

What is out-of-home CTV advertising and why should brands consider it?

Article

The line between digital out of home (DOOH) and [connected TV \(CTV\)](#) advertising is blurring as advertisers invest in small-screen formats at gas stations, in bars, on transit, and

everywhere in between.

DOOH ad spend in the US will grow by 11.2% this year to reach \$3.20 billion, per our March 2024 forecast. DOOH is increasing its share of OOH as advertisers flock toward video and [programmatic](#) formats, including OOH TV.

These small-screen formats (as opposed to larger digital billboards) are part of what may be referred to as OOH TV or CTV OOH. These are TV screens consumers watch when they aren't at home, and they're an important segment of DOOH.

Why is OOH TV attractive to advertisers?

- CTV OOH inventory is not at risk of being served on made-for-advertising sites, because intermediaries serve ads at specific locations.
- CTV ads on OOH screens behave like normal CTV ads one might see on a Roku, but they come at a lower price. For example, Bar TV ad startup Taiv's costs per thousand (CPMs) are around \$15, which is half what advertisers often pay for live sports, according to AdExchanger.
- There's high potential for contextual [advertising](#). For example, ads served in a sports bar during a Lions game might feature Great Lakes tourism, alcohol, or local car dealerships. Ads served on a gas station pump on summer nights might feature a cold energy drink on sale in the convenience store.
- Bars and venues can run their own ads during TV commercials on many of these platforms.

What are the potential downsides of OOH TV advertising?

- Scale is limited. While ads have the potential to be seen by hundreds of people in each location, ads served to a limited number of locations will be seen by fewer people than ads served to households across the US.
- [Targeting](#) is limited because, unlike CTV, advertisers don't know exactly who the customer is.
- Measurement is limited in the same way. Though QR codes can encourage viewers to shop after seeing an ad, it's difficult to know exactly who in a bar, venue, or gas station saw an ad if they don't take immediate action.
- It's unclear where the budget for these ads should come from. Advertisers may view them as OOH ads, but they may also view them as part of their CTV spend. In some cases, like at gas

station pumps and electric vehicle charging stations, they may also be viewed as [retail media](#) spend, which comes with its own debate over which budget ad spend should come from.

- Ads served during live TV events by companies like BarBoards and Taiv take away from [linear](#) and CTV ad impressions by essentially switching to DOOH ads during commercial breaks. This benefits those DOOH advertisers, but hurts TV advertisers.

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