

# How are CTV ads bought and sold?

## Article

Connected TV (CTV) ad spend will exceed \$30 billion in the US next year, according to our forecast. At a growth rate of 22.4% YoY, that makes CTV one of the fastest-growing ad formats we track. But where those ad dollars are coming from isn't so simple.

“CTV ad dollars travel down a long and winding road,” wrote our analyst Ross Benes in our [Connected TV Explainer](#) report. And knowing what kind of inventory advertisers are actually buying isn't simple either.

“A lot of buyers think they can get premium inventory at a non-premium price,” Oscar Rondon, senior vice president of product and partnerships at marketing intelligence company MiQ, said at [Advertising Week New York 2023](#).

**There’s no one way to buy CTV ads**, but there are three main paths advertisers can take.

**Streaming services:** Advertisers buy from a streaming service directly.

- Pros: Access to exclusive inventory, some transparency on where ad dollars are going
- Cons: Difficult to scale as ads are limited to a single property
- Examples: Max, Netflix, Disney+

**Programmatic platforms:** Advertisers purchase via [programmatic platforms](#), which allow them to bid across multiple apps’ inventories.

- Pros: Extended reach, cheaper prices
- Cons: Less transparency and control over where ads are served
- Examples: MNTN, The Trade Desk, PubMatic, Magnite

**CTV device-makers:** Advertisers buy from CTV device-makers.

- Pros: Ads can go within many apps as well as on device home screens and screen savers
- Cons: Less transparency and control over where ads are served
- Examples: Roku, Fire TV, Samsung, Vizio, LG

# Paths to Purchasing CTV Inventory



## Device/Operating Systems

(Roku, Amazon, Samsung, Vizio, LG)

### Owned home screen

(search, banners, screensavers)

### Owned streaming service

(The Roku Channel, Freevee, Samsung TV Plus)

### Publisher partners

(30% inventory share generally)



## Programmatic Platforms

(The Trade Desk, Microsoft, FreeWheel, Nexxen, Magnite)

### Exclusivity is rare

(Microsoft-Netflix is exception)

### Many setup options

(open market to programmatic guaranteed)

### Scales easily

(inventory range: remnant to premium)



## Streaming Services

(Netflix, Hulu, Disney+, Peacock, Max, Paramount+)

### More ad placement control

(O&O channels but scale limited)

### Exclusive access

(newest episodes, takeovers, sponsorships)

### Fluidity with linear TV

(NBCU One Platform, Paramount EyeQ)

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**Other considerations:** When **buying CTV ads across platforms**, advertisers need to make sure ads are varied and not repetitive so that a viewer doesn't see the same ad several times in different places.

Our definition of CTV ads includes subscription streaming services, free streaming services, device-makers, and traditional TV offshoots. It does not include ads delivered to non-TV devices like computers, phones, or tablets.

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