



# CONNECTED TV ADVERTISING

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2020

AUDIENCEx

## 001 // DEMYSTIFYING CONNECTED TV

Television content today is being consumed in more places than ever before. While the industry may appear increasingly fragmented, it is also becoming increasingly interconnected. Consumers are seamlessly accessing content across more screens than ever before. Rather than sitting down to watch your favorite show at the same time every week, viewers now have the ability to watch a program whenever and wherever you want.

As the TV viewing options expand, so too do the advertising opportunities. Traditional TV advertising is no longer the only option to engage with consumers on the big screen. Connected TV (CTV) now reaches 59.1% of the US population, and is expected to grow to 63.2% of the population by 2023. Although CTV advertising makes up a small portion of overall video ad spending, it is expected to grow in the coming years as audiences continue to embrace digital streaming on their living room screens.

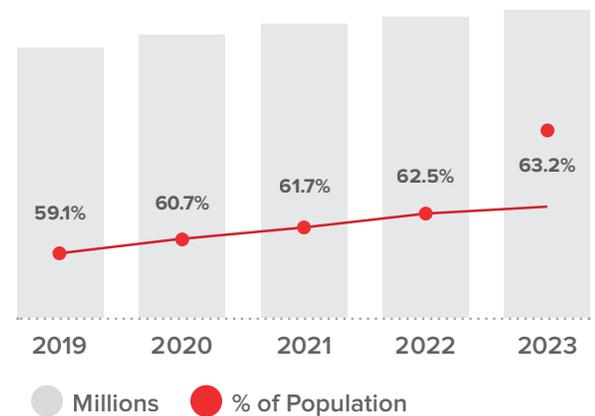
For advertisers, CTV offers a huge opportunity to create dynamic, interactive ad experiences across screens to drive increased engagement and brand recall, bringing consumers further down the purchase funnel.

CTV advertising spend is expected to reach **\$14.12 Billion** in 2023.

# 57% of households

## uses a Connected TV device.

CONNECTED TV USERS  
US, 2019-2023



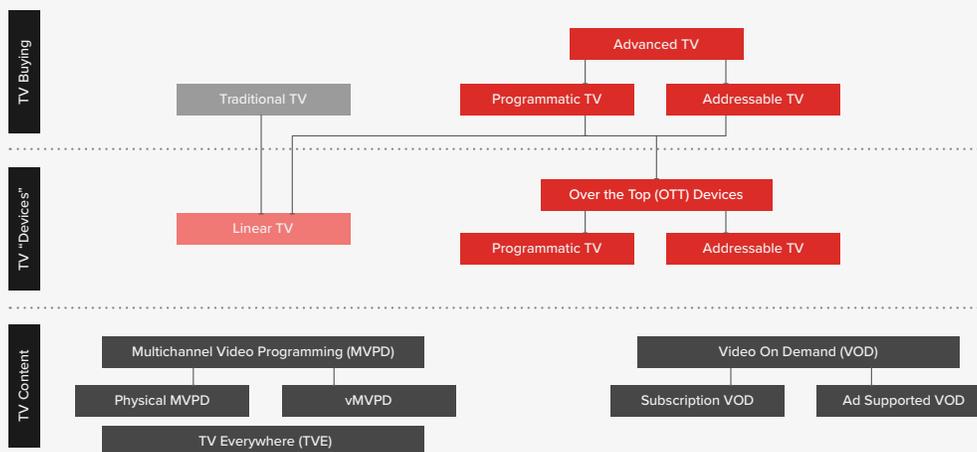
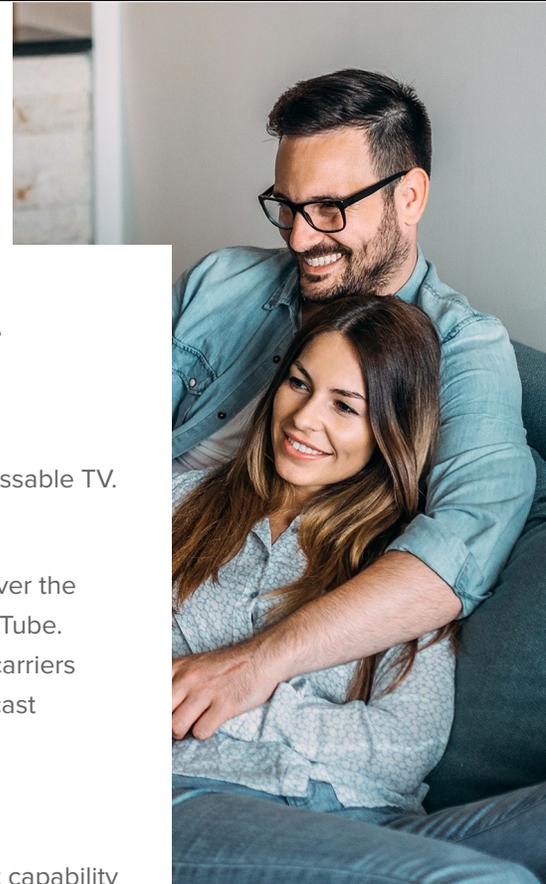
Source: eMarketer, July 2019



## 002 // ADVANCED TV DEFINITIONS

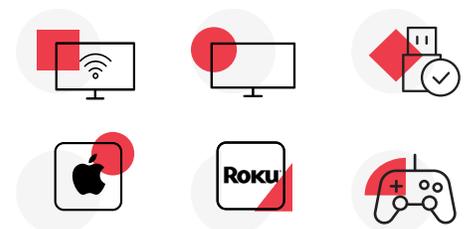
As with all aspects of AdTech, this new channel comes with its own share of new acronyms and jargon. Many of these terms are being used interchangeably, but here are some quick definitions to keep in mind:

- ▶ **Linear TV:** Traditional TV provided through a set top box (STB), which uses cable or satellite to deliver live, scheduled programming on traditional TV channels.
- ▶ **Advanced TV:** This is an umbrella term that refers to all of the ways that you can serve ads to your TV viewing audience, including digital TV, CTV, OTT, and addressable TV. Addressable, programmatic, OTT and interactive are all subsets of advanced TV.
- ▶ **Over-the-top (OTT):** Any app or website that provides streaming video content over the internet and bypasses traditional distribution such as HBO Now, Hulu, Netflix and YouTube. Traditional distribution includes internet protocol TV (IPTV), cable, satellite, wireless carriers and fiber operators, multiple system operators (MSOs), MVPDs, and major TV broadcast and cable networks.
- ▶ **Digital TV:** Any video inventory watched on a desktop, phone or tablet.
- ▶ **Connected TV (CTV):** A TV set connected to the internet through built-in internet capability or through another device such as a Blu-ray player, game console or set-top box (e.g. Apple TV, Google Chromecast, Roku).



Rather than getting bogged down in the exact definitions of these rather confusing and overlapping terms, it is important to remember the goal. Marketers now have the ability to serve video ad inventory in TV-like environments, but without the normal expense and hassle of linear TV advertising. Unlike linear or traditional TV ad buys, where index-based inventory is purchased months in advance through an “upfront”, CTV buys can be made and adjusted in real-time through a DSP or trading desk.

### CTV DEVICES



### 003 // TARGETING WITH CTV

In the same way that a media buyer or marketer defines a target audience for programmatic display campaigns, a target audience is defined for CTV buys, and the inventory that is available is bid on in a programmatic fashion across a variety of networks.

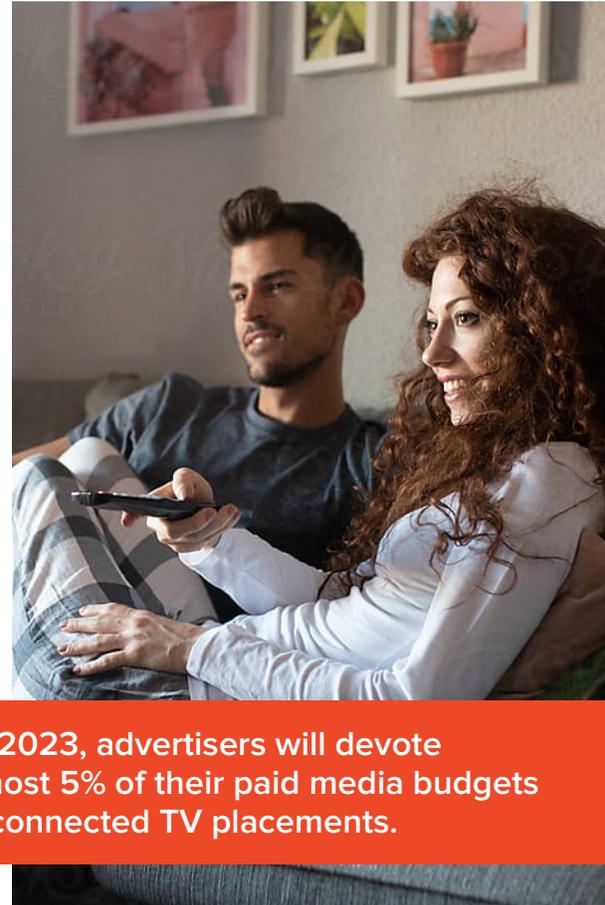
Targeting across CTV is done at the household level, and frequency capping is available against first or third-party data to focus ads on your most valuable viewers. To grow your audience, you can apply lookalike modeling to find new, high-value households to focus your media spend on.

Retargeting on CTV also offers advertisers the ability to target households that have seen a particular commercial across devices and channels including native, audio, or display, or even retargeting with another commercial on CTV.

### 004 // BENEFITS OF CTV ADVERTISING

**CTV provides a great alternative to traditional linear TV advertising, offering additional targeting and tracking capabilities without the hassle of upfront buys or minimum commitments.**

- ▶ Full-screen TV experience on a large living-room device.
- ▶ No upfront buys required.
- ▶ 100% In-View and High Video Complete Rates (+90%).
- ▶ Support for third-party ad serving and measurement not available for traditional TV.
- ▶ Precise targeting at the household level to reach strategic audiences with no wasted impressions.
- ▶ Programmatic purchasing available to increase cost efficiencies.
- ▶ Unique inventory options that include an ability to retarget viewers, engaging inventory to increase recall, more advanced capabilities to survey consumers served an ad.



**By 2023, advertisers will devote almost 5% of their paid media budgets to connected TV placements.**

## 005 // AVAILABLE NETWORKS &amp; INVENTORY SOURCES

AUDIENCEx works with 12 enterprise-level DSPs and dozens of platforms, networks and broadcasters to offer extensive CTV advertising opportunities at scale. Below is a sample of some of the networks and inventory sources that we work with:

## PLATFORM/NETWORK



## BROADCASTER/PUBLISHER DIRECT



## ALT. PROVIDER



## // CONCLUSION

CTV offers a huge opportunity to connect with targeted groups of viewers on the big screen, even as TV viewing habits continue to change. There are no expensive upfront buys required, as with traditional TV advertising, yet the in-view and video completion rates are 100%.

There's a reason that advanced TV is the fastest-growing advertising channel today. Combining unparalleled viewability with programmatic purchasing to increase efficiencies means that digital marketers can reach their audiences across all screens to build brand loyalty and drive lift.

## Want to learn more about CTV?

If you'd like to learn more about how to run efficient and effective CTV campaigns as part of your cross-channel marketing plan, [contact us](#).

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