## The ad-supported video streaming market is getting more crowded

**Article** 

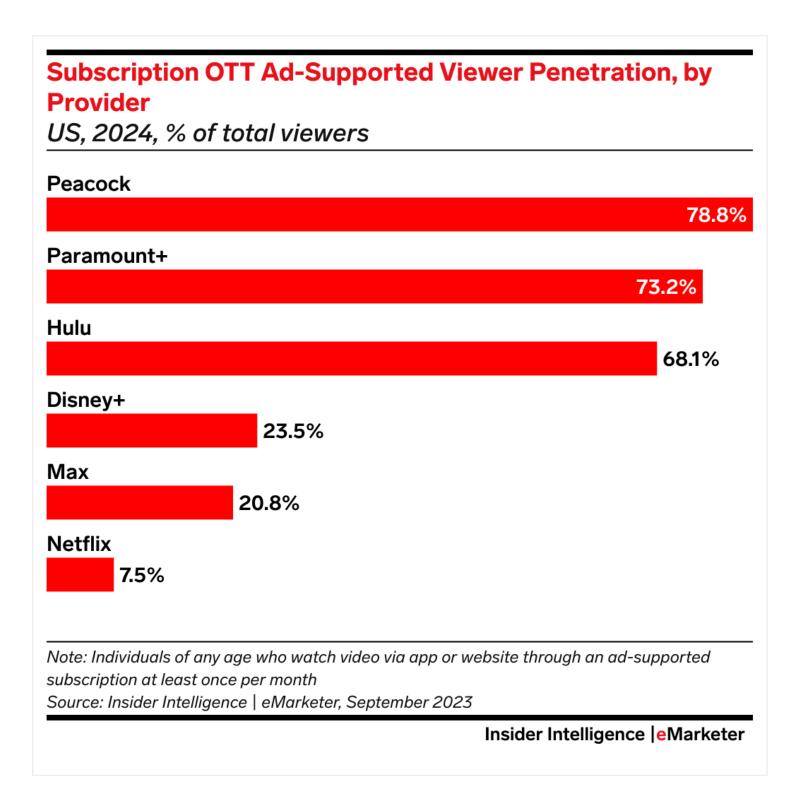


ad-supported streamers are gaining viewers. These developments provide advertisers with more options to find audiences.

Subscription streaming services' dependence on advertising varies



- Prime Video advertising took off quickly. Amazon introduced advertising into Prime Video in January and defaulted viewers into advertising plans. Four-fifths of US Prime Video viewers will be ad-supported this year.
- Subscription streamers with the most ad-supported viewers heavily subsidize their ad tier. Discounts, bundles, and promotions helped Paramount+, Hulu, and Peacock convince more than two-thirds of their viewers to adopt advertising plans. Although advertising tiers have lower subscription fees, they are lucrative for streaming services because they tend to generate more revenues per user than ad-free plans.
- The hybrid model is here to stay. Now that Max, Netflix, Disney+, and Prime Video sell advertising, most of the major US subscription streaming services offer both ad-supported and ad-free plans
- Apple TV+ is the biggest advertising holdout [NR7] [rt8] among subscription streaming services. Commercials appear during live sports shown on Apple TV+, but the sports leagues sell that advertising themselves. In February 2023, The Information reported that Apple hired an executive focused on building an ads business for Apple TV+. In March 2024, Business Insider reported that Apple poached an advertising executive from NBCUniversal. But no formal announcement has been made regarding Apple TV+ introducing an ad tier.



Read the full report, US Ad-Supported vs. Ad-Free Streaming Video Viewers 2024.



Report by Ross Benes Apr 08, 2024

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