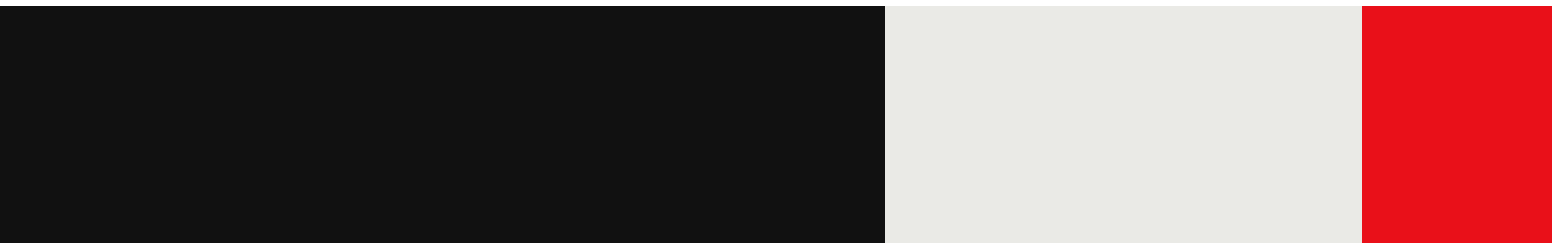


# YouTube adjusts mid-roll ads to minimize disruptions

Article



**The news:** YouTube will automatically show mid-roll ads at natural break points—like transitions and pauses—starting May 12, per a YouTube blog post, stepping away from reliance on manual ad placements. The change aims to prevent viewers from abandoning videos midway through by reducing ad interruptions “in the middle of a sentence or action sequence.”

YouTube will update older videos with these automatic ad-slots.

- Creators who include mid-roll ads manually can measure how effective their ad placements are using **YouTube Studio**'s new feedback feature, which determines if ads are considered interruptive to give channels an opportunity to make adjustments.

**Zooming out:** YouTube's recent decisions have exacerbated internet users' frustrations with online ads. Beyond interruptive ads, YouTube came under fire for cracking down on ad blockers while increasing the price of **YouTube Premium**, which allows ad-free viewing.

This change could be an attempt to make ads on the platform more tolerable to appease both viewers and creators.

### **The impact on everyone involved:**

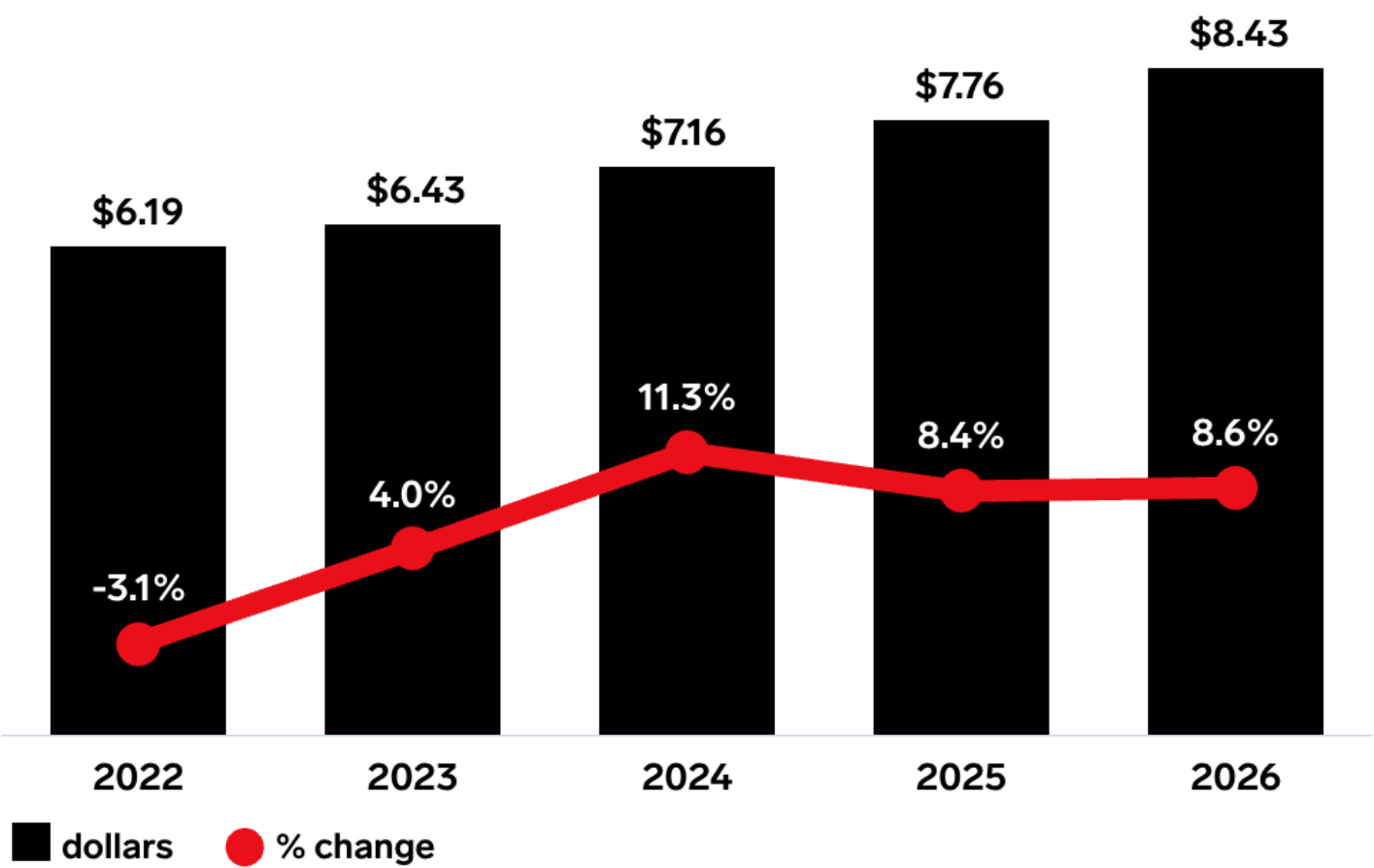
- Ad revenues for channels with both auto and manual mid-roll ads **increased more than 5%**, per YouTube. Creators can opt out of the feature and stick to manual placements, but YouTube warns they might lose revenues as a result.
- If successful, the update could make YouTube a more attractive opportunity for advertisers, boosting return on ad spend and making brands likelier to invest in YouTube.
- Viewers may be more likely to stay engaged with less disruptive ads, which could help creators retain viewership—essential as ad revenues per YouTube viewer are increasing consistently.
- YouTube could also benefit as it continues to compete for marketing spend. Less disruptive mid-roll ads could make YouTube more competitive and potentially draw advertiser attention and prevent users from turning to other platforms, like **Instagram**, **Facebook**, and **TikTok**, which it currently lags behind in digital ad revenues.

**Our take:** The change is part of YouTube's ongoing effort to make ads more palatable for viewers and creators it may have upset with previous updates, improving overall sentiment toward ads and, in turn, convincing more brands to invest ad dollars.

Other platforms that use mid-roll ads, like TikTok and Facebook, might follow suit and try to make them less interruptive to keep viewers engaged—but whether these changes will be enough to significantly impact ad revenues and give platforms a boost above competitors remains to be seen.

# YouTube Ad Revenues, per YouTube Viewer

## Worldwide, 2022-2026



Note: among individuals of any age who use YouTube via any device at least once per month; includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices, and includes all the various formats of advertising on those platforms; net ad revenues after companies pay traffic acquisition costs (TAC) to partner sites

Source: EMARKETER Forecast, November 2024