How Every Brand Should Use YouTube Shorts in 2024



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Introduction

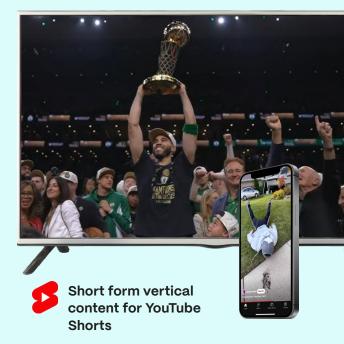
Short-form video is becoming a staple of consumer consumption.

In fact, according to <u>Talk Shoppe</u>, viewers now report watching more short-form video than studio-produced TV and films.* While there are now multiple platforms brands can use to leverage short form video content, YouTube occupies a unique space because brands have the ability to create campaigns that mix long-form and short form content, and mobile and TV views to create an impact.

In this report, we'll discuss how brands and agencies should be approaching short-form vertical content on YouTube. The top brands are already taking advantage of YouTube Shorts, and as other brands follow they should pay attention to some of the best practices we've laid out here.

Google/TalkShoppe, WhyVideo, n= 2000 weekly video viewers 18-64 (US), fielded from 12/22/22-1/9/23

Longer-form horizontal content for YouTube on TV



YouTube Shorts: Organic Content for Your Brand's Channel



What are YouTube Shorts?

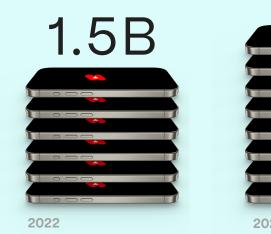
Launched as YouTube's answer to TikTok, YouTube shorts are 60 seconds or less vertical videos that can live on a channel like a normal video but can also be viewed in the Shorts tab on mobile. First made available in to creators India in September 2020, the YouTube Shorts official beta was rolled out March 2021 in the US, then worldwide July 13, 2021.



YouTube Shorts Have Grown Rapidly

YouTube Shorts have grown rapidly since their launch in 2021. By the end of 2023, YouTube was pulling in Shorts views from more than **two billion** logged-in monthly users, up from 1.5 billion last year. TikTok on the other hand currently has roughly 1.1 billion monthly active users. After 3 years of being able to use Shorts content in their channels, brands now in 2024 have great ways to advertise on Shorts.

YouTube Shorts global monthly active usage in 2022 & 2023





Source: Statista and Routenote

Shorts Are Mostly Viewed on Mobile Devices, But Viewership on TV Screens is Beginning to Grow

Although intended mostly for mobile viewing, Shorts content can be watched on any device including TV screens. In fact, there are signs that viewership of Shorts on TV screens are growing rapidly and will soon represent a larger share of Shorts views.

Share of YouTube Shorts Views By Device, Q1 2024



Desktop 3%



For typical YouTube videos, creators make 55% of the revenue from ads that appear on their videos, with 45% going to YouTube.



For Shorts, a creator pool model is used similar to TikTok. Revenue from ads in-between shorts is pooled and shared with monetizing creators based on their share of views in the pool. Of their revenue share, they keep 45% and 55% goes to YouTube.

How Creators Monetize YouTube Shorts

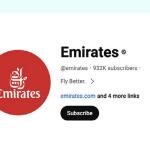
YouTube disclosed that over 750,000 of its 3 million Partner Program members are now making money from their YouTube Shorts.

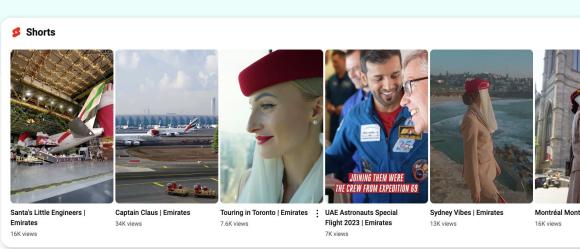
Source: The Information



Brands Are Building Shorts Content for Their Channels

Creators aren't the only ones who have taken advantage of the new popular Shorts content. Brands like Emirates are creating Shorts or cutting down their longform videos to engage with audiences organically with this vertical format. This has been happening long before brands could target shorts for advertising purposes.



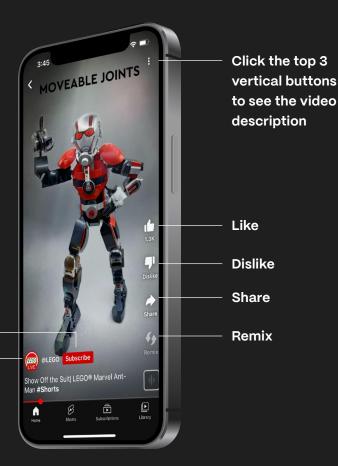


Viewer Interaction with Shorts

Viewers can take the following actions on a Short

Subscribe

Visit your channel's Shorts content (by clicking the channel handle)



Advertising on YouTube Shorts

The New Age of Advertising on YouTube Shorts

Up until December of 2023, there was no way to target ads so that they'd appear **only** on YouTube Shorts content. Before December 2023, advertisers could only get their ads into Shorts content by using formats where it was one of many placements where their ad would appear. With this new ability to create campaigns that only appear on YouTube Shorts, it has opened up a whole new way of segmenting campaigns for advertisers, and a whole new type of engagement on YouTube.



December '23: The First True YouTube Shorts-Only Campaigns



Vertical Ads on YouTube are Not New – And They Work Like a Charm on Horizontal Content

While brands couldn't target vertical ads to Shorts content until December 2023, they could target vertical ads to Horizontal content. While this makes for a strange visual with an ad that only occupies the middle of a horizontal space, it grabs the attention of users and performs extremely well compared to horizontal ads.

Sove up to 90 % on the costs'

Vertical Ads vs. Horizontal Ads in Horizontal Ad Positions

As much as
$$\longrightarrow 2X \longrightarrow 10\% +$$
Greater CTR Higher VCR

SOURCE: Pixability Insights January 2023 - April 202

What Works and Doesn't Work With Ads on YouTube Shorts

Ads on YouTube Shorts are 6-60 second skippable video or image ads that show up between Shorts content in the YouTube Shorts feed. Because of this, ads that appear on Shorts get very low completed views as users flip quickly through the feed as they do on Tik Tok. However Shorts ads drive incredible reach with low CPMs and can drive comparable clicks as Instream ads, and some good lower funnel results.



Ad Creative for YouTube Shorts

Google teams have been analyzing Shorts ads for the past year and have come up with the following guidance around the type of ads that work best with Shorts:

- They feel like they're part of a viewer's Shorts feed. Think authentic and relatable, like creator-produced content.
- Casual ads often work well, where everyday people can directly address the viewer for that personal touch.
- Short-form means upbeat, so strive for fun and entertaining. Even better if you make your ads communal, something worth sharing.



SOURCE: Google Ads & Commerce Blog

Brand Suitability on Feeds Content

Brands don't currently have the ability to target channels or exclude channels from being the source of the Shorts content before or after their ad appears.

There are some exceptions when leveraging YouTube Select reserved inventory. The advertiser's only suitability control is to choose the inventory type from Google's three options: Expanded inventory, Standard inventory, or Limited inventory, which still doesn't allow specific channel targeting.

Some advertisers, feel that appearing before or after content in a feed doesn't carry with it the same brand suitability implications as when the ad appears in–feed on a specific video. Others would like to have full control of content that appears anywhere near their ad. It's really for the advertiser to decide how they want to incorporate Shorts into their program, knowing that there's no ability to include or exclude certain channels.









Top Takeaways for Brands

Don't Ignore YouTube Shorts:

With over 2B people watching Shorts, every brand needs a Shorts strategy.

Create Vertical Shorts Ads:

Even when advertisers aren't targeting Shorts content, vertical ads can be very effective within horizontal ad spots.

Know the Limitations:

Ads on Shorts can't be targeted to specific channels in open auction, so suitability is more challenging.

Create Shorts Organic Videos:

Every brand should create Shorts content for their channel in addition to longform content, to drive audience engagement.

Target Ads to Shorts Content for Reach:

Don't advertise on Shorts content if Video Completion is your primary goal.

Leverage the TV & Shorts Combo only available on YouTube:

Run a single campaign on YouTube with long-form content on TV screens and short form on mobile to maximize different touch points.

We are the YouTube suitable outcomes platform.

Maximizing quality impressions that are both suitable and drive performance.

Deepest Data

Highest Suitable Scale

Al-Driven Performance

Maximized Outcomes

30,000x 5x

45%

more data than is available to agencies and brands

more Safe/Suitable YouTube Channels than any other 3rd party

optimizations than native platform & has powered the most campaigns outside of Google

net lift in suitability & performance (quality impressions)





Only company globally Google-certified for both.

