

CTV households will be more than double traditional pay TV ones by next year

Article

The trend: According to our latest forecast, connected TV (CTV) households will hit **115.1 million** by next year—**more than doubling** traditional pay TV households, which will dwindle to

56.6 million.

- This comes just six years after CTV surpassed traditional pay TV in 2018.
- At its peak, traditional pay TV reached over 100 million households; CTV now has a greater share of households than that pay TV high water mark.

Why it matters: Pay TV no longer makes sense for many consumers.

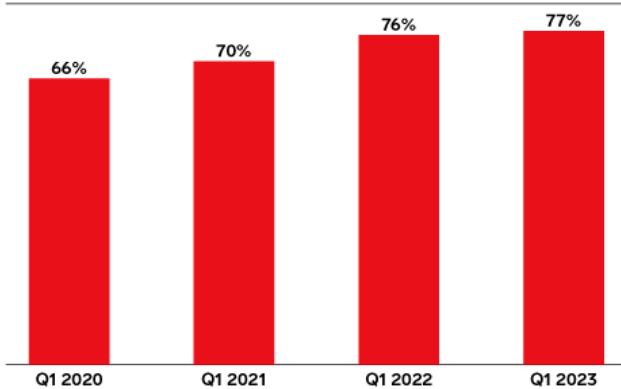
- Content has shifted online with the rise of subscription streaming services, with shows, movies, and even live sports now available on these platforms.
- Advancements in smart TV technology coupled with enhanced connectivity have made these devices increasingly affordable and user-friendly, transforming the way people consume television content and transforming CTV platforms in the process.

Consumption habits evolve: Adult subscription video-on-demand (SVOD) viewers spend **half** of their streaming TV time watching apps on smart TVs—an increase from 31% in 2015, [per Aluma Insights](#) research.

- 64% of broadband households now have a smart TV in their living room.
- According to Aluma, age plays a large role in how SVOD users partition their TV streaming: Only 39% of viewers ages 18 to 24 use smart TVs, compared with 53% of people ages 45 and up who stream TV. And for 18- to 24-year-olds, PC and mobile TV connections account for 17% of TV streaming, but only 6% for those 45 and older.

US Smart TV Penetration, Q1 2020-Q1 2023

% of TV households



Note: According to Hub Research, TV homes report an average of 1.7 smart TVs per home
Source: Hub Research, "Connected Home 2023" as cited in press release, April 10, 2023

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