

Subscription streaming services have had varied success in driving revenues through ads

Article

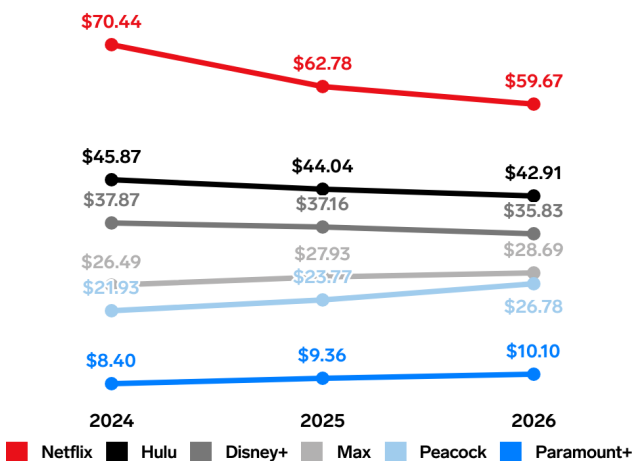
Most subscription streaming services offer ad-free and ad-supported plans. After Amazon Prime Video introduced its ad plan in January, Apple TV+ became the biggest advertising

holdout among streamers. Advertising holdouts have gradually accepted commercial breaks in their programming.

Netflix will generate 53.6% more ad revenues per ad-supported viewer than Hulu in 2024, per our new forecast. Netflix generates more ad revenues per viewer than other streaming services, which is attributable to Netflix’s high ad prices and the substantial amount of time its users spend on the service. However, in 2024, Hulu will have more than six times the number of US ad-supported viewers as Netflix. And its CTV ad revenues will be more than four times the size of Netflix’s.

Netflix's Lead in Ad Revenues per Ad-Supported Viewer Will Narrow

US ad revenues per ad-supported viewer, by streaming service, 2024-2026



Note: among individuals of any age who watch each streaming video service through an ad-supported subscription at least once per month via any device; includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices, and includes all the various formats of advertising on those platforms; net ad revenues after companies pay traffic acquisition costs (TAC) to partner sites
 Source: EMARKETER Forecast, March 2024

Disney+ will lean on ads to cut its financial losses. In June, Disney+ will begin cracking down on password-sharing. This move—which is a similar tactic Netflix used to grow its nascent ad-supported viewer base—could help convert freeloaders to its cheaper ad tier. Disney+ has higher ad prices than its corporate sibling Hulu, but Disney+ generates less ad revenues per ad-supported viewer because it accounts for less time spent.

Peacock and Paramount+ will use live sports programming to increase ad revenues. Live sports will likely have a bigger impact on Peacock than they will for Paramount+. This is

because Peacock's sports programming features a mix of linear TV retransmissions and streaming exclusives, whereas Paramount's sports programming is available on CBS.

[Read the full report.](#)

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