

# CTV platforms need to leverage inventory, data to attract sports advertisers in increasingly crowded market

Article

Exclusive inventory is a draw, but benefits like first-party data and the ability to execute on lower-funnel objectives are also helping streamers woo live sports advertisers.

**Advertisers view sports as brand-safe and effective for reaching target audiences,** according to a report from The Trade Desk. This, combined with the fact that non-pay TV's audience is larger than traditional pay TV's, makes clear the case for live sports on connected TV (CTV).

- Nine in 10 (90%) advertisers plan to maintain or increase their programmatic live sports budgets in 2024, according to The Trade Desk.
- Nearly half of advertisers (49%) report that they have increased live sports allocations on CTV, per that same report.

**The most obvious way streamers stand out is inventory.**

- 39% of advertisers are buying CTV ad spots because more inventory is available due to new ad-supported streaming platforms.
- Exclusive rights make inventory stand out. Amazon's Prime Video has Thursday Night Football. Peacock has Sunday Night Football. Apple TV+ has Major League Soccer. Advertisers that want to reach these league's viewers need to buy spots from the platforms that carry their events.
- Netflix is innovating with its own events. Niche competitions like a boxing match between Jake Paul and Mike Tyson or a combined Formula 1 and PGA golf tournament create inventory.

But exclusive rights aren't an option for every streamer. Digital pay TV services (sometimes called vMVPDs) like YouTube TV offer an experience similar to cable, where users have access to a library of live TV channels. The joint sports offering between ESPN, Warner Bros. Discovery, and Fox would also combine multiple offerings. These platforms need to find other ways to stand out beyond exclusivity.

**Look for streamers that offer the best first-party data.** The second most cited area of focus in attribution or emerging media for US brands and agencies in 2024 is first-party data acquisition and partnerships, according to November 2023 data from the Interactive Advertising Bureau (IAB). CTV has verified user data because users are logged in, but other

first-party data sources like partnerships with retail media networks can help platforms provide more targeted advertisements in order to make their live sports inventory stand out.

Coming in at No. 1 is cross-platform measurement, per the IAB. While live sports streaming won't alleviate this issue, digital pay TV allows advertisers to measure how their ads perform across channels. The platforms that can provide the best measurement and attribution, whether on their own or with partners, will rise to the top of the live sports streaming playing field.

**Approach live sports streaming with a full-funnel strategy.** TV is often part of an upper-funnel marketing strategy, but CTV's measurement capabilities and shoppable ads push consumers to make purchases.

- 49% of US advertisers use CTV for lower-funnel objectives, per The Trade Desk. Although lower than the 72% focusing on mid-funnel goals and the 64% targeting upper-funnel goals, it shows CTV ads are part of a full-funnel strategy.
- Live sports, in particular, are a good place to push potential conversions because of how engaged the audience is, with 46% of live sports advertisers considering that an advantage of the channel, per The Trade Desk.

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