

Key Considerations for Advertisers Selecting Media Platforms for CTV Campaigns

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Abstract: *Connected TV (CTV) advertising is rapidly gaining prominence as more consumers shift from traditional TV to streaming services. Advertisers are presented with a plethora of media platforms to choose from, each offering unique features and capabilities. This paper explores the key considerations advertisers must keep in mind when selecting a media platform for their CTV campaigns, including platform reach, targeting capabilities, data integration, creative flexibility, cost, and measurement and attribution capabilities.*

Keywords: Connected TV (CTV), advertising, media platforms, audience targeting, data analytics, creative flexibility, cost efficiency, ROI, measurement, attribution, adtech, martech

1. Introduction

Connected TV (CTV) has revolutionized the advertising landscape by providing advertisers with a dynamic and engaging medium to reach audiences. As more consumers migrate from traditional television to streaming platforms, advertisers must navigate an increasingly complex ecosystem of CTV platforms. Selecting the right platform is crucial for the success of CTV campaigns, as it impacts everything from audience reach to return on investment (ROI). This paper aims to identify and discuss the key factors that advertisers should consider when choosing a CTV media platform.

The rapid adoption of CTV is reshaping how brands approach their advertising strategies. Unlike traditional linear TV, CTV offers the potential for highly targeted, data-driven campaigns that can be adjusted in real-time. The growth of CTV ad spend is outpacing the decline in U.S. linear TV ad spend, reflecting a significant shift in advertiser focus. This evolution demands that advertisers not only understand the technical capabilities of the platforms they choose but also align their choices with strategic goals. As the CTV landscape becomes increasingly crowded with options, careful platform selection is critical for advertising success.

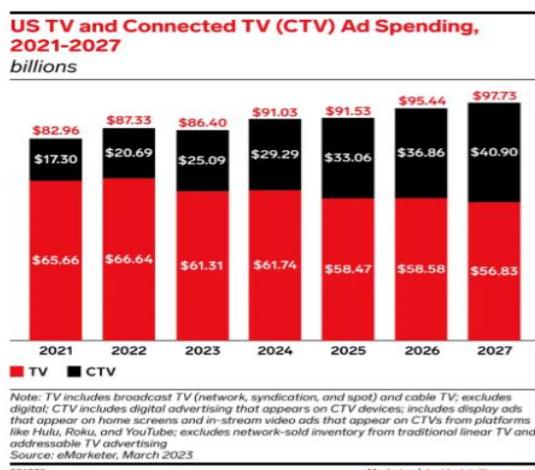


Figure 1: US TV and CTV ad spending, 2021 - 27

2. Literature Review

1) The Emergence of Connected TV (CTV) Advertising

Connected TV (CTV) advertising began gaining traction in the late 2000s as internet-enabled devices such as smart TVs, gaming consoles, and streaming devices became more prevalent in households. The rise of streaming services like Netflix, Hulu, and Amazon Prime Video accelerated the shift from traditional linear TV to on-demand viewing, creating new opportunities for advertisers to reach audiences in a more targeted and personalized manner compared to traditional TV advertising. Initially, CTV was viewed as a complement to traditional TV advertising. However, as consumer behavior increasingly shifted towards streaming, CTV quickly became a core component of many brands' media strategies. The ability to deliver targeted ads based on user data and viewing habits made CTV an attractive option for advertisers seeking to maximize their ROI. By the early 2010s, CTV advertising had established itself as a significant player in the digital advertising ecosystem.

2) Current Growth and Market Dynamics in 2024

As of 2024, CTV advertising has seen exponential growth, driven by the continued increase in streaming service subscriptions and the decline in traditional cable TV subscriptions. Industry reports estimate that the U.S. CTV advertising market is valued at approximately \$28 billion in 2024, with projections indicating that it could reach \$44 billion by the end of 2028. This growth is fueled by the widespread adoption of smart TVs and streaming devices, along with the increasing availability of high-speed internet.

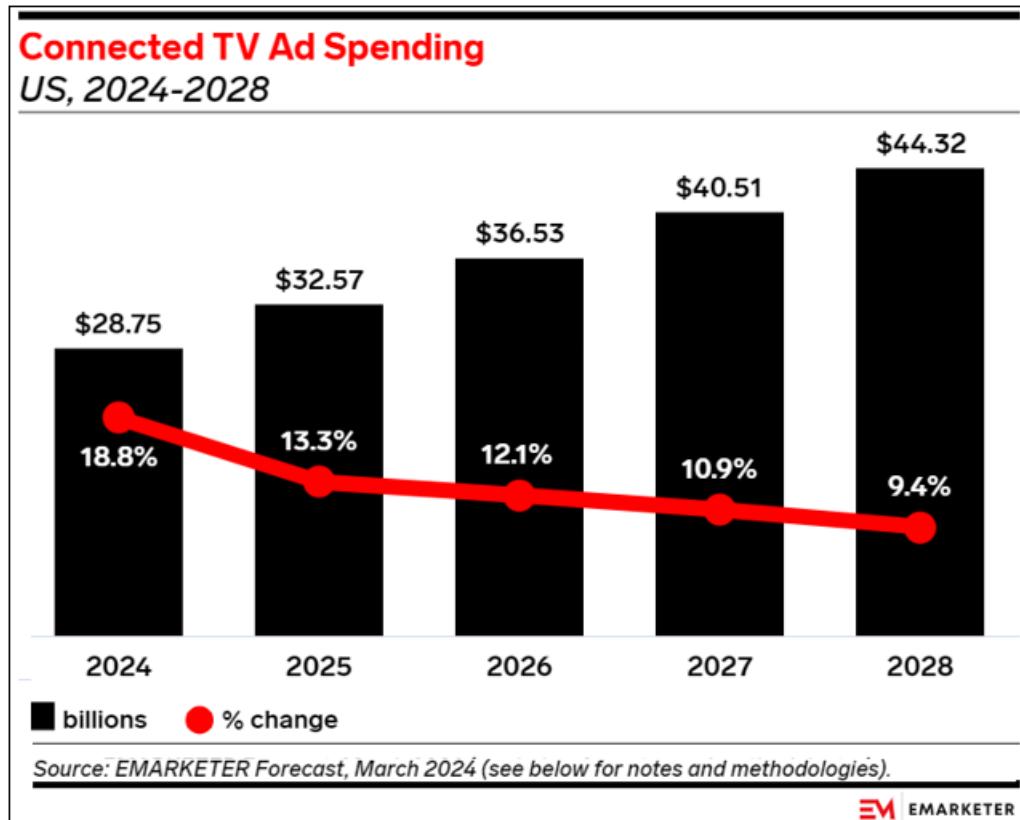


Figure 2: Connected TV ad Spending in US

The shift in consumer behavior, particularly among younger demographics, has been a key driver of CTV's growth. Millennials and Gen Z viewers, who prioritize convenience and on-demand content, are less likely to subscribe to traditional cable TV, making CTV a more effective channel for reaching these audiences. Data indicates that the age group of 25-55 years tends to use CTV more than other age groups. Additionally, advancements in data analytics and programmatic advertising have enhanced the ability of advertisers to target specific audience segments, further boosting the appeal of CTV advertising.

Connected TV Users, by Age

US, 2024

Millions	
0-11	21.6
12-17	19.7
18-24	23.8
25-34	39.2
35-44	38.6
45-54	34.3
55-64	27.9
65+	28.8
Total	233.9

Source: EMARKETER Forecast, February 2024
(see below for notes and methodologies).

EMARKETER

Figure 3: Connected TV users by age

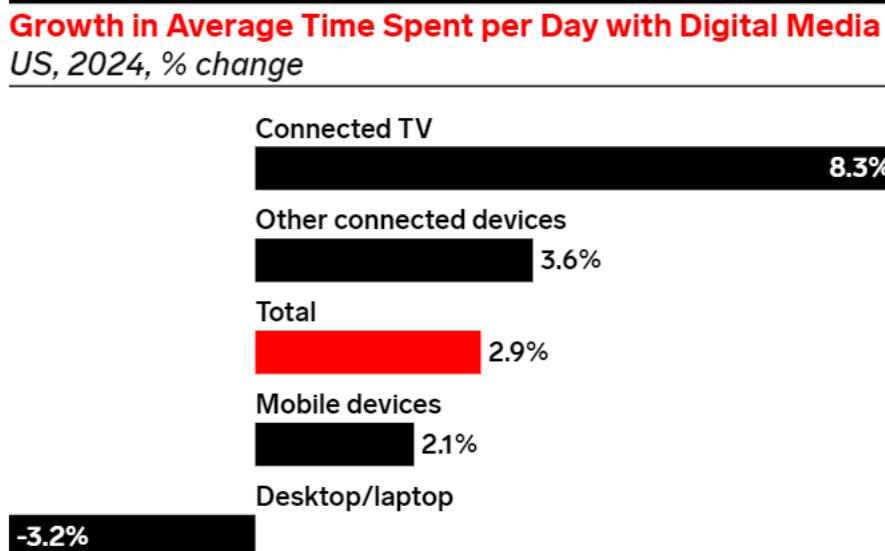
The competitive landscape of CTV advertising has also evolved, with major players like Roku, Amazon Fire TV, and Google Chromecast dominating the market. These platforms offer extensive advertising solutions, enabling brands to engage viewers through various ad formats, including pre-roll, mid-roll, and interactive ads. The proliferation of streaming services, such as Disney+, HBO Max, and Peacock, has expanded the inventory available for CTV

advertising, providing advertisers with more opportunities to reach their target audiences.

3) Future Growth and Trends

Looking ahead, the future of CTV advertising is poised for continued growth and innovation. According to eMarketer, there is an 8.3% increase in average daily time spent with connected TV compared to other digital media channels.

Industry forecasts suggest that the global CTV advertising market could surpass \$50 billion by 2026, driven by the ongoing decline of traditional TV and the increasing preference for streaming content. The adoption of 5G technology is expected to further accelerate this trend, enabling faster streaming and enhancing the overall user experience.



Source: EMARKETER Forecast, June 2024 (see below for notes and methodologies).

 EMARKETER

Figure 4: Growth in average time spent per day with digital media

4) Platform Reach and Audience Demographics

One of the most critical factors advertisers must consider when choosing a CTV platform is the platform's reach and the demographic profile of its audience. The effectiveness of a CTV campaign largely depends on the platform's ability to deliver ads to a relevant and engaged audience. Advertisers should conduct a thorough analysis of the platform's user base, including age, gender, geographic distribution, and viewing habits, to ensure alignment with their target audience. Platforms with a broad and diverse audience may offer greater exposure, while niche platforms may provide more targeted reach.

Understanding a platform's audience composition allows advertisers to tailor their campaigns to the right viewers. For example, a platform that predominantly attracts younger viewers might be ideal for brands targeting Millennials or Gen Z. Conversely, platforms with a more mature audience might be better suited for products and services that appeal to older demographics. Additionally, analyzing geographic data can help advertisers ensure their campaigns reach viewers in key markets, optimizing the effectiveness of their messaging and media spend.

When identifying Demand Side Platforms (DSPs) or ad networks, advertisers should also consider the overall volume of inventory available. The use of inventory projection tools to forecast estimated impressions based on the targeting criteria set—broken down by small screens and large

screens—can be invaluable in planning and executing effective campaigns.

5) Targeting Capabilities

Targeting capabilities are one of the defining advantages of CTV over traditional TV advertising. Advertisers should evaluate the targeting capabilities of each platform, such as demographic targeting, behavioral targeting, and geographic targeting. Advanced platforms offer sophisticated audience segmentation tools that allow advertisers to deliver personalized ads to specific groups. Additionally, the ability to leverage first-party and third-party data for precise targeting can significantly enhance the effectiveness of CTV campaigns.

Effective targeting ensures that ads are not only seen by a large audience but by the right audience. Platforms that offer robust targeting capabilities enable advertisers to refine their audience segments based on detailed behavioral insights, such as viewing history, purchase behavior, and content preferences. This level of precision allows for more relevant ad placements, which can lead to higher engagement rates and improved conversion rates. Furthermore, advanced targeting can help reduce ad waste by minimizing the number of impressions served to viewers who are unlikely to be interested in the product or service being advertised.

The option for weather-triggered ads is also gaining traction. If weather plays a key role in consumer behavior patterns for a particular brand, identifying networks that offer this type of

solution should be considered. Additionally, targeting specific publishers or content providers is becoming a standard requirement. For instance, targeting sports-related content channels or live sports events can be particularly effective for sports-related ads. Moreover, offering publisher capping, where ad distribution is assigned a specific percentage, can ensure that ads are shown across a diverse range of OTT apps.

6) Integration with Data Analytics Tools

Data analytics plays a crucial role in optimizing CTV campaigns. Advertisers should prioritize platforms that offer seamless integration with data analytics tools, enabling real-time monitoring and adjustments. This includes compatibility with third-party analytics platforms and the availability of native analytics features. Robust data integration allows tracking key performance indicators (KPIs) like ad impressions, click-through rates (CTR), and conversions, facilitating data-driven decision-making.

The ability to analyze and respond to data in real-time is essential in the fast-paced world of CTV advertising. Platforms with strong data analytics capabilities enable continuous monitoring, allowing advertisers to optimize campaigns as needed. For example, if an ad underperforms, data analytics tools can help identify issues—whether related to creative content, targeting inaccuracies, or timing—so corrective actions can be taken promptly. Additionally, integration with analytics platforms provides deeper insights into viewer behavior and campaign ROI, helping advertisers refine their strategies over time.

For sophisticated advertisers, having an API to manage campaigns and analyze reports can be invaluable. This allows for in-house campaign management and reporting using their own tools or dashboards, or in collaboration with other data analytics platforms. This flexibility is especially beneficial for advertisers who prefer a more customized approach to campaign management and data analysis.

7) Creative Flexibility and Ad Formats

The variety and flexibility of ad formats available on a platform are important factors to consider. CTV platforms may support multiple ad formats, including pre-roll, mid-roll, interactive, and shoppable ads. Advertisers should assess whether the platform supports the creative strategies they plan to implement and whether it allows for innovation and experimentation with different ad formats. The ability to customize and optimize creative content is essential for maximizing viewer engagement.

Creative flexibility is particularly important in CTV, where viewers expect a seamless and engaging experience. Platforms that offer a range of ad formats provide advertisers with the tools they need to create compelling content that resonates with their audience. Interactive ads, for instance, can drive higher engagement by allowing viewers to interact with the content, while shoppable ads enable a direct path to purchase. Additionally, the ability to test and iterate on different creative formats can lead to more effective campaigns, as advertisers can identify what works best for their audience and adjust their approach accordingly.

For instance, if an advertiser lacks access to video content, they can use creative AI platforms to develop a CTV video ad

based on website content, target audience descriptions, and product value propositions. Some platforms typically offer 60-120 second video options in addition to the standard 15-30 second videos, providing flexibility in how advertisers convey their messages.

8) Cost and ROI

Cost is a critical factor in the selection of a CTV platform. Advertisers must evaluate the cost structure of each platform, including CPM (Cost Per Mille) rates, minimum spending requirements, and additional fees. It is essential to balance these costs against the potential return on investment (ROI), considering the platform's ability to deliver targeted and effective campaigns. A cost-effective platform should offer high-quality ad placements that align with the advertiser's budget while maximizing campaign impact.

The financial aspect of CTV advertising is multifaceted, involving not just the upfront costs but also the potential ROI. Advertisers should consider the overall value that a platform provides, weighing the cost of ad placements against the quality and relevance of the audience they will reach. It is also crucial to factor in the cost-effectiveness of the platform's targeting and measurement tools, as these can significantly impact the efficiency of the ad spend. Ultimately, the goal is to select a platform that offers a favorable balance of cost and performance, ensuring that the investment in CTV advertising delivers strong returns.

Common pricing models in CTV advertising include CPM (Cost Per Thousand Impressions) and CPCV (Cost Per Completed View), where advertisers are charged once a user sees the entire ad. Each advertiser may have different cost structures, so choosing a DSP (Demand-Side Platform) that offers flexible pricing tiers can accommodate a wide range of advertiser needs. CPMs typically range from \$15 to \$70, with higher CPMs associated with traffic from reputable content platforms. However, pricing depends heavily on performance metrics and the audience reach for a particular product.

9) Measurement and Attribution

Accurate measurement and attribution are vital for assessing the success of CTV campaigns. Advertisers should choose platforms that provide transparent and comprehensive measurement tools, enabling detailed analysis of campaign performance. This includes cross-device attribution capabilities, which help track viewer interactions across multiple screens, and reporting features that provide insights into audience engagement, reach, and ROI. Reliable measurement tools enable advertisers to refine their strategies and optimize future campaigns.

In the fragmented CTV ecosystem, where viewers often switch between devices, cross-device measurement is particularly important. Advertisers need to understand how their ads perform across different screens—whether on a smart TV, mobile device, or desktop computer. Platforms that offer robust measurement and attribution tools can provide a more complete picture of how viewers interact with ads, enabling advertisers to optimize their strategies accordingly. Furthermore, accurate attribution models can help advertisers better understand the impact of their campaigns on sales and

other key business outcomes, leading to more informed decision-making.

Some of the most important measurement data points in CTV include:

- **Video Completion Rate by Quartiles:** Measuring how much of the ad viewers watch—at 25%, 50%, 75%, and 100% intervals.
- **Unique Reach:** The number of unique viewers exposed to the ad.
- **Household Reach:** The number of unique households exposed to the ad.
- **Online Conversions:** Tracking online actions such as visits to a website or purchases after viewing an ad. This can be facilitated by QR codes or pixels on the advertiser's website.
- **Store Visits:** Tracking in-person visits to physical locations after viewers are exposed to CTV ads, particularly beneficial for retail stores and restaurants.
- **App Installs:** Measuring the number of mobile app installs or even CTV app installs resulting from the ad.

3. Conclusion

Selecting a CTV media platform is a strategic decision that requires careful consideration of various factors, including platform reach, targeting capabilities, data integration, creative flexibility, cost, and measurement tools. By thoroughly evaluating these aspects, advertisers can choose platforms that align with their campaign objectives and maximize the effectiveness of their CTV advertising efforts. As the CTV landscape continues to evolve, advertisers must remain agile and informed to stay ahead in this dynamic and competitive environment.

The future of CTV advertising is bright, but success depends on making informed platform choices that align with strategic goals. By focusing on the key considerations outlined in this paper, advertisers can leverage the power of CTV to drive engagement, enhance brand visibility, and achieve significant ROI in the digital age.

Several trends are likely to shape the future of CTV advertising:

- **Programmatic CTV Advertising:** The automation of ad buying through programmatic platforms is expected to become more widespread, allowing advertisers to scale their campaigns more efficiently and target audiences with greater precision.
- **Interactive and Shoppable Ads:** The integration of interactive and shoppable ads into CTV will continue to evolve, enabling viewers to engage with brands and make purchases directly from their screens. This trend is expected to drive higher engagement and conversion rates.
- **Cross-Platform Integration:** Advertisers will increasingly seek to integrate CTV campaigns with other digital channels, creating a seamless and cohesive brand experience across multiple touchpoints. This cross-platform approach will allow brands to reinforce their messaging and reach consumers wherever they are.
- **Enhanced Measurement and Attribution:** As the industry matures, more sophisticated measurement and attribution models will emerge, providing advertisers with

better insights into the effectiveness of their campaigns. This will enable more accurate assessment of ROI and inform future media planning decisions.

- **Addressable TV:** The ability to deliver different ads to different households watching the same program, known as addressable TV, will continue to grow. This capability will further blur the lines between traditional TV and CTV, allowing for even more precise targeting and personalization.

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