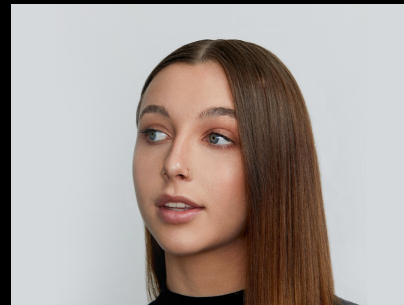


# MEASURING YOUTUBE



## INFLUENCER MARKETING



# MEASURING THE EFFECTIVENESS OF YOUTUBE INFLUENCER MARKETING CAMPAIGNS



**jumpshot**

A Study Commissioned by The Outloud Group  
Data Powered by Jumpshot

## ABSTRACT

Measuring audience response to YouTube influencer marketing campaigns has historically been a challenge for marketers. Although YouTube influencer marketing is a digital marketing channel where conversions are commonly tracked using last-touch attribution methods (bit.ly, promo code, unique url), measurement by last-touch does not capture true campaign value. Viewer response to watching YouTube videos is similar to the actions of TV audiences. However, because YouTube views are not concurrent, YouTube influencer marketing campaigns cannot be measured by spot attribution methods commonly used in TV measurement. Simply put, the effectiveness of YouTube influencer marketing is not measured correctly because it is not understood correctly.

The Outloud Group, the influencer marketing agency that commissioned this study, sees more influencer marketing success on YouTube than any other social media platform. However, prior to this study, The Outloud Group, like other marketers, had no way to prove YouTube influencer marketing campaign's true value and effectiveness using last-touch attribution. Outloud believes that if the measurement piece of YouTube influencer marketing was understood properly, far more brands would run successful campaigns.

To validate this belief and accurately measure YouTube influencer campaigns, Outloud partnered with Jumpshot, the world's largest provider of clickstream data, to observe a pool of 149,608 anonymized users. These users watched at least one of 158 brand integrations run by three of Outloud's brand partners. The goal was to understand and prove the ratio between trackable and untrackable audience response to YouTube influencer marketing campaigns and prove effectiveness based primarily on conversions, and secondarily on traffic.

The results? Far more conversions happen as a result of YouTube influencer marketing campaigns than are currently measured. This white paper outlines how this study was conducted, the results, and key takeaways that brands can implement immediately.

Finally, the industry can measure the effectiveness of YouTube influencer marketing campaigns.

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## PROBLEM STATEMENT

Marketers have long believed that YouTube influencer marketing is effective, but are unsure how to measure its true value based on audience response. Trackable links and promo codes are useful but are only a piece of the story and they do not account for the true conversion value. For brands that have already seen success with YouTube influencer marketing, this white paper will give them the tools to optimize their strategy. For brands that tested YouTube influencer marketing and did not succeed, these results signal an opportunity to reevaluate and test again.

Key Question: How do marketers measure true conversion rates across YouTube influencer marketing campaigns?

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## BACKGROUND

The rise of social media over the last 20 years has led to the rise of influencers that are deeply connected and highly in tune with coveted audiences. As social channels have grown, marketing professionals have learned to tap into a variety of influencer marketing tactics to strategically gain the trust of those consumers. As a result, influencer marketing ad spend is now a \$6 billion industry and is expected to reach \$15 billion over the next three years<sup>1</sup>, with 65 percent of influencer marketing budgets increasing by the end of 2019.<sup>2</sup>

The agency that commissioned this study has experience running campaigns on every social media channel, and for their brand partners they have found that YouTube is the most effective, while Instagram is the most popular.

Instagram dominates the influencer marketing space in terms of budget and scale because 1) it can be managed by automated influencer platforms (e.g. Mavrck and AspireIQ), and 2) brands have more control given Instagram's static nature. Together these offer marketers a quick and scalable way to achieve brand awareness. YouTube has lagged in scale and popularity for 2 reasons: 1) running a campaign on YouTube is more labor intensive and 2) it is harder to measure.

The Outloud Group has found that for brands with a complex and nuanced story to tell, YouTube is the most effective channel and that those brands are continuously increasing budget behind it. However, the uncertainty surrounding

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<sup>1</sup> (Schomer *INFLUENCER MARKETING 2019: Why brands can't get enough of an \$8 billion ecosystem driven by Kardashians, moms, and tweens*)

<sup>2</sup> (Bailis *The State of Influencer Marketing: 10 Influencer Marketing Statistics to Inform Where You Invest*)

the effectiveness and measurement of YouTube influencer marketing still poses the biggest challenge to brand marketers.

This uncertainty can be categorized into two camps of marketers: those with experience running YouTube influencer marketing campaigns, and those without experience running YouTube influencer marketing campaigns.

Of the marketers who have experience running YouTube influencer marketing campaigns, many look at YouTube influencer marketing solely on a direct response basis, measuring it similarly to other digital channels. This narrow focus on last-touch ignores the majority of behavior the campaign generates prior to purchase. Others recognize the higher-funnel value, but still do not recognize the true conversion value.

Of the marketers with less experience in the influencer marketing space, some are desperate to spend TV dollars even in a time when cord-cutting continues to accelerate rapidly, and others have simply not tested YouTube influencer marketing at all.

The Outloud Group conducted this study to clarify this uncertainty and help marketers take control of YouTube Influencer Marketing by understanding the value associated with YouTube influencer campaigns.

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## METHODOLOGY

This methodology details how The Outloud Group conducted this study using Jumpshot's large panel of data to find the true effectiveness of YouTube influencer marketing based on traffic and conversions.<sup>3</sup>

The three brand partners of The Outloud Group that were selected to participate in this study are:

- a food delivery service
- a digital content subscription service
- an international genomics service

Across the three brands, 158 YouTube videos<sup>4</sup> that included brand integrations were chosen based on scale and to reflect the diversity of YouTube channels run as part of the campaigns. From there, Jumpshot searched their clickstream panel, which includes nearly 100 million digital devices globally, to identify those users who watched one of these videos and in turn, those who took action

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<sup>3</sup> Jumpshot, the world's largest provider of clickstream data, provided completely anonymized data for the purposes of this study. In addition, this white paper further anonymized all contextual items.

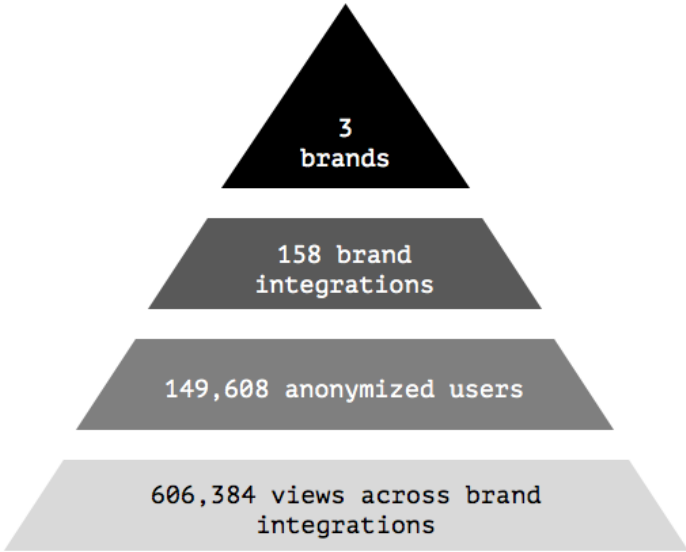
<sup>4</sup> Each "video" referred to contains a brand integration run by one of The Outloud Group's three brand partners. 158 videos therefore refers to 158 separate brand integrations across different campaigns run for three brands.

after seeing the video. Out of Jumpshot’s panel, 149,608 people had seen at least one of these videos resulting in a combined 606,384 views of branded content on YouTube [see Figure 1].

To get to the most accurate metrics possible, Outloud commissioned Jumpshot to pull the following data points from the set of 149,608 anonymized users:

- the timestamp of when the video was viewed for every user in the panel who had seen at least one of the 158 videos
- data on every brand website visit (traffic) from every user in the panel who had seen at least one of the videos
- data on every conversion (on the brand’s website and select third-party sites) from every user in the panel who had seen at least one of the videos

Figure 1: The Data Pool



The Outloud Group then analyzed the data and identified which sessions and conversions from the YouTube influencer marketing campaigns were directly attributed and were trackable using a vanity URL, bit.ly, or promo code. They were also able to identify which sessions and conversions were not trackable, and were unseen and unattributed to each brand’s YouTube influencer marketing efforts.

Table 1 is an anonymized sample of data used in this analysis to determine which sessions and conversions should be connected to the YouTube influencer marketing campaigns tested in this study.

Table 1: Distinct User Actions Across Three Brands

DEVICE ID	TIMESTAMP	EVENT	EVENT DATA	
00d7[...]b0b6	7/20/18 23:20:21	Video View	[Youtube Video ID] - mikeychen	→ A
00d7[...]b0b6	7/20/18 23:29:06	Video View	[Youtube Video ID] - mikeychen	
00d7[...]b0b6	7/20/18 23:29:15	Session	https://www.clientdomain.com/?campaign=mikeychen	
00d7[...]b0b6	7/20/18 23:35:58	Conversion	clientdomain.com	
6844[...]77b5	11/9/18 1:10:14	Video View	[Youtube Video ID] - mikeychen	→ B
6844[...]77b5	11/9/18 1:10:23	Video View	[Youtube Video ID] - mikeychen	
6844[...]77b5	11/9/18 1:12:30	Video View	[Youtube Video ID] - mikeychen	
6844[...]77b5	11/9/18 1:15:43	Video View	[Youtube Video ID] - mikeychen	
6844[...]77b5	11/9/18 1:15:51	Session	Search Engine - https://www.clientdomain.com/	
6844[...]77b5	11/9/18 1:16:09	Video View	[Youtube Video ID] - mikeychen	
6844[...]77b5	11/9/18 1:16:19	Video View	[Youtube Video ID] - mikeychen	
6844[...]77b5	11/9/18 1:18:21	Video View	[Youtube Video ID] - mikeychen	
6844[...]77b5	11/9/18 1:19:18	Conversion	clientdomain.com	
54e9[...]1851	10/24/18 22:31:11	Video View	[Youtube Video ID] - michellekhare	→ C
54e9[...]1851	10/24/18 22:39:45	Conversion	amazon.com	

Three distinct categories of actions were observed when examining the 149,608 users who watched these videos and subsequently converted. Here are some hypothetical examples of the types of purchase journeys observed.

- A. User watched a Mikey Chen YouTube video promoting one of the brands. The user clicked on the video a second time and used the vanity URL to visit the brand’s website. Less than eight minutes later, the user converted on the brand’s website and purchased the product.
- B. User clicked on the YouTube video several times without clicking on the vanity URL. The user then used a search engine to find the brand’s website. Four minutes later, they converted on the website. Originally, Mikey Chen received no credit for this conversion since the vanity URL was not used.
- C. User watched a YouTube video with Michelle Khare promoting one of the three brands. The user never visited the brand’s website but instead went directly to Amazon and purchased the product within nine minutes of watching the video. Without this data, the conversion would not be attributed to Michelle’s video.

In summary, when users were not clicking the vanity URL, bit.ly, or using a promo code, they were either going directly to the brand’s site, searching for the brand’s site on a search engine and then purchasing, or purchasing through third-party marketplaces such as Amazon, Target or Best Buy.

Not only does this data confirm that unattributable actions were occurring directly as a result of the brands’ YouTube influencer marketing campaigns, but also that these previously unattributable and unseen actions were occurring particularly soon after the video was watched.

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## THE RESULTS

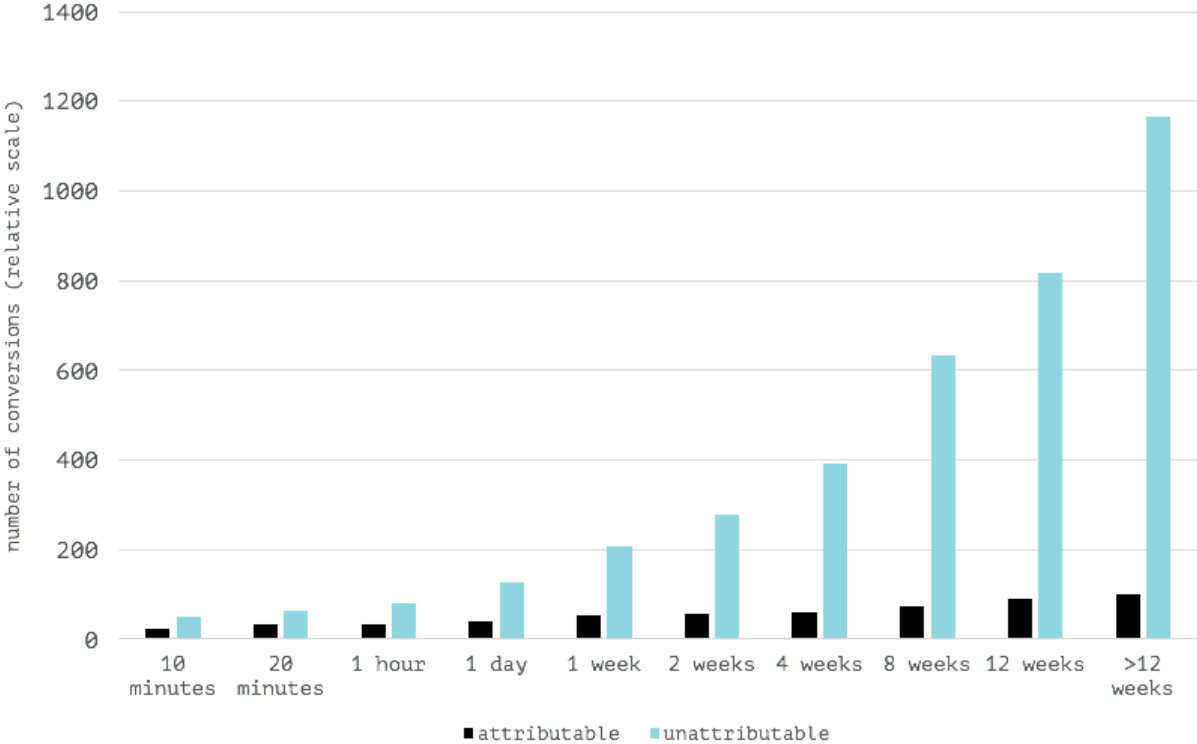
TLDR: Only 25 percent of the total conversions that resulted from a user watching these videos were directly attributed to the influencer marketing campaign. Marketers have been blind to about 75 percent of conversions that resulted from YouTube influencer marketing campaigns.

Full Story: To understand the true value of YouTube influencer marketing and how it impacts overall marketing objectives, the study needed to show how the previously unseen and untrackable direct response actions measured by a given brand stacked up against attributable actions that were historically dictating value. To tell the full story, this research includes a timeline of 12 weeks, but to control for credit to multi-touch influences during the sales cycle, this ratio of attributable to unattributable actions is solely based on the first week following the moment the video was viewed.

The three brands were weighted equally to normalize for variance of views across their YouTube influencer marketing campaigns. Figure 2 accounts for over 3,000 conversions, and for the purposes of simplifying the ratio, the Y axis represents a relative scale.



Figure 2: Attributable and Unattributable Conversions Across Three Brands



Across the three brands and their 158 videos<sup>5</sup>, within one week, for every one user that converted through a vanity URL, bit.ly, or promo code, three more users converted either by going directly to the site or through third-party marketplaces such as Amazon, Target or Best Buy.

To further support these findings, the study also identified a multiplier for traffic that marketers can use to measure the true total engagement resulting from their YouTube influencer marketing campaigns.

Across all three brands, the traffic ratio was discovered to be a multiplier anywhere between 2x and 5x [see Figure 3]. For every one user that clicked on a link within the YouTube video, depending on the brand anywhere between one and four more visited the brand’s site.<sup>6</sup> This multiplier range further confirms the tie between the unattributable actions and the YouTube videos studied, debunking multi-touch involvement.

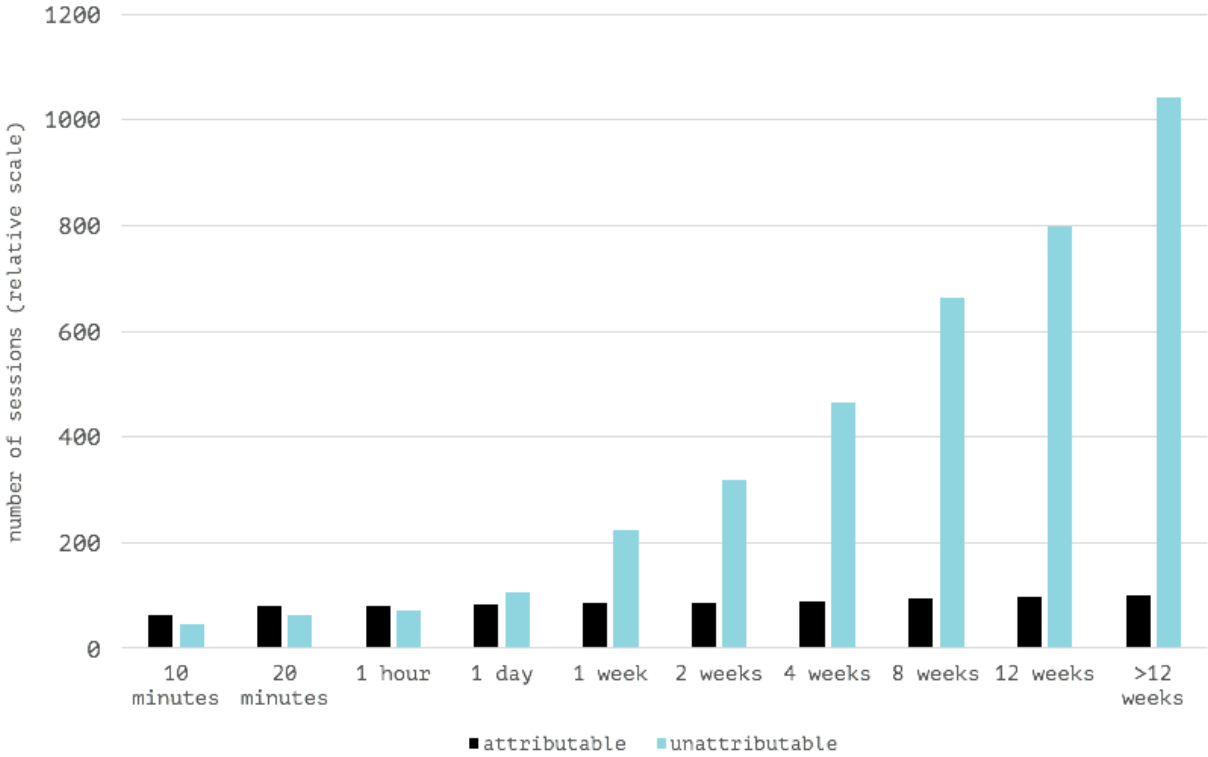
It is important to note that this range exists because some of the brands involved in the study have longer consideration periods than others. Figure 3 represents a ratio of attributable to unattributable sessions for all three brands involved in this study. To contextualize the 2x - 5x range, it is

<sup>5</sup> Each “video” referred to contains a brand integration run by one of The Outloud Group’s three brand partners. 158 videos therefore refers to 158 separate brand integrations across different campaigns run for three brands.

<sup>6</sup> Individual user visits to a given site are referred to as “sessions.” For example, the actions graphed in Figure 3 are sessions, and cumulatively they illustrate traffic. In this study, only one session is counted per unique device ID.

important to note that brands in industries with longer sales cycles typically have a higher number of sessions prior to conversion relative to brands with shorter consideration periods. Product price is often highly correlated with consideration time, meaning that more expensive products generally have longer consideration periods and will require more site visits by consumers prior to purchase.

Figure 3: Attributable and Unattributable Sessions (Traffic to Brand Website) Across Three Brands



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KEY TAKEAWAYS

Using this study, marketers can now point to significant YouTube influencer marketing value that was previously unseen because of audience response that was immeasurable. Brands who had already accepted YouTube influencer marketing as a key piece of their strategy, now have evidence to assume 4x the conversions they were previously seeing, and anywhere between 2 - 5x more traffic directly to their sites. Those who had tried YouTube influencer marketing before and felt that they had underperformed, now have a compelling

reason to try it again. And finally, for the brands that have yet to try YouTube influencer marketing, the value of testing is now easier to defend.

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## EXAMPLE BRAND SCENARIO

To bring this to life, The Outloud Group created an example scenario that outlines what was discovered for their brand partners through this study and what it means in terms of conversions and influencer strategy for an illustrative brand: WidgetCo.

WidgetCo is spending ten percent of their budget on YouTube influencer marketing campaigns annually. Their CPA is \$100, so WidgetCo is expecting 1,000 conversions from this campaign.

First, the bad news. WidgetCo only sees 400 conversions from their campaign, which means the attributable CPA is \$250. Naturally, their initial reaction is to believe that their campaign is underperforming.

Now, the good news. WidgetCo is not measuring everything.

The study proves that the 400 conversions WidgetCo saw was just a small sliver of the total conversions that actually resulted from WidgetCo's YouTube influencer marketing campaign.

Based on the data that includes Outloud's three brand partners, the brands' 158 videos and the 149,608 anonymized users whose actions were observed, the average ratio of attributable to unattributable conversions is 1:3.

The Outloud Group is calling this ratio OAR = The Outloud Attribution Ratio.

**OAR = 1 attributable conversion : 3 unattributable conversions**

Although OAR is not an exact formula that can apply to every brand, it represents an average ratio drawn from user response to three of their brand partners' YouTube influencer marketing efforts.

Based on the OAR for this example, the true number of conversions for WidgetCo would be  $400 \times 4$ , or 1,600, making the true CPA \$62.50, 40 percent better than the target.

According to the user actions observed in the study, the previously untrackable 1,200 conversions WidgetCo earned are a result of some combination of users who purchased directly through the brand's site without clicking a vanity URL or promo code, and users who purchased through third-party marketplaces such as Amazon, Target or Best Buy.

For marketers and CMOs, OAR is the unprecedented discovery of what marketers previously could not see, and can now definitively point to when it comes to attributable and unattributable conversions resulting from direct response YouTube influencer marketing campaigns.

Finally, after years of hoping, assuming, and sometimes guessing, the industry can measure the effectiveness of YouTube influencer marketing campaigns.

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## CONTACT

For questions, consultation, or to run a test for your brand, please reach out to [info@outloudgroup.com](mailto:info@outloudgroup.com).

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## ABOUT THE OUTLOUD GROUP

The Outloud Group is a full-service influencer marketing agency. Based in Detroit, they are veterans in the influencer marketing world, having run brand campaigns since 2008. Outloud helps companies and creators navigate the ever-changing influencer marketplace by setting a clear brand strategy, executing influencer campaigns, and using strong data analysis to measure results. For more information visit [www.outloudgroup.com](http://www.outloudgroup.com).

## ABOUT JUMPSHOT

Jumpshot delivers digital intelligence from within the internet's most valuable walled gardens. The company's real-time, anonymized global panel tracks five billion actions a day across tens of millions of devices to deliver insights into online consumer behavior. Jumpshot works with customers including Revlon, Microsoft, Google, Yelp, Condé Nast, and TripAdvisor, among others. Learn more about Jumpshot at [www.jumpshot.com](http://www.jumpshot.com).

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