

# Five *Fast* Facts



What you need to know about new & emerging trends, platforms or technology

**Lessons Learned From Innovators  
Who Are Testing Audience-Based Buying**



The way marketers plan and buy TV campaigns is evolving with their ability to target specific audiences rather than broad demographics. To help marketers confidently embrace this change, we are sharing lessons from those who are already in market - testing and learning - and embracing innovative ways of buying to drive brand growth.

See appendix for details on our custom study methodology.

# 1

Marketers that are currently testing audience-based buying are early adopters who are **highly knowledgeable and comfortable with the approach**, much more so than other marketers



# 49%

of marketers ‘currently testing ABB TV’ can correctly define what audience-based buying is

“Segmenting viewers beyond traditional demographics to target a group of consumers based on behavioral, attitudinal and /or lifestyle data”

These ‘test and learn’ marketers are **67%** more likely to correctly identify audience-based TV buying than all other marketers



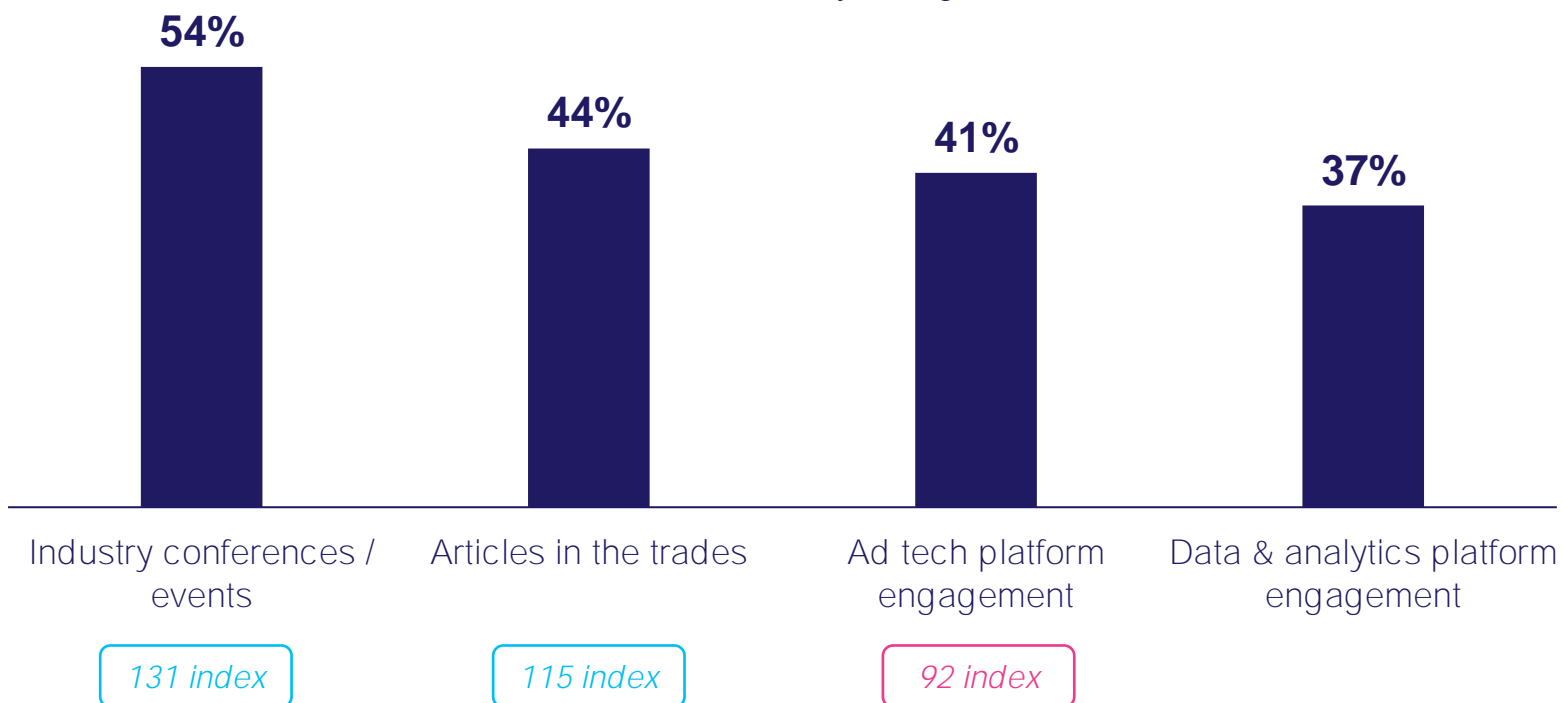
Source: VAB / Advertiser Perceptions ‘Audience-Based Buying Survey,’ March 23 – 31, 2021. Base: Marketers who are “currently testing audience-based buying and determining its role in our TV strategies.” Q45. Which of the following best defines TV ‘audience-based buying’? Even if you’re not familiar with TV ‘audience-based’ buying, we’d like your opinion (respondents were given six definitions with nine choices, including ‘all/none of the above’ and ‘other.’) Index calculated against survey respondents who are not currently testing audience-based TV buying (n=168).

# 2

These 'test and learn' marketers educate themselves by **taking the initiative to independently learn more** about innovative buying approaches as they constantly seek out ways to achieve a greater return on their investment

## Where do you most often hear 'audience-based buying' and the associated terms?

% of marketers 'currently testing ABB TV'



*How to read the indices: example - marketers 'currently testing ABB TV' are 31% more likely than all other respondents to hear 'audience-based buying' and the associated terms at industry conferences / events.*

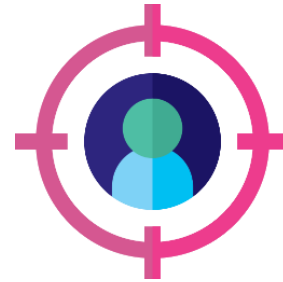
Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Base: Marketers who are "currently testing audience-based buying and determining its role in our TV strategies". Q50. Where do you most often hear 'audience-based buying' and the terms associated with it being discussed? Top 4 on percentage are reflected. Index calculated against survey respondents who are not currently testing audience-based TV buying (n=168).

# 3

Understanding that a key benefit of audience-based buying is precision targeting, ‘test and learn’ marketers focus on the ability to **reach the right audience** with **relevant creative** to **optimize customer acquisition costs**

## Most Important Priorities for Video Campaigns

% of marketers ‘currently testing ABB TV’ that ranked each between #1-3 in priority



Reaching the Right Audience

**72%**

101 index



Optimizing Customer Acquisition Costs

**51%**

115 index



Delivering Engaging Creative

**44%**

146 index

*How to read the indices: example – marketers ‘currently testing ABB TV’ are 15% more likely than all other respondents to rank ‘Optimizing Customer Acquisition Costs’ in the top 3 priorities for their video campaigns.*

Source: VAB / Advertiser Perceptions ‘Audience-Based Buying Survey,’ March 23 – 31, 2021. Base: Marketers who are “currently testing audience-based buying and determining its role in our TV strategies”. Q15. Please rank the 3 most important priorities for your video campaigns (rank 1-3). Index calculated against survey respondents who are not currently testing audience-based TV buying (n=168).

# 4

‘Test and learn’ marketers appreciate the fact that an audience-based TV buying campaign can be effectively executed **against their objectives** and **within their budget allotment** while delivering a better ROI and quantifiable business outcomes

## Top Benefits of Audience-Based Buying in TV Advertising

% of marketers ‘currently testing ABB TV’ that ranked each between #1-3 in priority



Better Return on Investment (ROI)

44%

122 index



Execute Against Objectives With A Smaller Initial Investment

30%

149 index



Ability to Deliver Outcomes

28%

107 index



Increased Ad Relevance for Consumers

28%

*How to read the indices: example - marketers ‘currently testing ABB TV’ are 22% more likely than all other respondents to rank ‘Better Return on Investment (ROI)’ in their top 3 benefits of audience-based buying in TV.*

Source: VAB / Advertiser Perceptions ‘Audience-Based Buying Survey,’ March 23 – 31, 2021. Base: Marketers who are “currently testing audience-based buying and determining its role in our TV strategies.” Q110. Rank up to 3 factors that you believe are the top benefits of audience-based buying in TV advertising (rank 1-3). Top 4 on percentage are reflected. Index calculated against survey respondents who are not currently testing audience-based TV buying (n=168).

# 5

Seeing success from their audience-based campaigns, these marketers plan to **swiftly increase their investment**, and at a rate that outpaces other marketers

## What % of your TV campaign is being activated via audience-based buying?

Bases: 'Test and Learn' Marketers vs. All Other Marketers

### 'Test and Learn' Marketers

% of Budget	Current Plans	In 12 Months	Ideal Buy Allocation
0% - 30%	53%	35%	21%
31% - 70%	40%	56%	63%
71%+	7%	9%	16%
Mean Average	36%	44%	51%

### 'All Other' Marketers\*

0% - 30%	26%	17%	13%
31% - 70%	55%	57%	59%
71%+	19%	26%	28%

*How to read:* example - 53% of marketers 'currently testing ABB TV' are currently allocating between 0-30% of their TV campaign budgets to audience-based buying vs. traditional demo-based buying.

Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Base: Marketers who are "currently testing audience-based buying and determining its role in our TV strategies." Q58. Approximately what percentage of your (company's / main client's) TV campaign buys is being activated via audience-based buying versus traditional demographic/content-based buying? (Current, in 12 months and Ideal). \*All Other = survey respondents that are not currently testing audience-based TV buying (n=168).

# What does this mean for marketers?

- ▶ Marketers who are testing and learning from their audience-based TV campaigns are seeing success and plan to increase their investments
- ▶ Educational forums like reputable industry conferences, events and trade publications have proven valuable to build knowledge for **marketers that are considering ‘testing’** or integrating audience-based buying into their TV approach

# Discover more

Looking for more data, insights and takeaways? Check out this related VAB content



## Meeting Industry Challenges

Guidance and inspiration to embracing an audience-first TV buying approach



## An Insider's Look

Why brands and agencies are shifting to audience-based TV buying



## The VAB Top 10

A top-line view of how the industry is adopting audience-based buying



## Proven Strategies & Tactics In Audience-Based TV Buying

Success stories highlighted through real-world case studies

**VAB Members, brand marketers and agencies get free and immediate access to VAB's content library. Get access at [theVAB.com](https://theVAB.com)**

# About VAB

VAB is an insights-driven organization that inspires marketers to reimagine their media strategies resulting in fully informed decisions.

Drawing on our marketing expertise, we **simplify** the complexities in our industry and **discover** new insights that **transform** the way marketers look at their media strategy.

## Simplify

We save you time by bringing you the latest data & actionable takeaways you can use to inform your marketing plans.

## Discover

We keep you one step ahead with the latest thinking so you can create innovative, forward-looking strategies.

## Transform

We help you build your brand by focusing on core marketing principles that will help drive tangible business outcomes.

We are committed to your business growth and proud to offer VAB members, brand marketers and agencies **complimentary access** to our continuously-growing Insights library. **Get immediate access** at [theVAB.com](https://theVAB.com).



# Custom Study Methodology

VAB and Spectrum Reach commissioned *Advertiser Perceptions* to conduct an online survey between March 23 – March 31, 2021.

The results are based on 211 U.S. respondents of brand marketer and agency contacts from Advertiser Perceptions' Ad Pros Community with a wide range of annual total advertising budgets (\$10K - \$250 MM+) across a variety of market sectors (e.g., retail, financial, auto, food / dining, healthcare, technology, entertainment, etc.)

## Respondent Qualifications:

- ▶ Advertising decision maker involved in TV and/or digital video advertising campaigns
- ▶ National / Regional sales focus
- ▶ Mix of job titles (junior, mid, senior level)
- ▶ Mix of independent ad agencies and holding companies