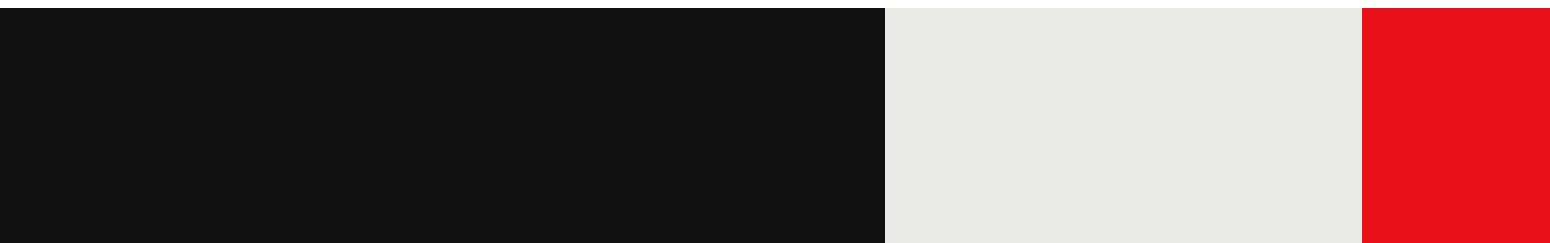



CTV is the future, but don't discount linear from your media mix

Article

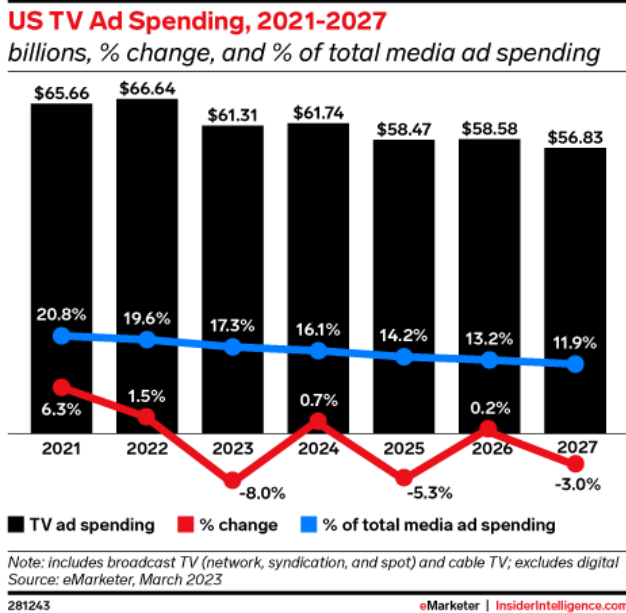


US linear TV ad spend is shrinking (8.0% YoY) as connected TV (CTV) ad spend grows (21.2% YoY). This year, US CTV ad spend will total \$25.09 billion while linear will total \$61.31 billion.

“The future is now for CTV,” our analyst Paul Verna said on a recent episode of the “[Behind the Numbers](#)” podcast. “It’s not three years from now. It’s not five or 10 years from now. It’s right now. But there’s still a lot of value in linear TV.”

Linear versus CTV: Both formats have an advertising use case, because US adults still spend several hours per day on both platforms—2 hours, 55 minutes for linear TV and 1 hour, 55 minutes for CTV.

- Linear still has value, especially during major events like the Olympics, the World Cup, and US elections.
- Linear can be useful for reaching older audiences.
- CTV shows more promise than linear because of its growing audience and targeting potential.
- Plus, CTV advertisers don't need to reinvent marketing. "CTV brings a lot to the table that TV doesn't have, but the basic creative unit is similar," said Verna.



Spending on CTV: Hulu (\$3.63 billion), YouTube (\$2.89 billion), and Roku (\$2.19 billion) lead the US CTV ad market this year. Don't expect that to change right away.

- Verna said Hulu's lead is "solid," likely attributed to how long the platform has operated on an ad-supported model.
- YouTube is worth watching for CTV advertisers. About **half (45%) of all viewership now happens on TV** screens, according to internal figures, signaling a pivot from smartphones toward CTV. If advertisers aren't thinking about YouTube the way they think about TV advertising, they may want to reconsider.

Changing the channels: “I don’t think the [CTV ad spend] leaderboard is necessarily going to shift, at least not dramatically. But there are a lot of players that are coming into the ad-supported space,” said Verna.

- Disney+ and Netflix **both launched ad-supported tiers** last year. Verna expects those platforms to be major players, but it will take several years before they build up their ad businesses.
- Amazon is considering an **ad tier for Prime Video**, which could lead to an explosion in CTV ad spend from brands looking to take advantage of Amazon’s retail media data.
- **Free ad-supported TV platforms** like Amazon’s Freevee are expanding in viewership and content.

Listen to the full podcast.

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