

Fubo bets on interactive TV ads to revolutionize CTV commerce

Article



The news: Live TV streamer **Fubo** is betting that interactive TV ads could pave the way for a more seamless shopping experience on the big screen.

Last month, the company introduced ad formats designed to gradually shift consumer behavior away from second-screen commerce and toward direct TV transactions.



- These formats "allow a consumer to learn a behavior of interacting with the TV in different ways as it relates to ads, which could be more of a precursor to ecommerce through the big screen as opposed to a second screen," says **Dina Roman**, Fubo's global head of ad sales.
- While many streaming platforms rely on QR codes, Roman views these solutions as merely functional. She suggested that QR codes are not true commerce, stating that their use is "more transactional than anything else."

Return on investment: To advance its vision, Fubo launched four CTV ad formats, including transactional spots with embedded QR codes, gamified ads featuring trivia questions and polls, rotating product carousels controllable via remote, and geo-locator ads that deliver regionally tailored creative.

Preliminary data suggests these interactive formats drive significant results, increasing brand awareness by 33% and purchase intent by 47% compared with standard video ads.

These innovations build on Fubo's earlier successes with proprietary video formats like the interactive <u>The Triple Play</u> and The Marquee.

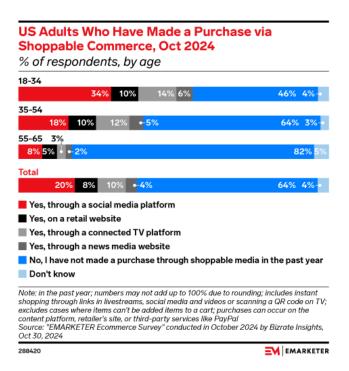
Shopping via big screens using a remote could be viable for the future, Roman said. "The argument is that commerce is too lean-back; nobody's going to do it on the big screen or the remote's appropriate for this. I'm not sure that that's not two years away or one year away."

The company sees this form of commerce as a natural evolution, led by younger viewers. Roman noted that children often lead the way in adopting new TV interaction patterns, teaching their parents how to engage with new features.

Zooming out: It's not just innovation that went Fubo's way in 2024.

- The platform's direct advertising business is showing strong momentum, with upfront sales increasing 40% YoY.
- Fubo's appeal to advertisers stems from its premium audience demographics—subscribers with high disposable income and purchasing power—and its 100% addressable capability. Rich audience data and appointment viewing around sports content has helped attract advertisers seeking guaranteed ad placements rather than relying solely on programmatic buying.

Our take: By focusing on reducing friction in the TV shopping experience, Fubo has positioned itself at the forefront of CTV commerce. While the transition away from second-screen transactions may take time, the company is betting creating more engaging, interactive ad experiences will help prepare viewers for a future where the TV is a primary shopping interface.



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