

Sizing up the CTV opportunity in retail media

Article



Connected TV (CTV) is now an integral part of retail media. Media networks can offer rich third-party data, while CTV platforms have advanced targeting capabilities and an engaged audience. But just how big is the opportunity?

- About 1 in 10 US digital ad dollars will go to CTV this year, a total of \$33.35 billion, per our forecasts.
- Of that, 15.0% will come from retail media, up from 11.9% last year. And that figure will rise in years to come.

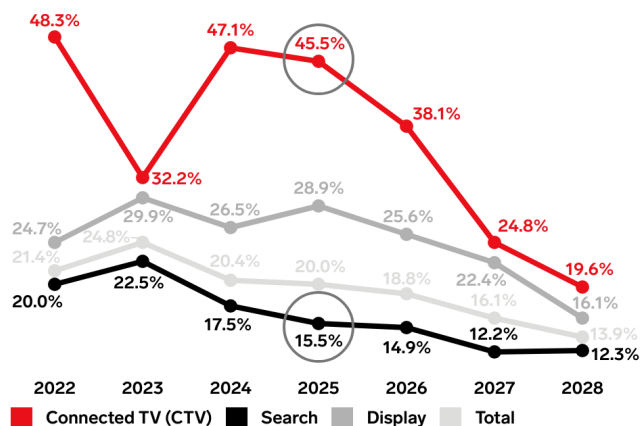
Retail media CTV ad spend is growing about three times faster than retail media search is.

- That said, CTV spend remains considerably smaller than search in retail media, at \$4.99 billion compared to \$39.64 billion, per our forecast.
- CTV is growing within retail media as more inventory becomes available via industry moves like [Amazon](#) Prime Video ads or [Walmart's](#) acquisition of Vizio.

The growth is also confirmation of an ongoing trend: Retail media advertising has moved [up the funnel](#), evolving past performance marketing into brand marketing with elite targeting capabilities.

Retail Media CTV Ad Spend Will Grow About 3 Times Faster Than Retail Media Search in 2025

% change in US retail media ad spending, by format/device, 2022-2028



Note: digital advertising that appears on websites or apps that are primarily engaged in retail ecommerce or is bought through a retailer's media network or demand-side platform (DSP); examples of websites or apps primarily engaged in retail ecommerce include Amazon, Walmart, and eBay; examples of retail media networks include Amazon's DSP and Etsy's Offsite Ads; includes ads purchased through retail media networks that may not appear on ecommerce sites or apps
Source: EMARKETER Forecast, Nov 2024

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CTV audiences rival retailer traffic.

- Almost 7 in 10 people in the US are CTV viewers, per our forecast.

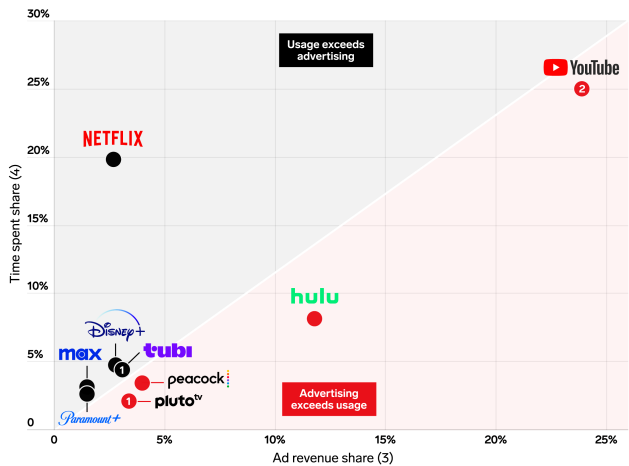
- About the same amount of people are Prime subscribers, our forecast shows.

But CTV advertising has not caught up with the massive amount of time people are spending with streamers.

- Netflix, Disney+, Max, Tubi, and Paramount all have a time spent share that exceeds ad revenues.
- In order to boost revenues without inundating users with ads, streamers will continue to partner with retail media networks to improve ad targeting and attribution capabilities.

US Connected TV Time Spent vs. Share of Ad Revenues, 2024

% of total connected TV time spent and ad revenues



Note: (1) free services without ad-free tiers; (2) gross ad revenues; (3) digital advertising that appears on connected TV (CTV) devices; examples include display ads that appear on home screens and in-stream video ads that appear on CTVs from platforms like Hulu, Roku, and YouTube; excludes network-sold inventory from traditional linear TV and addressable TV advertising; (4) ages 2+; streaming category excludes "linear streaming" such as YouTube TV
Source: ad revenues from EMARKETER Forecast, March 2024; time spent from Nielsen as cited in company blog, April 2024

The trend toward CTV will be especially pronounced as retail media turns into commerce media.

- Retailers far outrank financial service, travel, and ride-sharing platforms in terms of traffic, according to Comscore.
- As these non-retail industries invest in ad networks, they'll need partnerships with other industries like CTV to provide inventory that will actually reach consumers.

This was originally featured in the Retail Media Weekly newsletter. For more marketing insights, statistics, and trends, subscribe [here](#).