

Who receives the most connected TV ad dollars?

Three companies will account for about half the market

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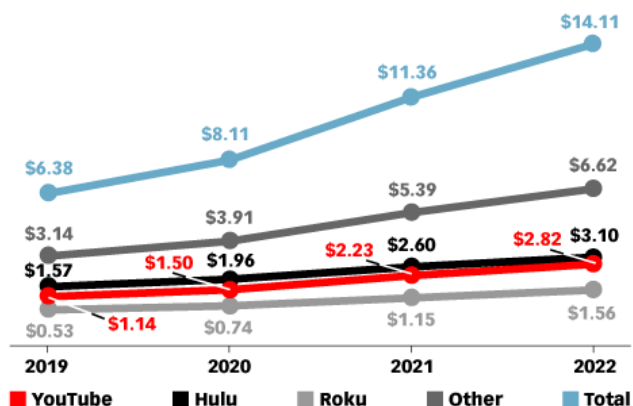
Ross Benes

This year, for the first time, we broke out CTV ad revenues for YouTube, Roku, and Hulu.

On a gross basis, YouTube will be the largest US CTV ad seller in 2020 with \$2.89 billion in gross CTV ad revenues. On a net basis, YouTube will make \$1.50 billion. (The gap between our gross and net ad revenue estimates reflect YouTube's content acquisition costs. Traditional TV networks, multichannel networks, influencers, digital publishers, and others can release their videos on YouTube, then take a cut of the resulting ad revenues.)

US Connected TV Ad Spending, by Company, 2019-2022

billions



Note: digital advertising that appears on connected TV (CTV) devices; includes display ads that appear on home screens and in-stream video ads that appear on CTVs from platforms like Hulu, Roku, and YouTube; excludes network-sold inventory from traditional linear TV and addressable TV advertising; net ad revenues after companies pay traffic acquisition costs (TAC) to partner sites
Source: eMarketer, Oct 2020

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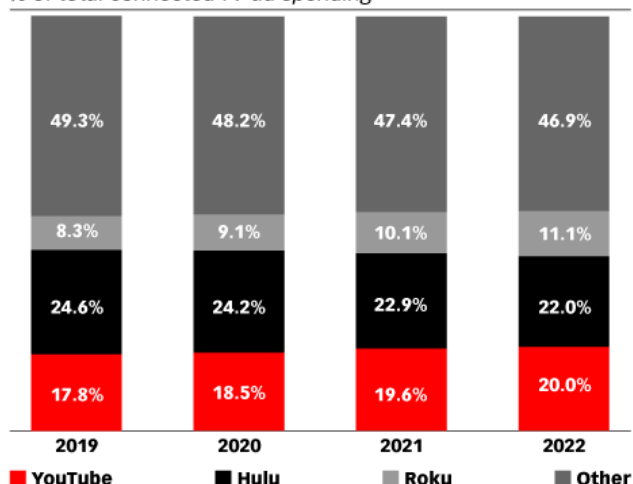
YouTube's net CTV ad revenues will account for 18.5% of total US CTV ad spending in 2020.

Hulu's net CTV ad revenues will total \$1.96 billion in 2020 and reach \$3.10 billion in 2022. Hulu will account for just under one-fourth (24.2%) of US CTV ad spending this year, and its share of net US CTV ad spending will remain larger than that of either YouTube or Roku through the end of our forecast period in 2022. However, we expect Hulu's share to decline over that time frame, while both YouTube and Roku will capture larger slices of CTV ad outlays over the next few years.

Roku's net CTV ad revenues will increase from \$735.4 million this year to \$1.56 billion in 2022. Just 9.1% of CTV ad spending will go to Roku this year.

US Connected TV Ad Spending Share, by Company, 2019-2024

% of total connected TV ad spending



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Net CTV ad revenues from YouTube, Hulu, and Roku represent about half of all US CTV ad revenues. Of the remaining half, a large chunk likely goes to Amazon, which sells CTV inventory that appears on its Fire TV operating system as well as its IMDb TV streaming service.

Other companies with significant CTV advertising revenue streams include TV makers such as Samsung and Vizio; TV networks such as NBCUniversal, WarnerMedia, and ViacomCBS; and publishers that partner with YouTube, Hulu, and Roku. There is overlap among these categories because a single piece of content can easily appear across numerous platforms.

To learn more about how the CTV ad market is trending, Insider Intelligence subscribers can read our recent report: