

# Roku, Shopify partner to increase access to CTV ad campaigns

## Article



**The news:** Roku is launching an app that allows **Shopify** sellers to develop and purchase TV ad campaigns. Roku would not share an exact launch date, but the app is expected to be released ahead of the holiday season.

- A select group of brands are using the self-service tools in a limited pilot, including probiotic soda brand **Olipop**, loungewear manufacturer **Jambys**, and bean bag company **Moon Pod**.
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- “The Roku-Shopify partnership allows for easy entry into the streaming ads space,” **Audrey Bryce, growth marketing manager at Olipop**, told eMarketer. “[Connected TV (CTV)] and OTT are becoming increasingly valuable channels in the paid media space and have proven to be a significant driver of brand awareness for Olipop.”
- Ads from Shopify merchants will be slotted into 15- and 30-second spots primarily within **The Roku Channel** content.

**The competition:** Roku is the first to market with this particular offering aimed at small and medium-sized businesses (SMBs), and the competition for SMB dollars within the CTV ad space is not exactly intense.

- To advertise with video ads on **Amazon** requires a **minimum \$35,000 spend**, and **Hulu’s** self-service ad platform is in invite-only beta phase at the moment.
- Roku would not disclose its minimums to us but indicated it will be “much lower than a traditional TV ad campaign.”

**The opportunity:** This move comes amid Roku’s recent push to improve its own measurement capabilities.

- The platform purchased **Nielsen’s Advanced Video Advertising** group in March for that very reason.
- In April Roku also added six new partners—including Branch and Adjust—to its **Measurement Partner Program**, which allows advertisers to measure upper-funnel metrics and performance marketing.
- The platform also created an internal ad studio in March to facilitate brands’ production of streaming ads.

### **Key stats:**

- In Q2 2021, Roku reported **55 million active customers** that streamed **17.4 billion hours** of content with revenue up **81%** from last year to **\$645 million**.
- During that period, revenue per user jumped **46%** to **\$36.46**.
- While Roku doesn’t specify its advertising revenue totals, it said monetized video ad impressions in Q2 were more than double what they were that time last year, and advertiser spend in its **OneView Ad Platform** nearly tripled year over year.

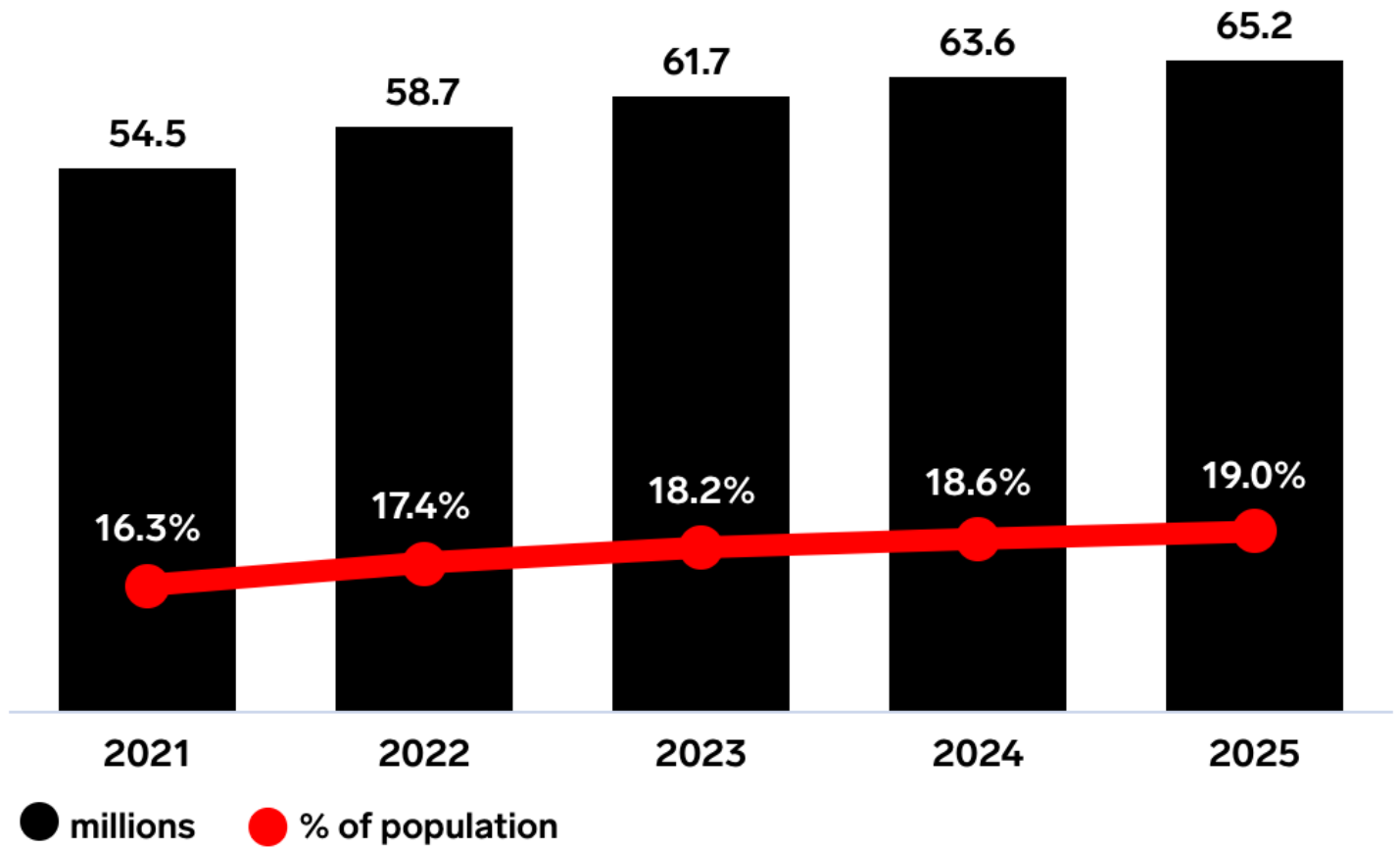
- Meanwhile, Shopify has approximately **1.7 million sellers** on its platform and **is expanding its purview**.

**What this means for SMBs:** SMBs tend to shy away from traditional TV advertising, as they are less likely to have the budget to commit to large ad buys up front. They're also less likely to be able to afford a media agency.

- The Roku-Shopify partnership solves these issues by allowing advertisers to **pay as they go** and directly upload ad assets themselves.
- Roku will also help SMBs with developing spots that will perform on the platform and with working with its advertising capabilities.
- “This allows Roku to catch up with Amazon’s strength with ecommerce advertisers,” said Ross Benes, eMarketer senior analyst at Insider Intelligence. “Amazon doesn’t have this type of partnership because it doesn’t need it, but this sort of partnership is more useful to Roku. This partnership gives Roku an indirect way to pull in ecommerce advertisers who aren’t yet advertising via CTV.”

# The Roku Channel Viewers

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