

How Tech Vendors Are Banking On Connected TV

Ad tech wants TV ad dollars

ARTICLE | **SEPTEMBER 20, 2018**

Ross Benes

Ad tech vendors are trying to make bank from the digitization of TV advertising.

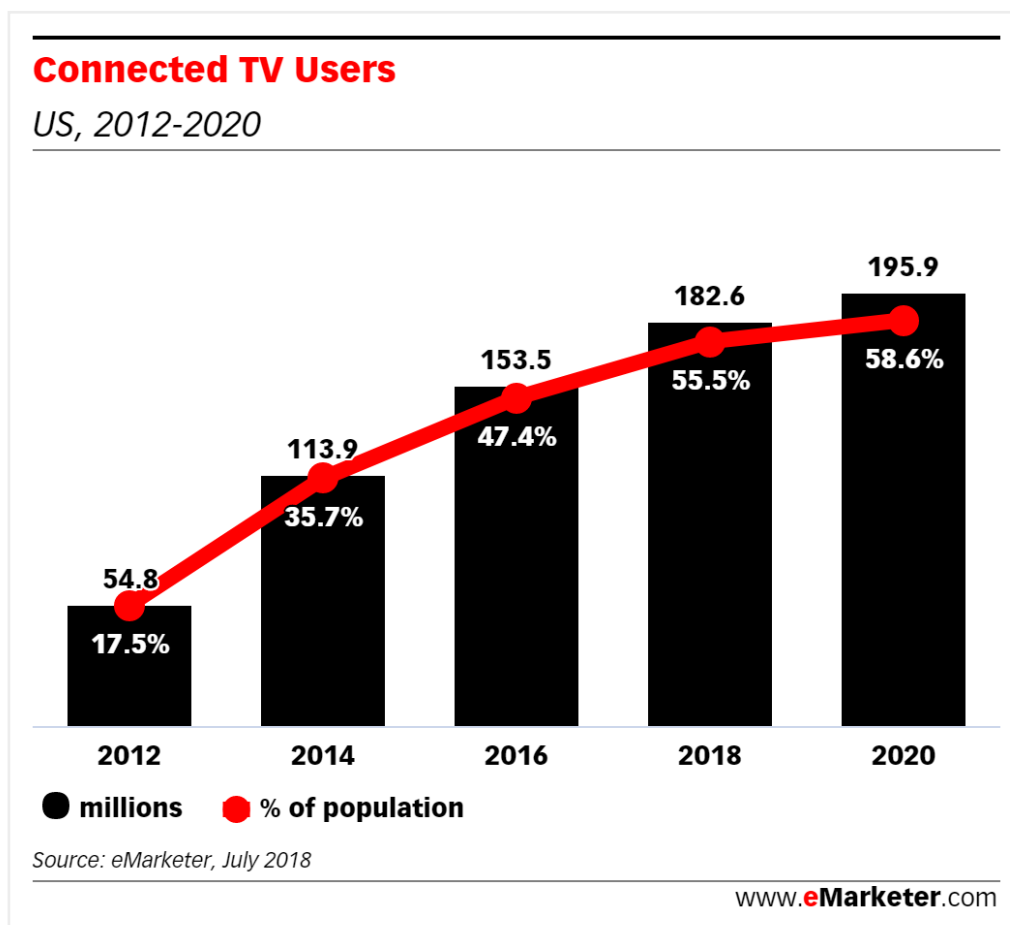
In 2018, US advertisers will spend about \$70 billion on TV, according to eMarketer forecasts. Ad tech firms want in on that money, which is why many demand-side platforms (DSPs) [hype their advanced TV](#) offerings. There are also [telecom firms buying ad tech companies](#) to modernize their ad products.

It's becoming more clear that advertisers believe that internet-enabled TV will command large chunks of future ad budgets. That belief has helped [Roku's ad business](#) take off since the company went public last year.

The video ad platform [Innovid](#) is another company aiming to take advantage of TV's tech overhaul. Over the past five years, Innovid spent about \$30 million in product development for connected TV, according to Innovid CTO and co-founder Tal Chalozin. Since 2016, the share of the total ad impressions that Innovid serves through connected TVs jumped from 13% to 27%.

There are many ways to define connected TV. In this instance, connected TV refers to video being piped through a TV set using the internet. Smart TVs, video game consoles and streaming devices like

Google Chromecast each enable connected TV. According to eMarketer, connected TVs will reach 55.5% of the US population in 2018, up from 47.4% in 2016.



About half of all the work Innovid does—including its sales, marketing, product and engineering—is now geared around connected TV, according to Chalozin.

“We believe that television in the future will be personalized, will be data-driven and will be interactive,” Chalozin said. “We’ve increased our efforts massively on the connected TV front.”

Want to learn more about the TV industry's technological shakeup? Check out our [report on Connected TV Advertising](#).

Interview with: Feb 02, 2018

Legacy Media Companies Are Leading the Charge in Advanced TV



Interview with: Aug 24, 2018

Roku Eschews Open Exchanges for Premium Deals

