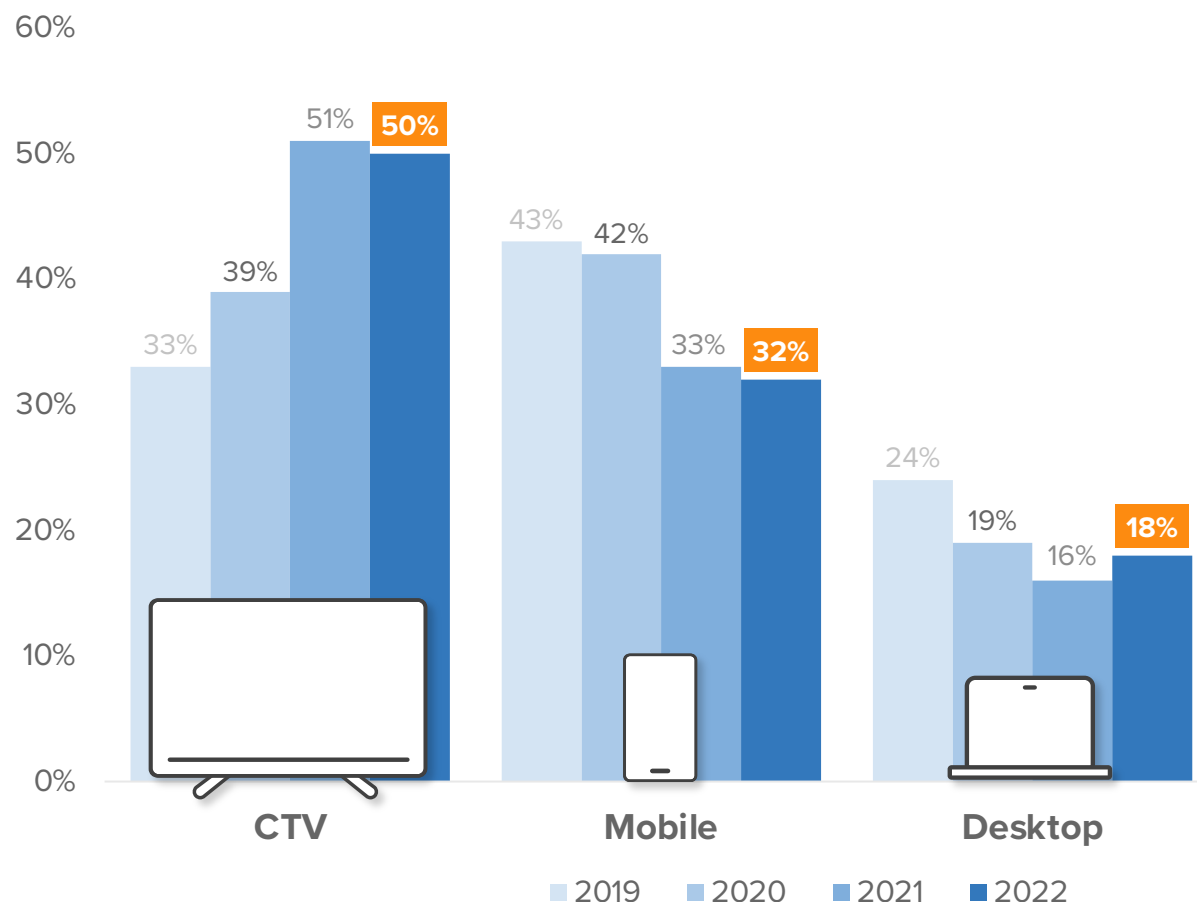


# CTV Reigns Supreme for Impression Share

CTV provides platforms to reach diverse audiences at scale in a premium viewing environment, in addition to offering sophisticated targeting, measurement, and advanced creative options not found in other media.

# CTV's Role in the Retail Video Mix Solidifies

Video Impression Share By Device



Accounting for 50.0% of total global video impressions in 2022, CTV's role within the video mix solidified – even among a conservative economic outlook – as retailers follow viewers to streaming.





## Advanced Creative: **The Pathway to Relevance & Performance at Scale**

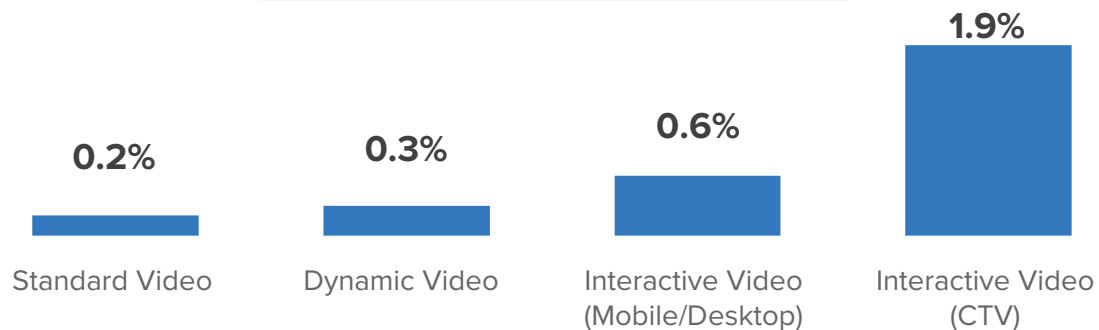
In a time when there is no shortage of content – or ways to consume it – advanced creatives, including dynamic and interactive formats, offer retailers ways to create engaging, personalized content to strengthen brand building/retention and provide shoppable experiences that drive direct conversions.



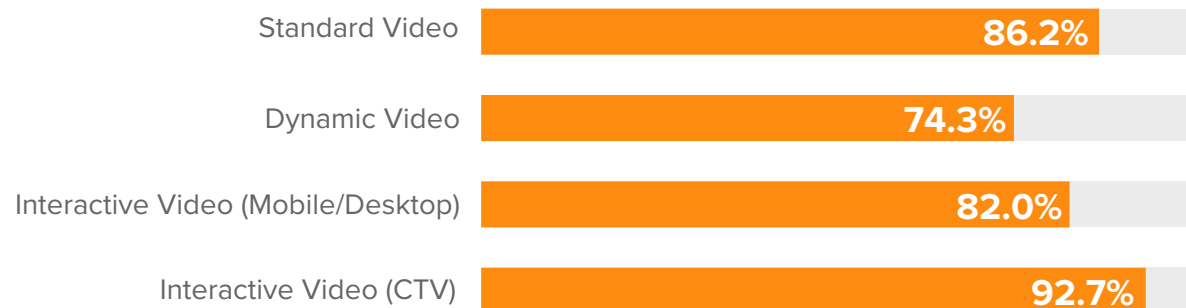
# Advanced Creatives:

## Engagement & Completion Snapshot

### Engagement Rate by Video Format



### Video Completion Rate by Video Format





# Interactive Video

Learn More → Engage → Buy

**Interactive ads** provide viewers with opportunities to engage, learn more, and convert via features like overlays, branded canvases, and expanded units. A popular subset of interactive is the shoppable ad – those that call out products or services with tags, markups, and direct-checkout capabilities to tap into shorter sales funnels. While there are different formats for shoppable ads, the most well known are QR codes to drive viewers to second-screen purchases.

Among retailers, compared to 2021, interactive CTV saw modest growth with 7.7% more advertisers adopting the format. Performance-wise, inclusive of choice- and non-choice-based ads, it's the clear winner vs. standard video:

**92.7%**  
video completion rate

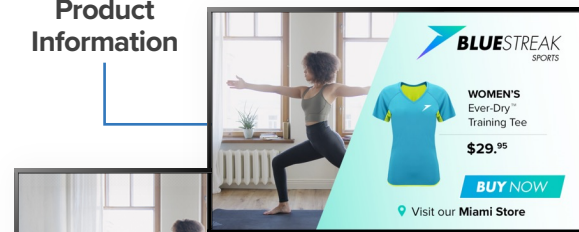
beating standard  
video completion  
by 12.2%

**1.9%**  
engagement rate

highest among all video  
formats, including standard  
and other advanced creatives

Across all verticals and markets, interactive CTV formats generated **an average of 92 additional seconds of time earned** on top of time spent watching pre-roll.

Interactive  
Product  
Information



Interactive  
Call to Actions



Interactive  
Drive to Purchase



**Did you  
know?**

**For QR codes, across all verticals and markets, Innovid saw solid engagement, with a scan-click rate of 0.02%.** While this may seem low, think about what a QR code requires viewers to do → pull up their camera app, scan it, and click on the link. These actions are not accidental; they represent intentional follow through on the part of the consumer.

# Dynamic Video & Display

## Building Awareness & Loyalty

Dynamic ads allow advertisers to optimize creatives for personalization – increasing relevance based on date, time, location, weather targeting, sequential messaging, or publisher/third-party targeting.

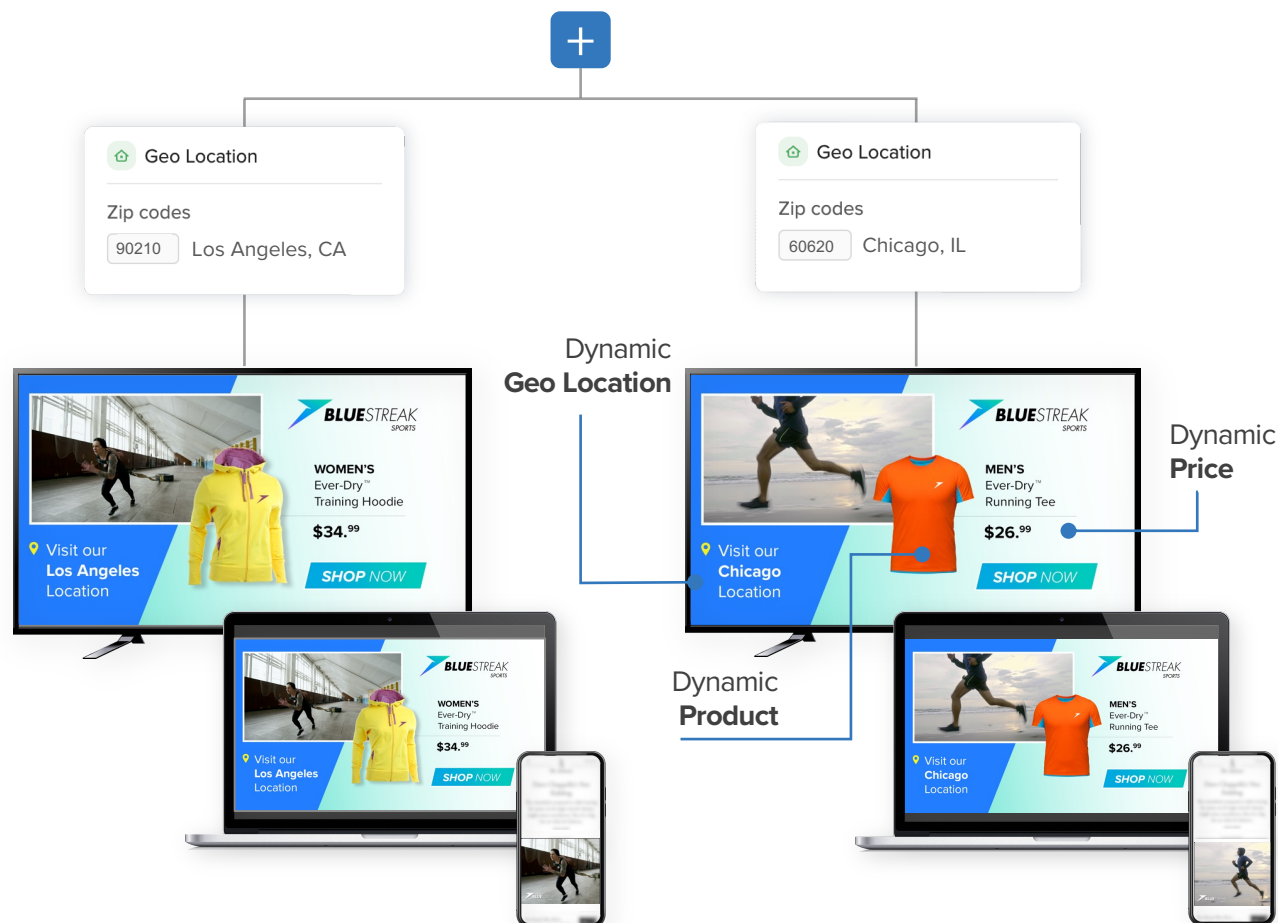
While click-through rates (CTRs) of dynamic and standard display were comparable, dynamic video saw 16.7% higher lift than its standard counterpart. The biggest trend was the major campaign growth among the format between 2021 and 2022.

### Dynamic Video

↑ **39.1%**  
Campaigns

### Dynamic Display

↑ **325.0%**  
Campaigns



### Did you know?

Across all verticals and markets, dynamic video formats generated an average of **23.9 additional seconds** of time earned on top of time spent watching pre-roll.

# Creative Length Matters

Creative sits at the heart of every media strategy, and length can have a significant impact on its overall performance.





# Engagement Varies, but Completion Rates are Relatively Even

Across CTV, mobile, and desktop, ≤ 10-, 15-, and 30-second ads had the highest engagement rates, with ≤ 10-seconds taking the top spot with 0.6%. Outside of ≥ 75-second ads, all lengths had solid VCRs, with 60-second lengths winning out at 88.6%.

The relatively low variance in performance between the ad lengths highlights the importance of testing/learning and continuously measuring aspects of every creative, including duration. Whether a standard 30-second ad, a longer version for bigger screens, or quick spots for smaller ones, there are opportunities worth exploring for retailers.

Engagement & VCR by Video Ad Duration

Length	Engagement Rate	VCR
≤ 10 Sec	0.6%	79.8%
15 Sec	0.5%	85.9%
30 Sec	0.4%	87.8%
60 Sec	0.1%	88.6%
> 75 Sec	0.3%	26.0%







# TV Measurement Reimagined for Retailers

The dispersion of viewers has had a profound impact on retailers' advertising strategies, as they adapt to reach audiences "where they are." As a result, cross-platform TV measurement innovation has also exploded – empowering retailers to connect the dots across linear, CTV, and digital video.

# DTC Retailer | Cross-Platform TV Strategy Drives Outcomes & Incrementality

Through a unified, independent view of campaigns, cross-platform TV measurement is providing actionable reach and performance analytics to inform and optimize the media mix. Here's just one example of a U.S. direct-to-consumer (DTC) retail brand:

## Who

Well-recognized U.S. DTC fitness retailer

## What

After launching a linear (national and local) and streaming (10+ publishers) campaign, with a goal of driving sales and online registrations, it needed a measurement platform to achieve a consistent count and ascribe a consistent value to linear and CTV

## How

The DTC utilized InnovidXP to get a unified view of performance and delivery metrics for all inventory sources, and made in-flight optimizations to improve reach/incremental reach and drive outcomes

## Results



**116.0%**  
increase in  
registrations



**38.0%**  
average improvement for  
cost per registrations across  
linear and CTV



**78.0%**  
incremental reach  
beyond linear

To learn more about the following case studies – and access many more – check out Innovid's [“The Hitchhiker’s Guide to Converged TV Measurement.”](#)

Get it now

# | Key Takeaways

1

## **Diversify the Media Mix**

There have never been more ways to reach and engage with audiences “where they are” – and the rise of CTV shines a light on the importance of having the right video mix. Modern mixes should not only be diverse, spanning linear, CTV, and digital video (as well as devices), but also be continuously adapted to align with the ever-changing ways audiences consume content, and continuously optimized for better reach and performance.

2

## **Make Creative Work Harder, Smarter**

CTV affords retailers the opportunity to leverage advanced creative technologies to deliver relevant, engaging, and personalized creatives at scale. From interactive ads using expanded units for more product information and QR codes to enable shoppable experiences, to dynamic ads using location and time to serve up different products, the time is now to bring creative to the next level, improve performance and engagement, and deliver against specific business objectives.

3

## **Measure, Optimize, Repeat**

Every dollar spent on video needs to work (especially during times of economic uncertainty). That’s why real-time, cross-platform measurement that ties campaign reach and outcomes directly to business metrics and ROI needs to be table stakes. Measurement should be always-on for advertisers to use insights to continuously inform both creative and media optimizations. Never stop learning or making insights actionable!



# | Key Definitions

**Advanced Creative:** Premium ad formats that include dynamic and/or interactive components.

**Choice-Based Ads:** An interactive CTV ad experience that incentivizes engagement by offering reduced commercial breaks for the duration of the viewer's content if they engage with the ad experience for a given period of time.

**Click-Through Rate (CTR):** Calculated by dividing the total number of impressions by the number of ad impressions that resulted in a click through to an external new web page.

**Connected TV (CTV):** A TV that is connected to the internet, whether natively or by a device that is primarily used to stream video content. This includes smart TVs, gaming consoles (e.g., Xbox, PlayStation), and devices (e.g., Roku, Apple TV, Amazon Fire Stick).

**Dynamic Ads:** A form of advertising technology that uses data to inform and optimize creative elements and messages such as copy, pictures, backgrounds, video, animation, and interactive elements in real time.

**Engagement Rate:** The percent of impressions where there was at least one interaction within the interactive video unit.

**Impressions:** The measurement of responses from a web server to a page request from the viewer's browser. Innovid's impression measurement is defined at ad render and does not include those filtered as general invalid traffic.

**Interactive Ads:** An ad experience that allows viewers to engage directly within the ad, such as an overlay, branded canvas, or expanded unit that runs across CTV, mobile, and desktop devices.

**Non-Choice-Based Ads:** An interactive CTV ad experience that allows viewers to engage but does not incentivize engagement with reduced commercials or ad load.

**Time Earned:** The average number of extra seconds a viewer engages with an advanced creative experience, subsequently extending the amount of time spent with the ad.

**Standard Video:** A standard promotional video message that plays before the content the viewer has selected, also known as pre-roll video.

**Video Completion Rate (VCR):** The percentage of video ads that play to 100% completion.



# About Innovid

Innovid (NYSE:CTV) powers advertising delivery, personalization, and measurement across linear, CTV, and digital for the world's largest brands. Through a global infrastructure that enables cross-platform ad serving, data-driven creative, and measurement, Innovid offers its clients always-on intelligence to optimize advertising investment across channels, platforms, screens, and devices. Innovid is an independent platform that leads the market in converged TV innovation, through proprietary technology and exclusive partnerships designed to reimagine TV advertising. Headquartered in New York, Innovid serves a global client base through offices across the Americas, Europe, and Asia Pacific.

**Find out how Innovid can help you power the future of TV advertising today.**

**Get in touch!**



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