

The Opportunity for OTT Advertising and Programmatic Connected TV

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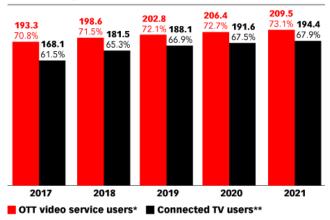
As TV viewers continue to spend more time watching video content via connected TVs and over-the-top (OTT) video services, advertisers want to make sure that they're there, too. While programmatic access to such inventory is the exception today, it will ramp up over the next 12 to 24 months.

Digital video advertisers are turning to connected TV and OTT to extend their audience reach even further in the digital realm. However, early adopters are finding that pairing digital data with connected TV and OTT ads isn't a simple plug-and-play exercise. Those hoping to benchmark connected TV and OTT performance against standard digital video advertising metrics are also finding this a complex task.



US Over-the-Top (OTT) Video Service Users* and Connected TV Users**, 2017-2021

millions and % of internet users



Note: *individuals of any age who watch video via any app or website at least once per month that provides streaming video content over the internet and bypasses traditional distribution; examples include HBO Now, Hulu, Netflix and YouTube; **individuals of any age who use the internet through a connected TV at least once per month Source: eMarketer, July 2017

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Traditional TV advertisers are also eyeing connected TV and OTT as a means of recouping audiences lost to digital streaming. Here again, buyers must navigate differences in how audiences are guaranteed, targeted and measured.

Much of the connected TV and OTT inventory that's available programmatically must be accessed directly, from either connected TV device manufacturers or the OTT service providers themselves. More inventory is likely within the next two years, but scale may still be a factor if the ecosystem remains as fragmented as it is today.

These are just some of the findings from eMarketer's latest report "Programmatic Connected TV and OTT Video Advertising: Automation, Audience Attracts Digital and TV Ad Buyers." eMarketer PRO subscribers can read the full report here. Non-subscribers can learn more here.

