

LG and Samsung square off in the booming CTV ad market

Article

The news: The connected TV (CTV) ad market is experiencing a significant surge, captivating both attention and ad budgets.

- One of the fastest-growing advertising avenues, particularly in the US, CTV has become an indispensable domain for advertisers—and a battleground for legacy smart TV players like LG

and **Samsung** to expand their presence.

- While Samsung's innovations drive TV advertising from a passive medium to interactivity, LG's endeavors emphasize precision and data-driven strategies.

Direct connections: **Samsung Ads**, in collaboration with the CTV ad experience platform **BrightLine**, has taken a stride toward interactive advertising. Its newly launched dynamic ad units promise viewers a multifaceted interactive experience, from trivia games and product carousels to real-time polls.

- Michael Scott, Samsung Ads vice president, envisions these advancements as a gateway for advertisers to converse directly with consumers on their smart TVs.
- Samsung says early reception has been particularly favorable, with automotive, entertainment, and consumer packaged goods sectors showing keen interest.

Precision targeting: In partnership with **Affinity Solutions**, LG Ad Solutions has introduced **LoopIQ**, a tool aimed at refining CTV ad targeting using consumer purchase data.

- LG CMO Tony Marlow says LoopIQ promises to revitalize the way brands engage audiences on streaming platforms, weaving in technologies like automatic content recognition (ACR) to offer advertisers a sharpened aim.

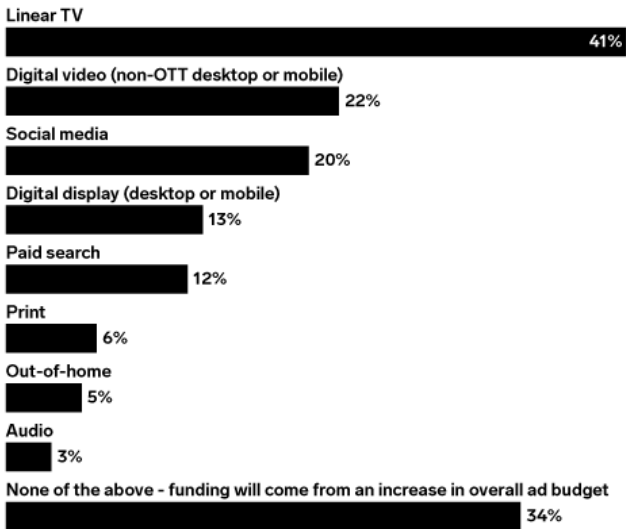
LG and Samsung aren't going to be CTV advertising leaders at this point; they might not monopolize the market, but they're determined to maximize their share.

Why it matters: As CTV advertising grows, these recent moves by LG and Samsung accentuate the industry's shift toward more interactive formats and precision targeting to capitalize on advertiser interest in the channel.

- US time spent with CTV will grow another 13.9% between 2023 and 2025 to 2 hours and 11 minutes per day; during that same period, US time spent with social media will grow just 2.4% to 1 hour and 24 minutes per day.
- Because of its ability to capture so much attention, US CTV ad spending will grow 21.2% this year and another 16.8% in 2024. By 2025, the US CTV ad market will reach \$33.06 billion.
- But despite that size, the market remains highly fragmented. Only three players—**Hulu**, **YouTube**, and **Roku**—will make over \$2 billion apiece in revenues this year, giving smaller players like LG and Samsung hope they can carve out a bigger chunk of the pie.

Media Types Most Impacted by the Increase Funding for Connected TV/OTT Advertising According to US Agencies and Brand Marketers, March 2023

% of respondents



Note: n=151; top 3 responses; *includes digital video and display
Source: Advertiser Perceptions, "CTV/OTT Advertiser Study 2023" commissioned by Premion, June 30, 2023

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