TV Ads Still More Relevant to Consumers than Streaming Video Ads

Article



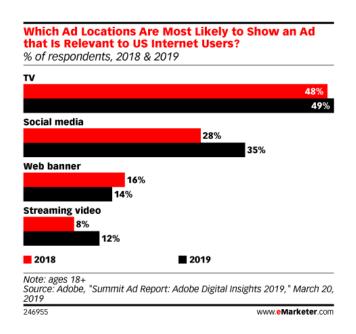


espite marketers' efforts with advanced programmatic and data targeting for video ads, consumers still find that they are more likely to be served a relevant ad on linear

According to a survey conducted by Adobe in February 2019, 49% of US internet users said that TV was one of the mediums where they were most likely to see a relevant ad, while just



12% said the same about streaming video.



Valuable ad placements and the ability to reach a mass audience have kept TV ads relevant in the digital age. But digital video allures marketers with advanced targeting through programmatic advertising, which uses audience data that TV doesn't have.

This year, we estimate \$29.24 billion will be spent on programmatic video ads—accounting for 81.2% of digital video ad spend. For TV, just 4.0% of ad spending in the US will be programmatic.

There are many perceived advantages to programmatic advertising, most of which revolve around lower costs and the ability to harness data. In response to a November 2018 survey by Digiday Research, 56% of US agency and brand media buyers said that increased targeting and optimization was the biggest advantage of programmatic advertising. But if viewers still find TV ads to be more relevant, then programmatic may not be as effective as some marketers perceive it to be.

Consumer sentiment does indicate that ads are becoming more relevant overall. In the Adobe study, 46% of consumers felt that the ads they saw currently were more relevant than those they were served a year prior. But, most marketers can agree, there's still a long way to go before personalization is perfected.

Only 32% of marketers believe their industry is delivering personalization effectively, according to a survey conducted in February and March 2019 by Evergage and Researchscape International. When asked how satisfied they were with the level of personalization in their own marketing efforts, 50% said they were either not satisfied or slightly satisfied, and 34% said they were moderately satisfied.

While marketers may have faith in programmatic's potential to target the ultraspecific, it is possible that the accuracy of the data just isn't sufficient—and that's why these ads aren't resonating with viewers.

Many marketers would agree, per the Evergage/Researchscape International report. Nearly half of respondents (45%) felt they didn't have sufficient data and insights for effective personalization.