

CTV ad dollars are going to waste—advertisers need to know where their money is going

Article

Around \$84 billion in digital ad spend was lost to fraud last year, according to Juniper Research. That number will more than double by 2028, reaching \$172 billion. Some 22% of US

digital media experts consider digital video to be one of the media types most vulnerable to fraud, per a study from Integral Ad Science and YouGov. But [connected TV \(CTV\)](#) has an advantage over other digital ad publishers.

“CTV today is very pure,” said Dave Helmreich, chief commercial officer at Innovid. It doesn’t have made-for-advertising activity the way websites do. But CTV ad dollars are still going to waste due to not just fraud but inefficiencies, and that problem could worsen if advertisers don’t understand what they’re buying, he said.

Intermediaries are often necessary in CTV because of how complicated the supply chain is. But the increase in players presents risks for fraud. And even in the best-case scenario, they result in lost ad spend to fees along the way.

As CTV ad spend increases, more money could go to waste.

- US CTV ad spend will grow by 18.8% this year to reach a total of \$28.75 billion, per our March 2024 forecast.
- “There will be bad actors in the future that will find ways to take advantage of lack of transparency, obfuscation, and the messy middle. And if you're not proactively paying attention to that, you will have waste and you will ultimately create less value,” Helmreich warned.

CTV advertisers looking to reduce waste need to make three moves, said Helmreich.

1. Use signals in real time to optimize ad delivery.
2. Cull lowest-performing campaigns across lowest-performing publishers.
3. Pay close attention to the supply chain to make sure ads aren’t hitting unnecessary friction points.

Innovid’s new Harmony Direct solution attempts to reduce that waste. The product works to reduce those technology hops, streamlining [the buy-to-sell process](#) for guaranteed, non-biddable CTV ads to build efficiency. “Efficiency means a clean delivery, no delays for consumers. It means increased ROI, increased transparency and control, and to reduce the number of computers involved in the process to reduce the carbon footprint of television advertising,” said Helmreich.

Along with protecting ad dollars for brands and for publishers, these steps will also benefit consumers. “Premium content needs to continue to receive investment, and, selfishly, I want to see more second seasons of amazing shows,” said Helmreich. “The more people you put in the middle of that process that have a take of that transaction fee, the less money actually goes to the content creator and less value goes to the brand.”

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