

3 ways AI is transforming CTV advertising

Article

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Artificial intelligence (AI) is helping transform [connected TV \(CTV\)](#) into a performance marketing channel, giving [paid search](#) and [social media](#) a run for their money. CTV ad spend will reach \$32.57 billion in the US next year, and AI is helping to boost its potential for advertisers. Here are three ways AI is doing that.

1. Automated media buying and optimization

AI-powered tools are streamlining the media buying process, making it faster and more efficient than manual methods, said Lauren Reedy, solutions architect at MNTN, during our recent [EMARKETER Summit](#). "Performance optimization and bid management are probably the earliest, most common, and honestly impactful uses of machine learning in ad tech."

What you need to know:

- AI can analyze large datasets and make real-time optimizations much faster than humans.
- Automated systems free up marketers to focus on high-level strategy and creative development.
- Not all AI systems are equal. To maximize impact, advertisers should look for solutions using sophisticated algorithms and quality data inputs.

2. Measurement and reporting

Measurement is the No. 1 challenge in CTV marketing, per MNTN research. AI is helping solve this challenge. "The priority across the board is being able to measure true outcomes from your campaigns," Reedy said.

What you need to know:

- AI creates data-driven feedback loops to improve attribution accuracy.
- Marketers can now track metrics like site engagement, conversions, and revenue across multiple campaign dimensions.
- AI-powered reporting provides granular insights on audience characteristics, ad placements, and incrementality.

3. Creative and audience targeting

AI is making CTV ad [creative](#) production more efficient and helping marketers find their ideal audiences.

- [AI](#) can assist with concept brainstorming, narrative writing, quick visualizations, storyboarding, and video ad production.
- For audience targeting, AI can identify high-intent households that are most likely to convert based on behaviors and in-market signals.

- AI can recommend relevant keywords, to help advertisers find receptive audiences.

While AI offers significant benefits, Reedy emphasized that human oversight is still crucial.

"We don't want to let AI kind of run the show on its own. We want to make sure that it's helping us to run the ship in a more effective and efficient way."

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