

Connected TV Advertising



Traditional TV
Advertising



Growing Audience

75% of all US households have some type of CTV set up in their homes. By 2021, there will be an estimated 194.4 million CTV users. By 2022, an estimated 204 million Americans will be watching CTV. This is a disruptive rise and a 1640% increase in CTV ad requests year over year.



Shrinking Audience

About 90 million people subscribe to traditional cable and satellite pay TV services. These services lose a combined 14,000 customers per day. More than 20 million will leave over the next four years. Cable and satellite lost 39 million customers in 2019 and are projected to lose a whopping 50 million by 2022.



Precise Targeting

Targeting is a distinct advantage of CTV advertising. Buys are based on the audience, not just content. This provides greater specificity in reach and targeting. Product advertising is focused on well-defined demographics and audiences across a broad swath of digital mediums, not just, "What's on TV."



Cost-Effective

The inherent targeting capabilities of CTV allow advertisers to reach more users for a much lower cost. For example, to target young adults of ages 21 to 35 in the Bay Area, the local TV spot market buy might cost up to \$315 per thousand (CPM). Given the digital nature of CTV, the same demo in the same market, regardless of programming, might cost around \$40 to \$50 CPM.

Outdated Targeting

Traditional TV uses imprecise methods of targeting that are content-based 'day-parts' (prime time, for instance) to determine the number of viewers across varying demographics. These ads will reach lots of eyes, but not all viewers are potential customers and thus not in the market for an advertiser's wares.

Expensive

Advertisers must pay higher rates for TV programs with large audiences but limited targeting capabilities in peak time slots to ensure exposure to their desired demographics. For example, to target young adults of ages 21 to 35 in the Bay Area, the local TV spot market buy might cost up to \$315 per thousand CPM.



Dynamic Ad Insertion

Ads are stitched on the client side dynamically based on the audience data, enabling customized messaging based on user data to improve relevancy and engagement. When it comes to managing creatives, CTV's inherent digital nature makes the logistics of dealing with creative file formats much more efficient and optimized.



Meaningful Metrics

CTV offers metrics on completion rates, viewability scores, CPMs, cost per completed view, cost per walk-ins, etc. With these metrics at your reach and the capability to adjust things as you go, you have infinite ways to gather intelligence and better optimize ad campaigns so you can get the maximum out of your ad spend.



Fragmentation = Flexibility

Because content exists across countless combinations of devices and apps, the viewing footprint doesn't emerge the way marketers need it to. So even though the data is available, the way in which it's segmented on different platforms makes it extremely difficult for companies to scale their campaigns. But this aspect of CTV makes it ripe for building integrations and partnerships, enabling marketers to create custom-brewed solutions that are industry specific.

Broadcast Mass Distribution

Broadcasting works well in mass-distributing the same content to several thousands of users, but you don't have the flexibility to adapt content like CTV. Creative management was based on older media formats such as tapes and disks. Tape no longer exists, but traditional TV networks have a suboptimal process leading to longer processing times and unnecessary red tape for creative changes or updates.

Limited Metrics

When it comes to metrics, linear TV can't compete with CTV/OTT, mainly because you can't measure success criteria with accuracy and precision. GRP and CPP are essentially the only two metrics that are accessible, but they are not available in real time, leaving no room for optimization.



Lack of Standards

The absence of a large-scale distribution channel may be viewed as a disadvantage of CTV. But this is where the opportunity lies for integrations and partnerships. This enables you to develop your own stack and build capabilities that are only limited by your imagination.



Cross-Device Marketing

CTV is the best central hub you can find if you're looking for multi-device targeting. With cross-device continuity, you can track and measure conversions made on viewers' phones and use multi-touch attribution.



Interactive and Personalized Ads

You can use tokens and variables that are dynamically formatted based on user data, and you can increase engagement using interactive ads.



Richer Audience Data

CTV integrates with data providers to leverage third-party data for advanced audience targeting.



Not Flexible

There's not a lot of room for flexibility in traditional TV. When you work with a publisher, you are limited to the capabilities of that particular network.



Insulated Marketing

The very nature of linear TV insulates advertising to singular units and misses out on cross-device marketing. Publishers are limited to setup boxes and can't extend to mobile or desktop.



No Interaction or Personalization

Due to its distributive nature, apart from a phone number mentioned in the ad, there is not much direct interaction.



Limited Data

Broadcasters and TV networks are limited to the information cable companies receive from set-top boxes.