

TV and CTV complement each other for maximum reach

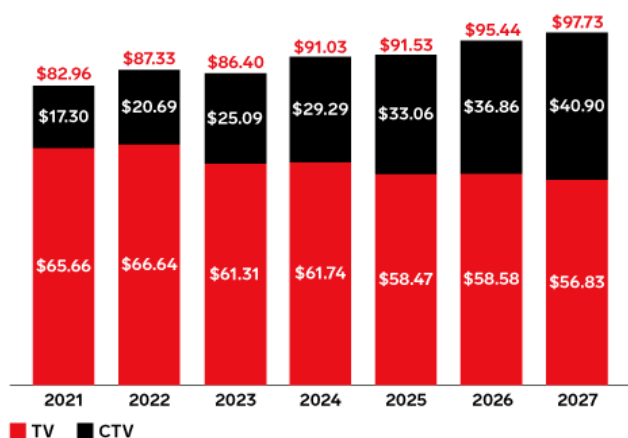
Article

For advertisers, the combination of TV and connected TV (CTV) is an accurate indicator of the market for TV-style spots. That's because linear and CTV ads are virtually indistinguishable from each another, but their audiences are different. Baby boomers make up the largest share of TV viewers, while 25- to 34-year-olds predominate CTV usage. Marketers increasingly plan their buys across these mediums to achieve their targeting goals.

- **CTV accounts for virtually all the growth in the combined market.** When tallied together, TV and CTV ad spending is trending upward, except for a 1.1% decrease this year due to the dip in TV ad spending. A similar situation played out in 2020, when the sudden plunge in traditional TV drove the combined total into negative territory, even though CTV grew by a whopping 57.0% that year.
- **CTV growth will slow but still lead to a big milestone.** As CTV growth cools and TV trends downward, growth in the combined total will fall to low single digits toward the end of our forecast. However, given current trends, it's not unreasonable to expect that TV and CTV combined will claim \$100 billion in ad spending by the end of this decade. Parity between the two will likely take longer, but it also seems inevitable.

US TV and Connected TV (CTV) Ad Spending, 2021-2027

billions



Note: TV includes broadcast TV (network, syndication, and spot) and cable TV; excludes digital; CTV includes digital advertising that appears on CTV devices; includes 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
Source: eMarketer, March 2023

281078

eMarketer | InsiderIntelligence.com

Report by Paul Verna Jun 01, 2023

TV and Connected TV Ad Spending Forecasts 2023

