



PREMION

CTV/OTT ADVERTISER STUDY | 2024

 Advertiser
Perceptions

Methodology

Premion commissioned Advertiser Perceptions to conduct an advertiser study on media spending and priorities in the planning, buying, and measurement of CTV/OTT advertising. Advertiser Perceptions executed an anonymous online survey among 150 ad agency or brand-side marketers involved in the decision-making for CTV/OTT advertising.

The decision-makers were qualified as being involved in advertising strategy or budgeting decisions, media planning or buying, or vendor selection. Connected TV/OTT advertising use was required for both 2023 and 2024. Respondents were further qualified as US advertisers (national, regional, or local) spending a minimum of \$250,000 annually on advertising. The study fielded in April 2024.

Respondent Profile

Buyer Profile

Marketer	53%
Agency	47%

Job Level

Senior (VP+)	35%
Mid (Director/Supervisor)	61%
Junior (Manager)	4%

Geographic Scope

National Advertising (Entire US)	93%
Local Advertising (Single DMA, State, County, or City)	81%
Multi-Market Advertising (Multi-Market DMAs, States, Counties, or Cities)	75%
Zip Code Targeting	51%
Geofencing	49%
Global/International	29%

2023 Annual Ad Spend

\$250K - <\$5M	20%
\$5M - <\$50M	39%
\$50M+	41%
Mean	\$118M

Involvement in Media Decision Making

Media Planning or Buying	91%
Media Strategy or Budgets	87%
Media Vendor Selection	79%

Top Market Sectors Represented

CPG
Automotive + Auto Services
Retail
Banking + Finance
Healthcare
Travel + Tourism

Key Takeaways

Investment and optimism for CTV/OTT advertising remain high, with 3 in 5 CTV/OTT advertisers planning to increase spend this year, with an average increase of 21%. Spend increases are being driven by the ability to achieve full-funnel objectives (41%), reaches a highly-engaged opt-in audience (40%) and precision audience targeting (38%).

Among advertisers who are increasing their CTV/OTT ad spending in 2024, a majority (74%) are reallocating their budgets from digital, social media, or linear TV to fund their increased spend on CTV/OTT advertising, while one in four advertisers are utilizing new ad budgets for this purpose.

97% of advertisers work with more than one CTV/OTT provider, with 40% using an average of 5+ providers on a typical campaign.

83% of CTV/OTT advertisers believe that CTV/OTT's value is greater than, or equal to, that of primetime TV, with 36% saying that CTV/OTT is more valuable.

Precision audience targeting (39%) tops the list of CTV/OTT advertising benefits, followed closely by capturing declining TV audiences (38%), and achieving full-funnel objectives (37%).

4 in 5 CTV/OTT advertisers see CTV/OTT advertising as an extension of their Linear TV buy, while 7 in 10 advertisers agree that combining linear TV with CTV/OTT advertising increases brand awareness, improves full-funnel ROI performance and improves ad recall.

More than half of CTV/OTT advertisers agree that co-viewing is a value-add benefit of CTV/OTT advertising and, since it aligns CTV/OTT with Linear TV practices, makes it easier to evaluate, plan and measure across both.

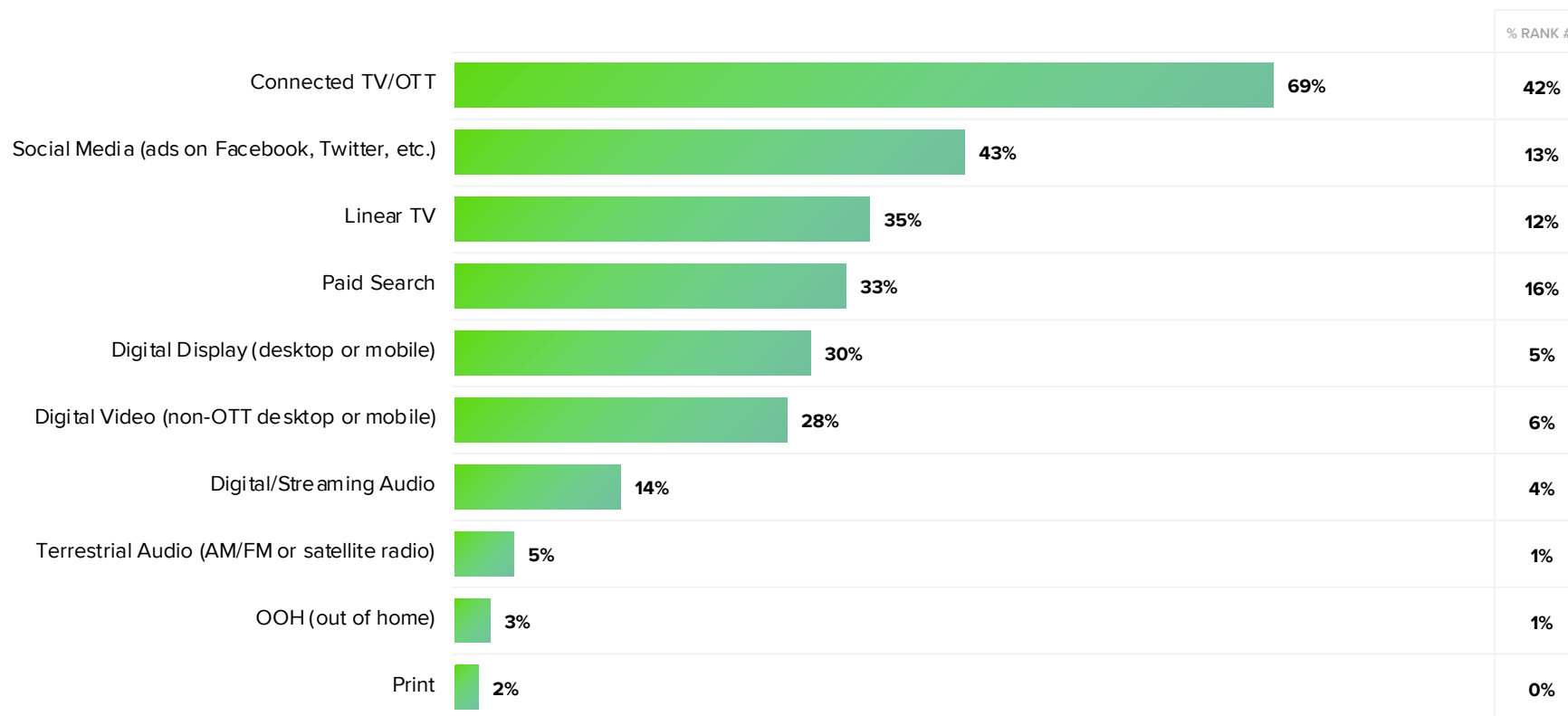
Advertisers consider premium video content (89%), ad fraud prevention (84%) and brand safety (83%) as priorities in their CTV/OTT advertising planning and strategy.



CTV/OTT Advertiser View

Connected TV/OTT was the most valuable channel overall in achieving KPIs in 2023 among CTV/OTT advertisers

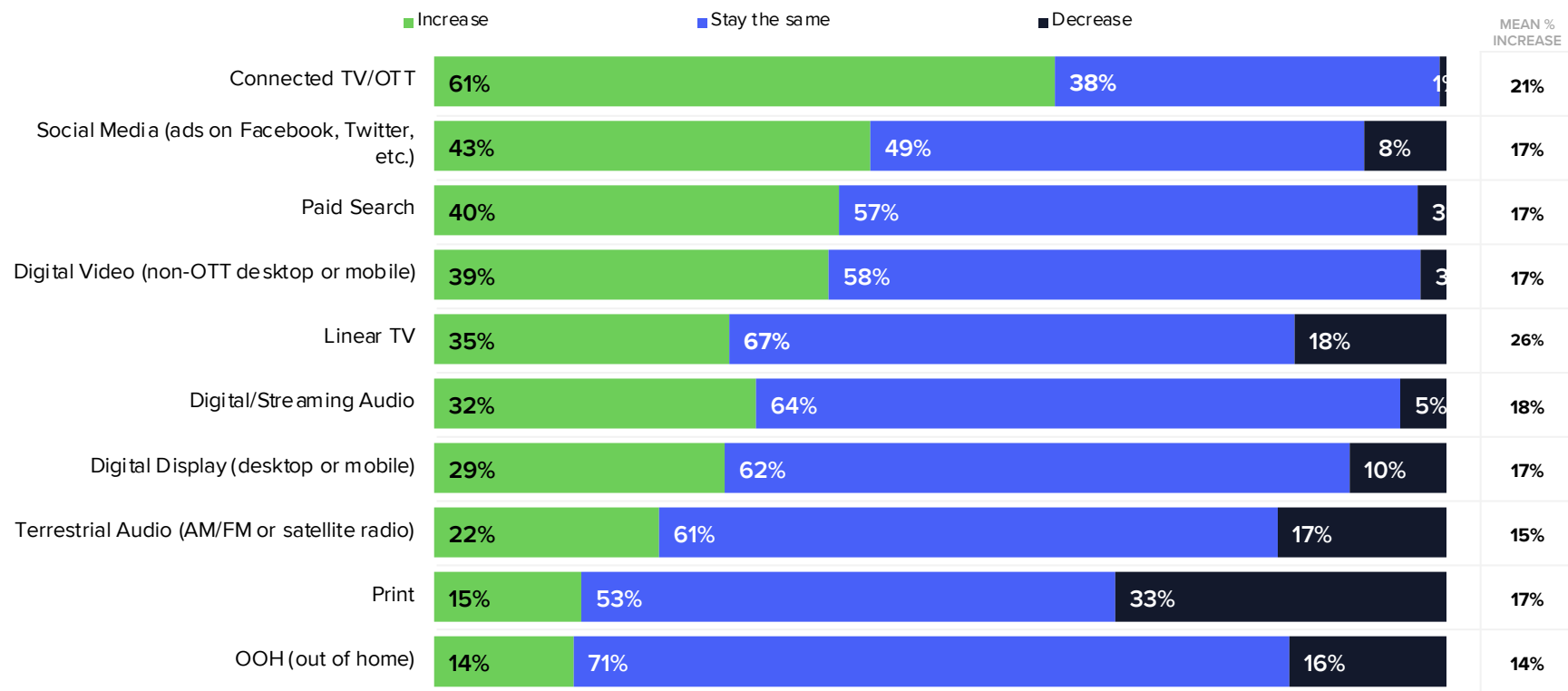
Most Important/Valuable Media Type for Achieving Advertising Goals, 2023
(Rank #1-3)



3 in 5 advertisers using CTV/OTT will increase spending, with an average increase of 21%

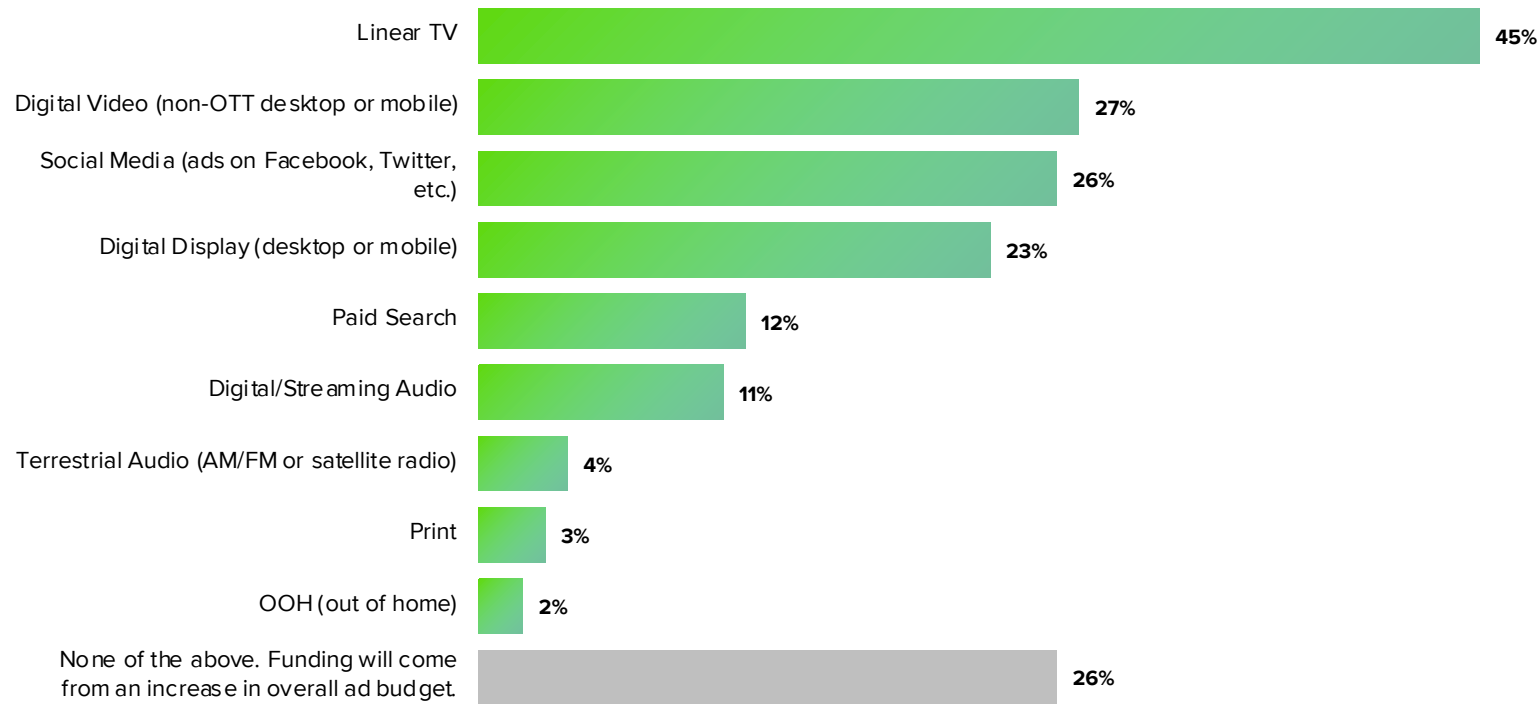
Spending Change in 2024 vs 2023

(Sorted by Increase)



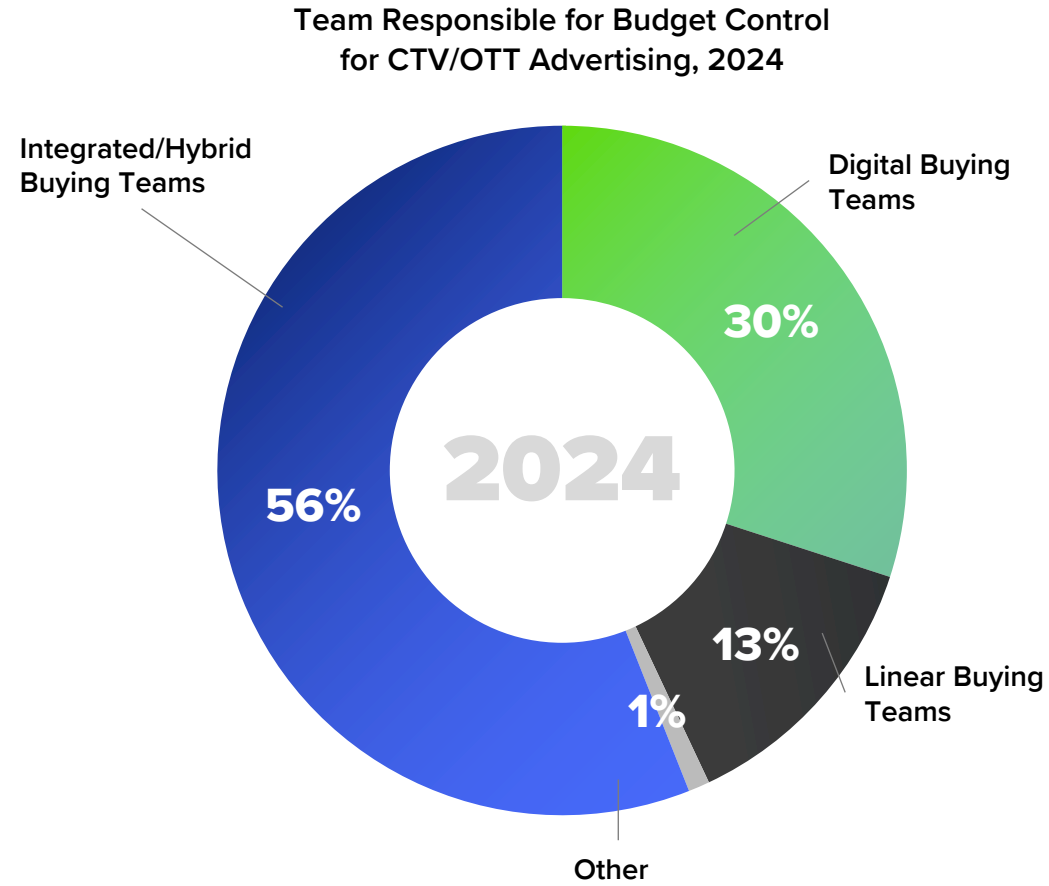
74% of CTV/OTT advertisers are reallocating budgets from digital, social media, or linear TV

Budgets Shifting to Fund Increase in CTV/OTT Spending



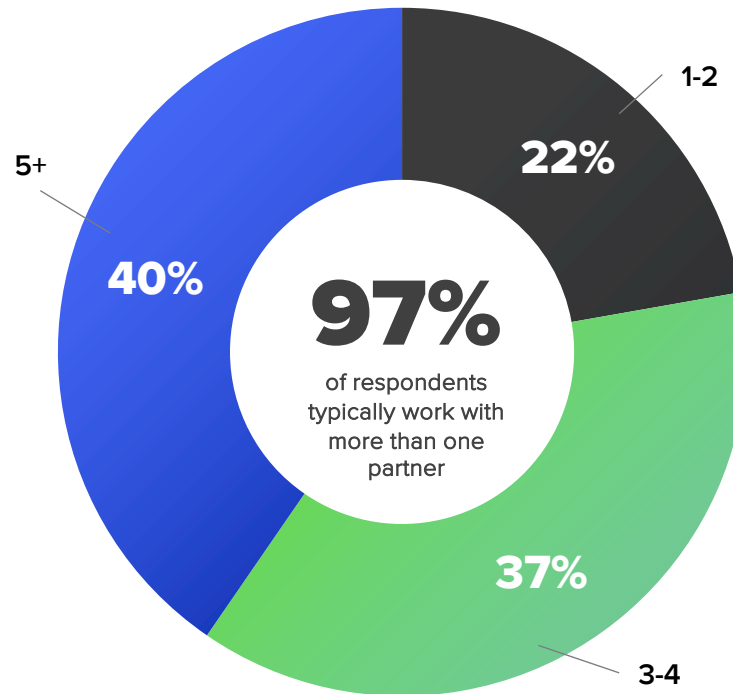
74%
of advertisers who are increasing their CTV/OTT spend are reallocating their budgets from **digital***, **social media**, or **linear TV** to fund the increase

CTV/OTT budgets are primarily controlled by integrated/hybrid buying teams

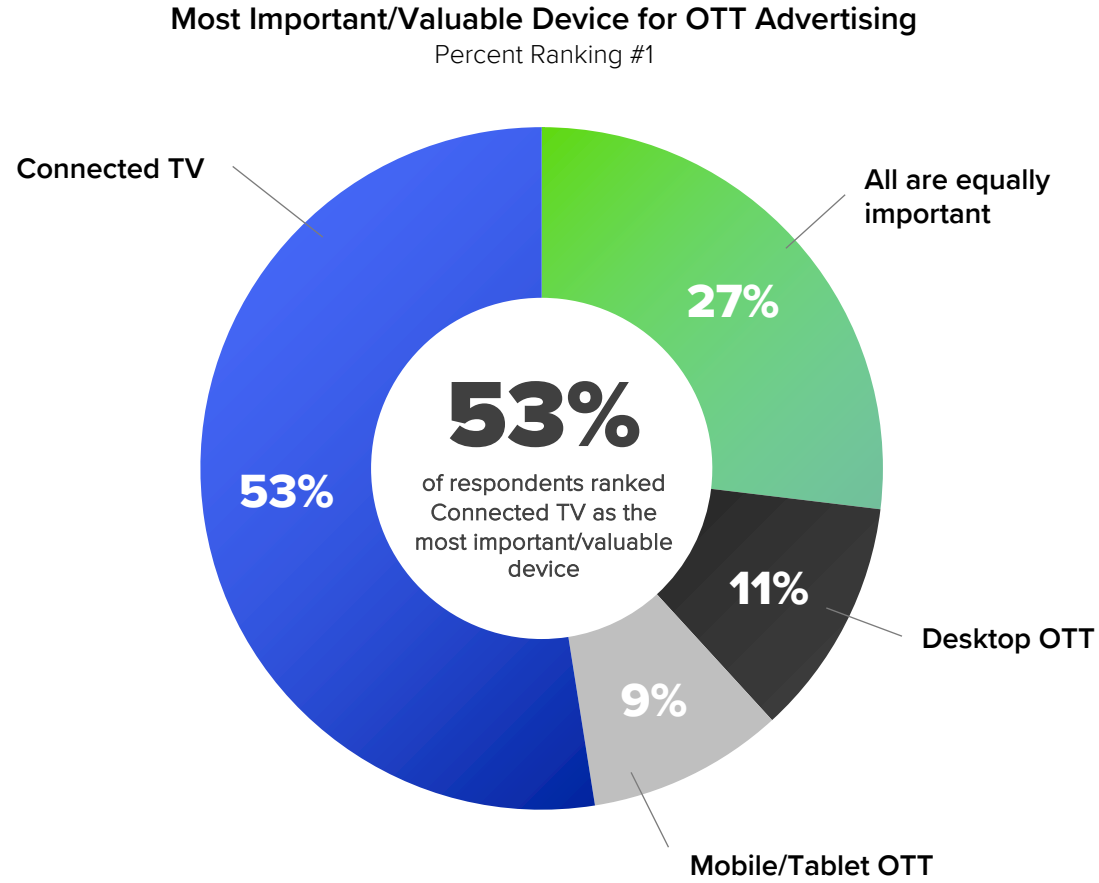


97% of advertisers work with more than one CTV/OTT provider, with 40% using an average of 5+ providers on a typical campaign

Number Of CTV/OTT Providers Typically Used, 2024



Connected TVs are considered the most valuable devices for OTT advertising

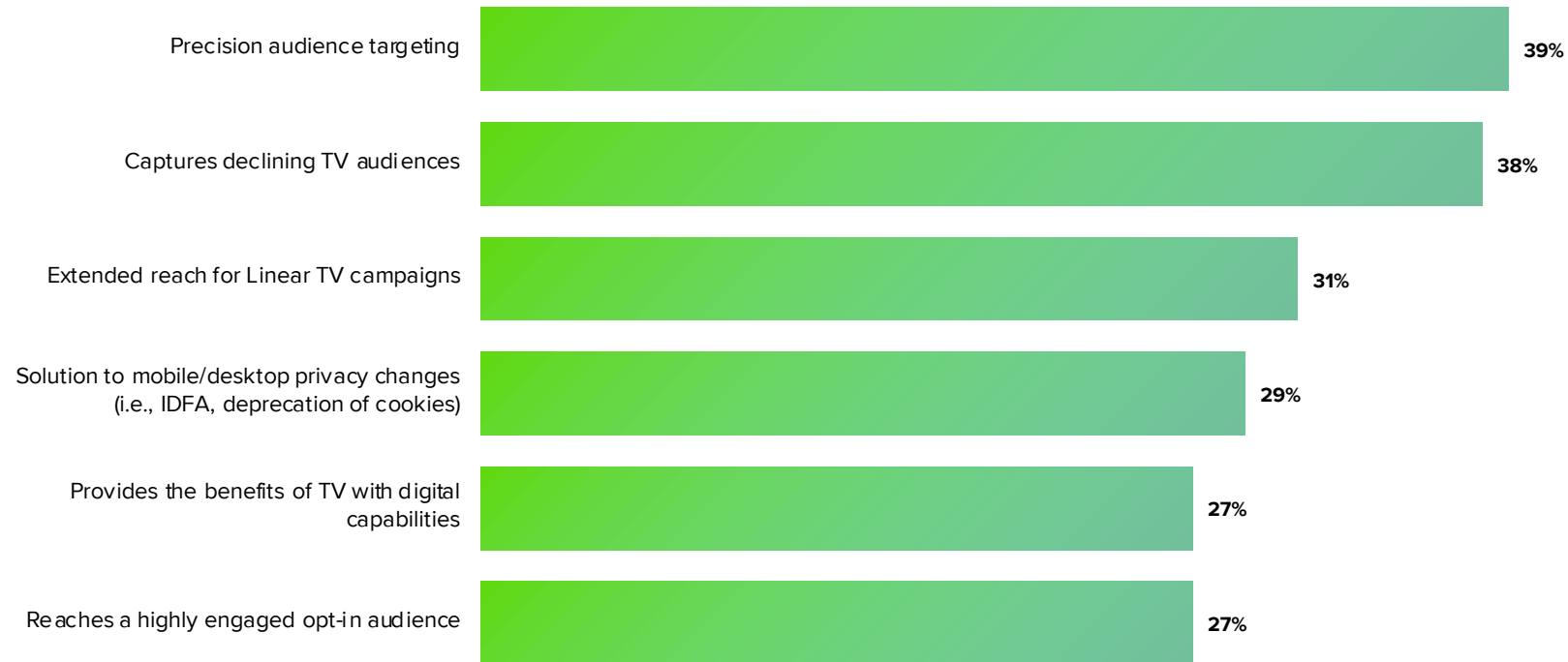




CTV/OTT Landscape

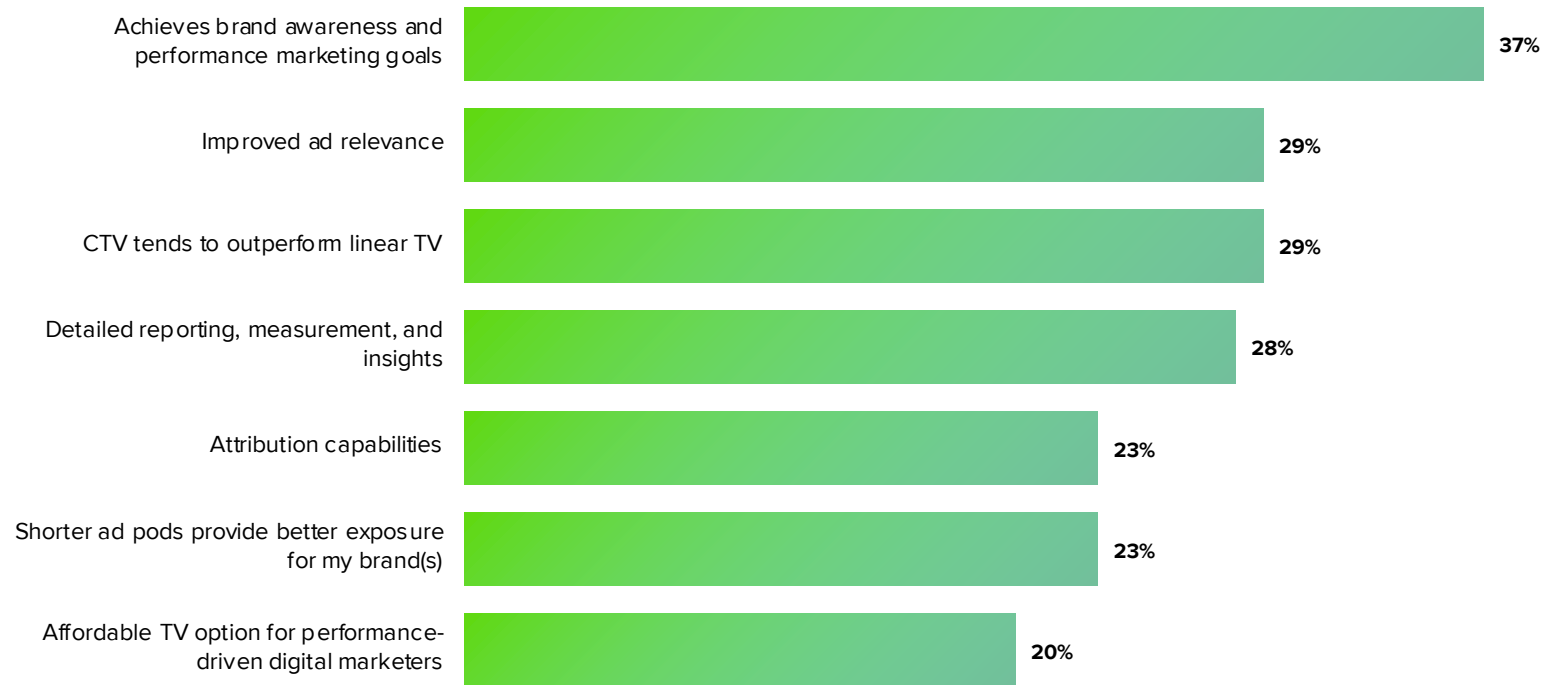
Precision audience targeting and capturing declining TV audiences top the list of CTV/OTT advertising audience-related benefits

Biggest Benefits/Advantages of CTV/OTT Advertising
Audience/Targeting-Related



Achieving brand awareness and performance marketing goals top the list of CTV/OTT performance-related benefits

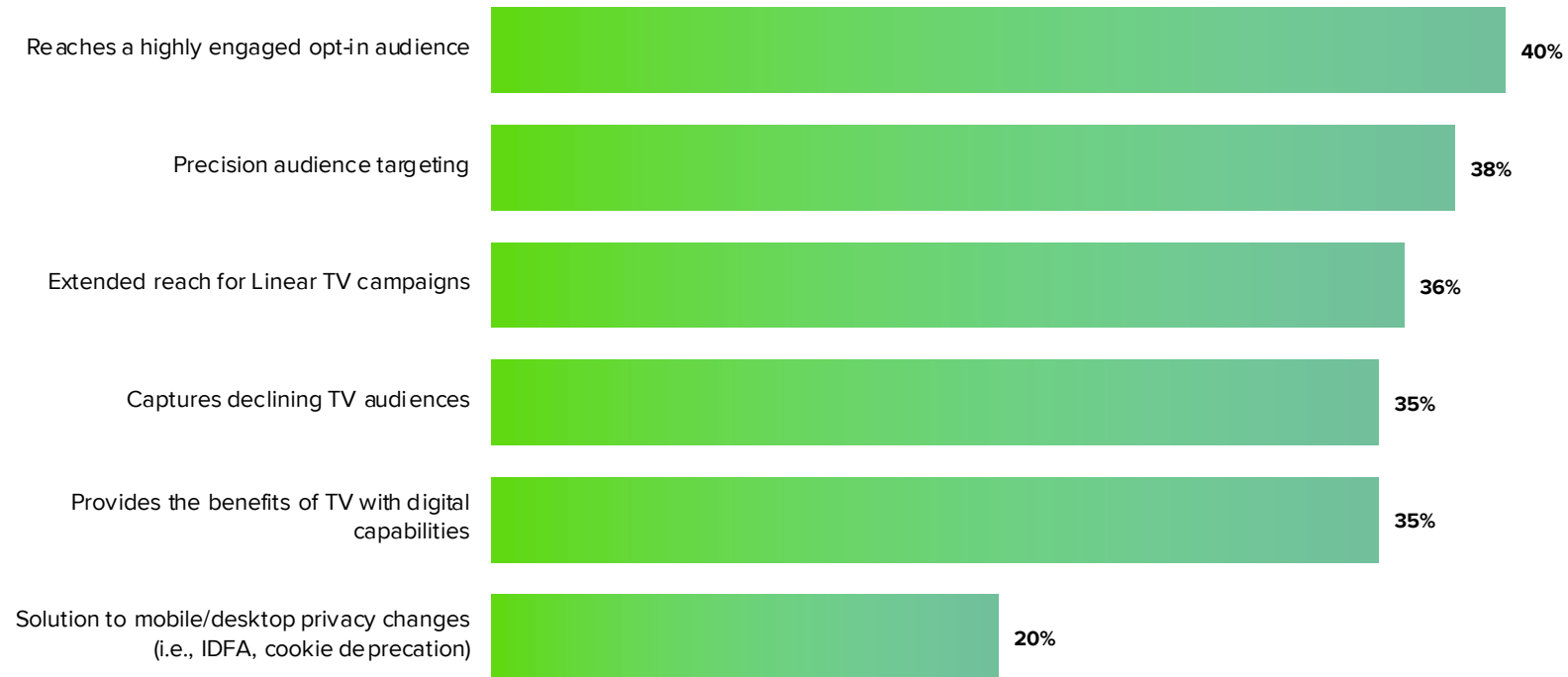
Biggest Benefits/Advantages of CTV/OTT Advertising
Performance/Pricing-Related



CTV spend increases led by ability to reach a highly-engaged opt-in audience and precision audience targeting

Reasons for Increasing Spend on CTV/OTT in 2024

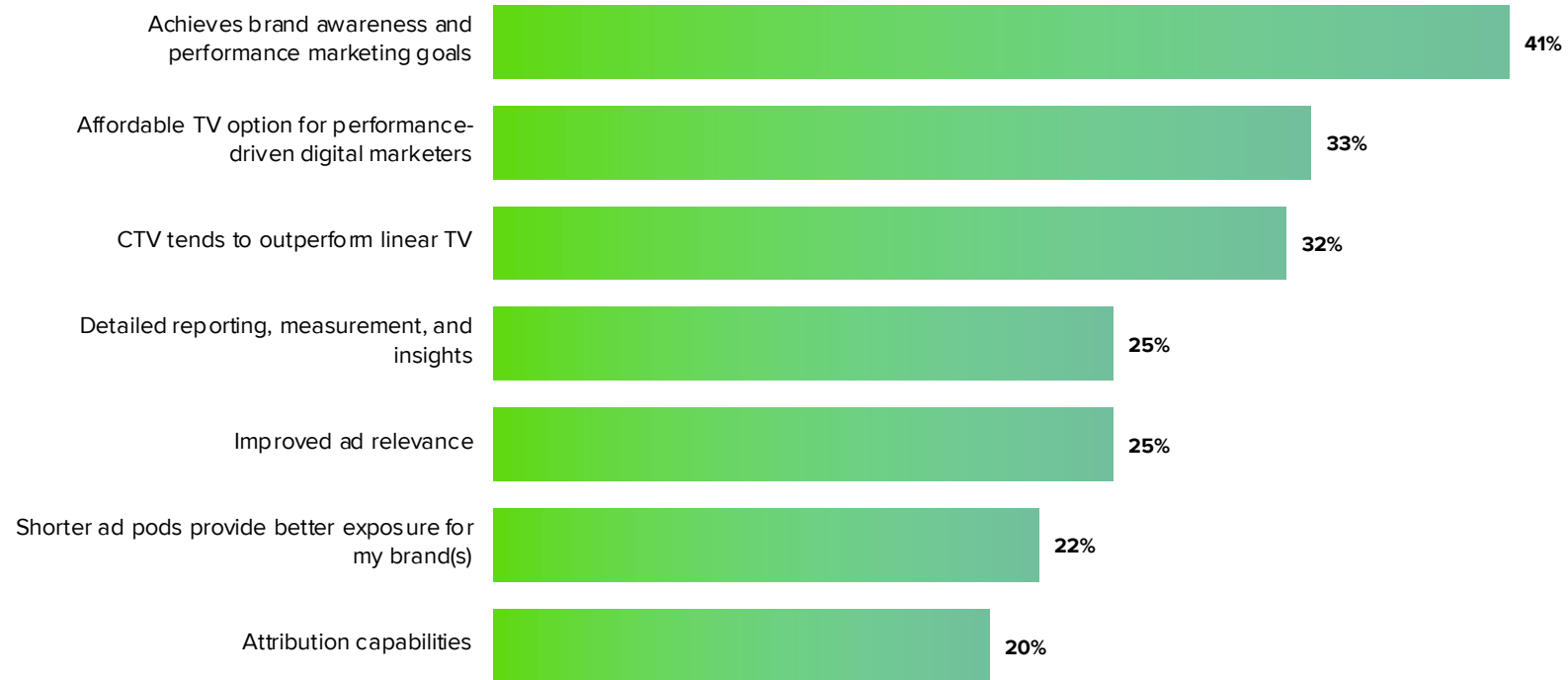
Audience/Targeting-Related



When considering performance and pricing, CTV/OTT spend increases are being driven by the ability to achieve brand awareness and performance marketing goals

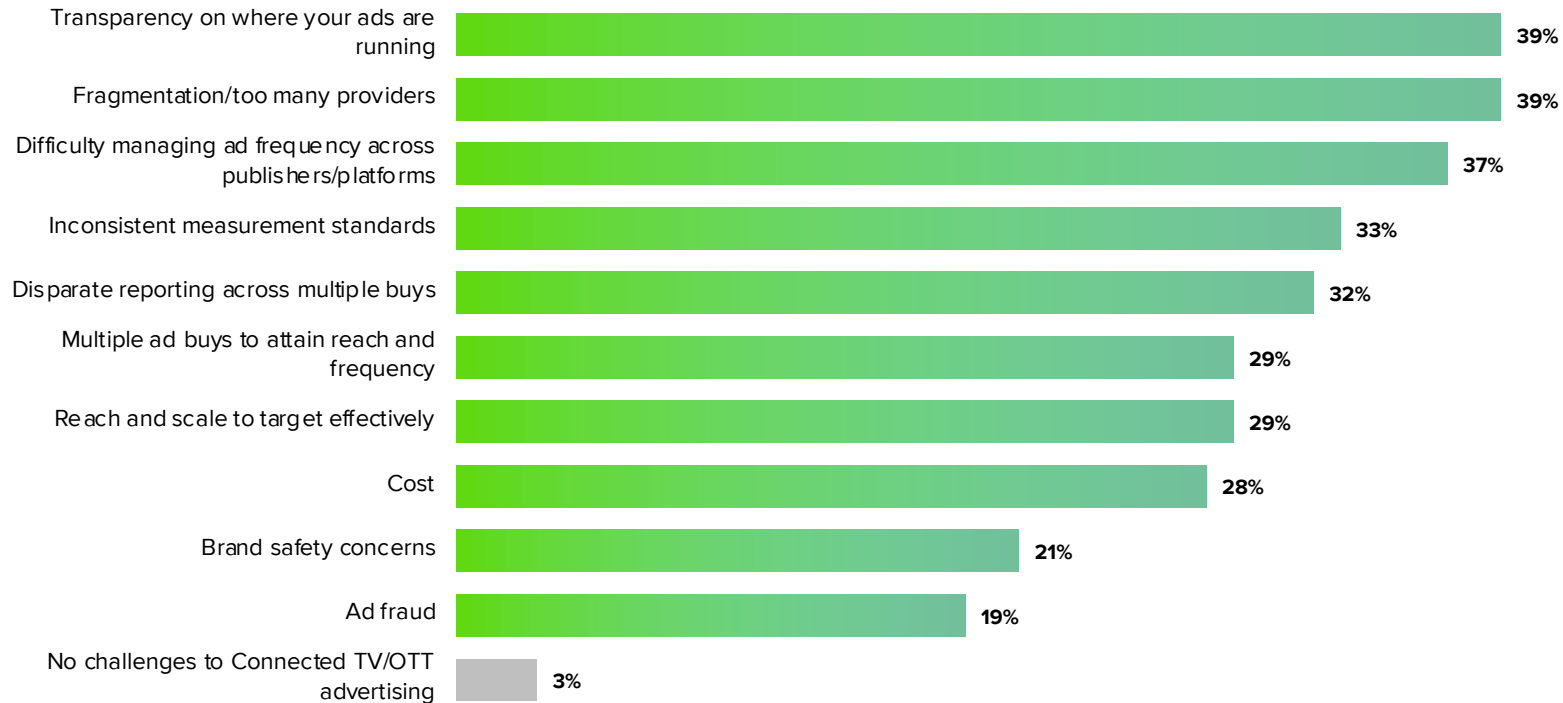
Reasons for Increasing Spend on CTV/OTT in 2024

Performance/Pricing-Related



Transparency on where ads are running, fragmentation and ad frequency management are the top 3 biggest challenges of CTV/OTT advertising

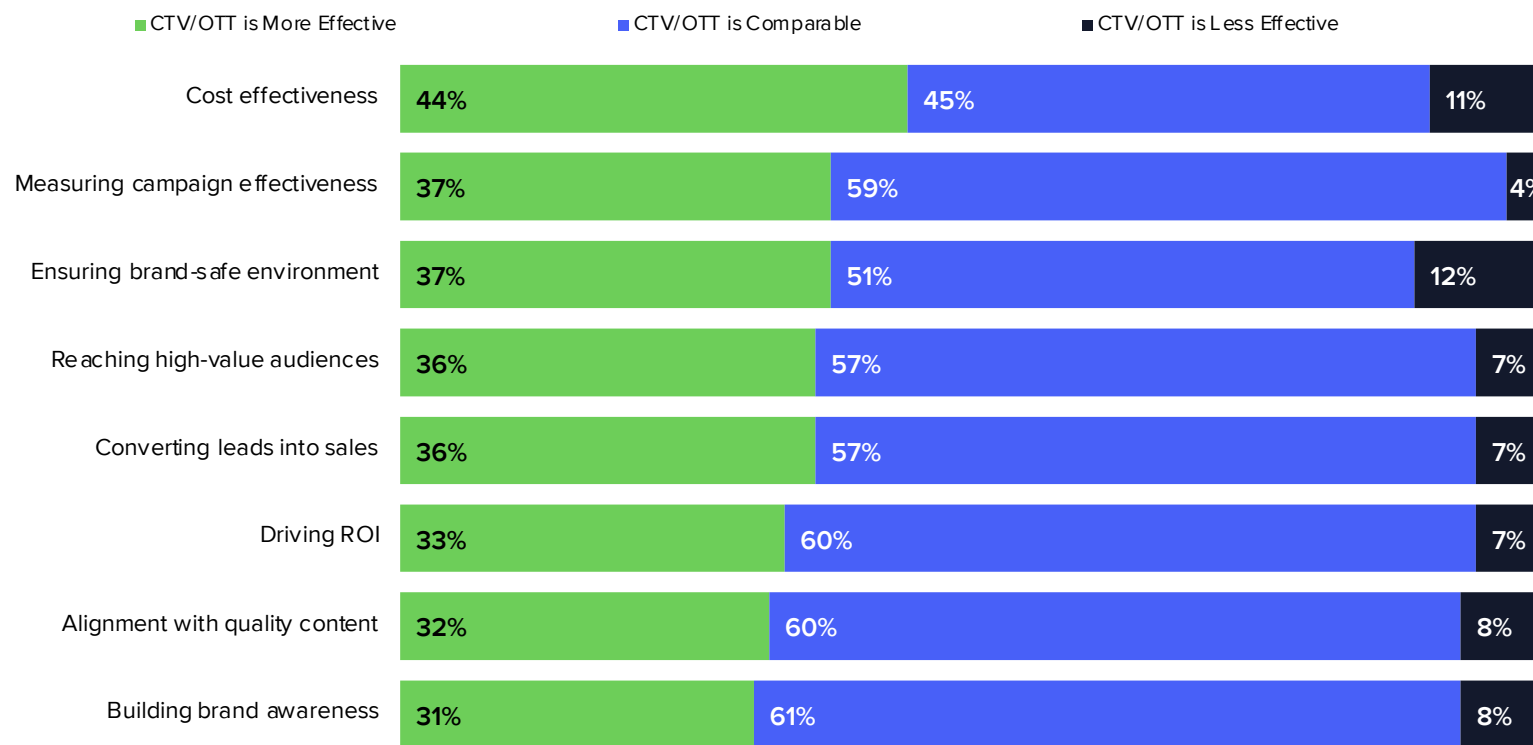
Biggest Challenges in CTV/OTT Advertising



Almost half of CTV/OTT advertisers say CTV/OTT is more effective than linear TV in cost effectiveness

Effectiveness of CTV/OTT Advertising in Achieving Goals/KPIs vs. Linear TV

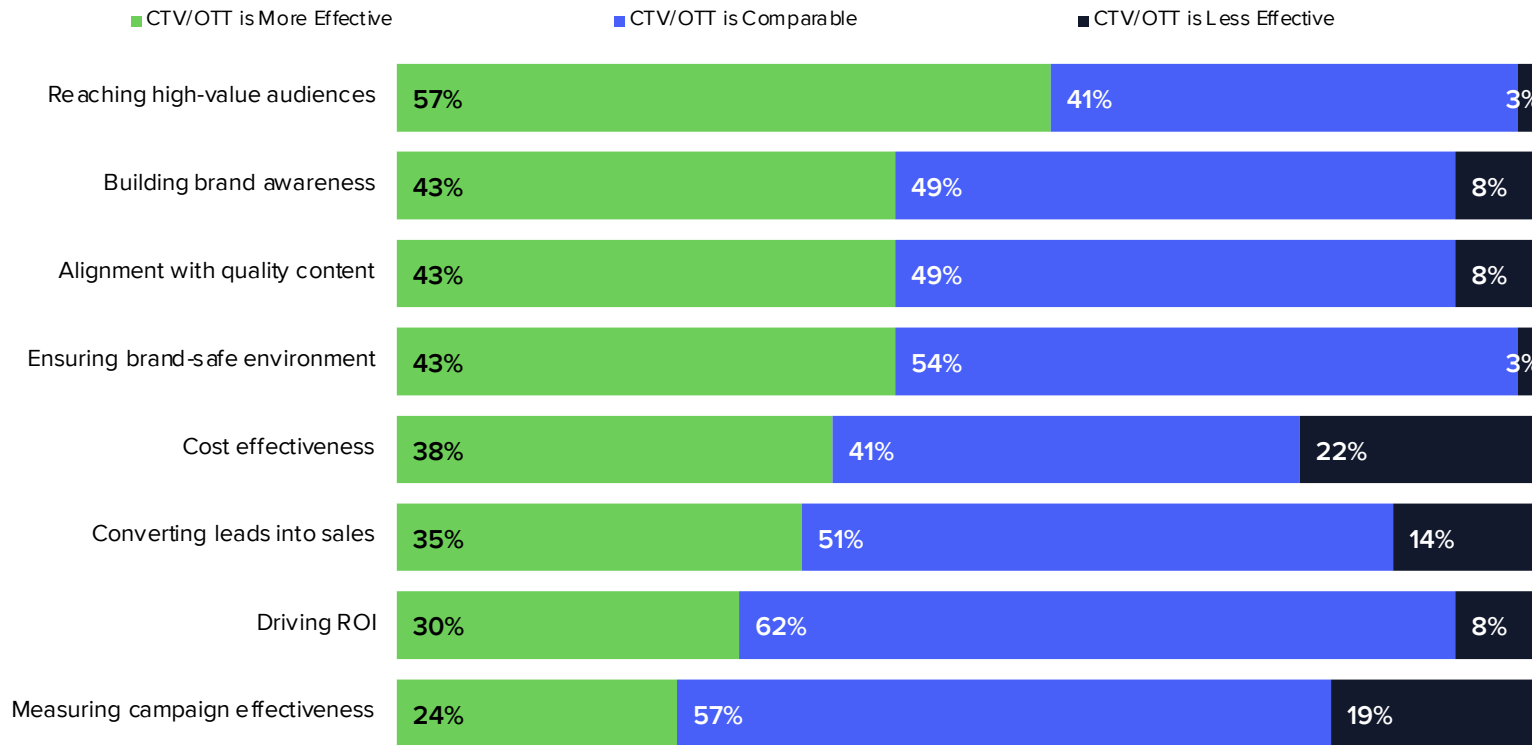
(Sorted by CTV/OTT is More Effective)



More than half of CTV/OTT advertisers say CTV/OTT is more effective than digital video in reaching high-value audiences, while more than 40% say it is more effective in building brand awareness, aligning with quality content and ensuring a brand-safe environment

Effectiveness of CTV/OTT Advertising in Achieving Goals/KPIs vs. Digital Video

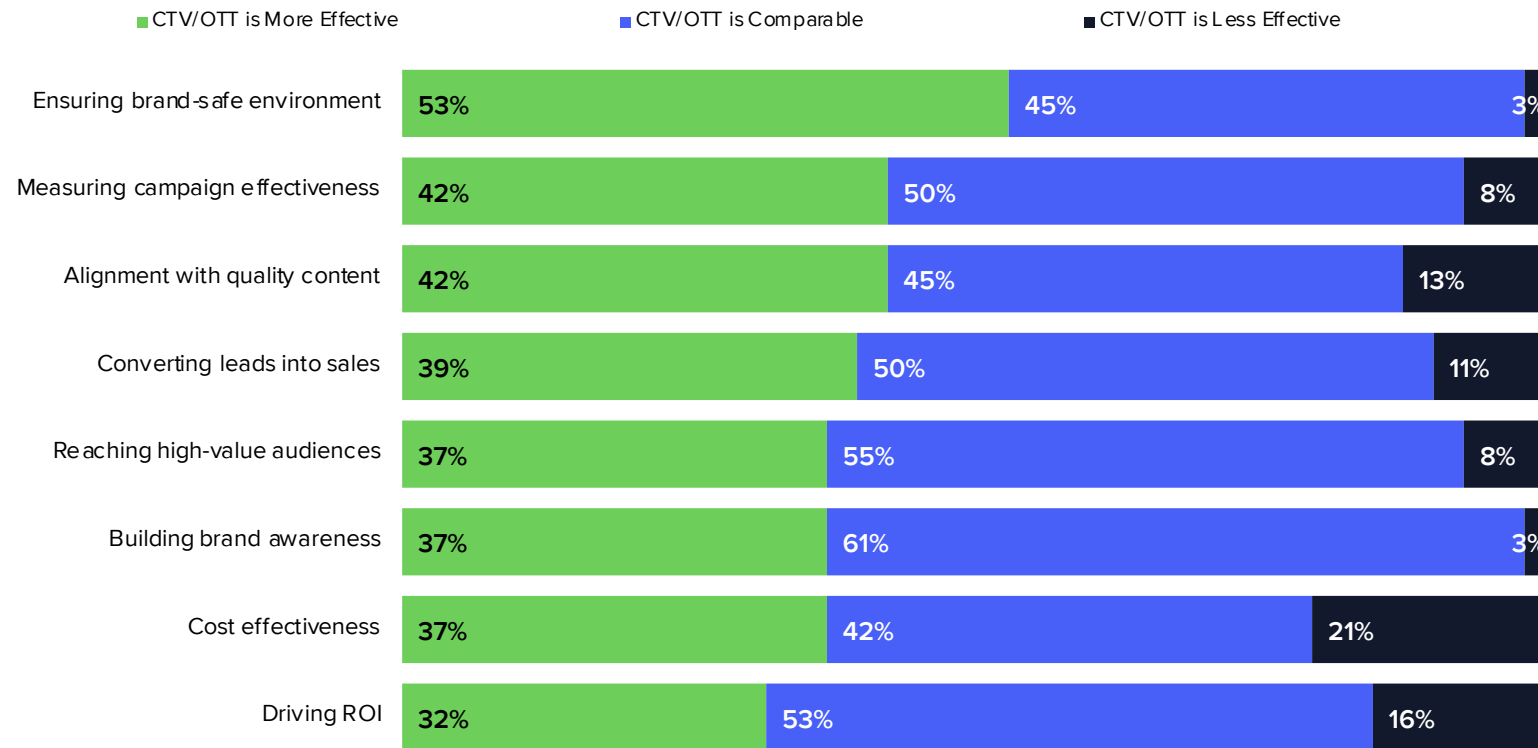
(Non-OTT Desktop or Mobile) (Sorted by CTV/OTT is More Effective)



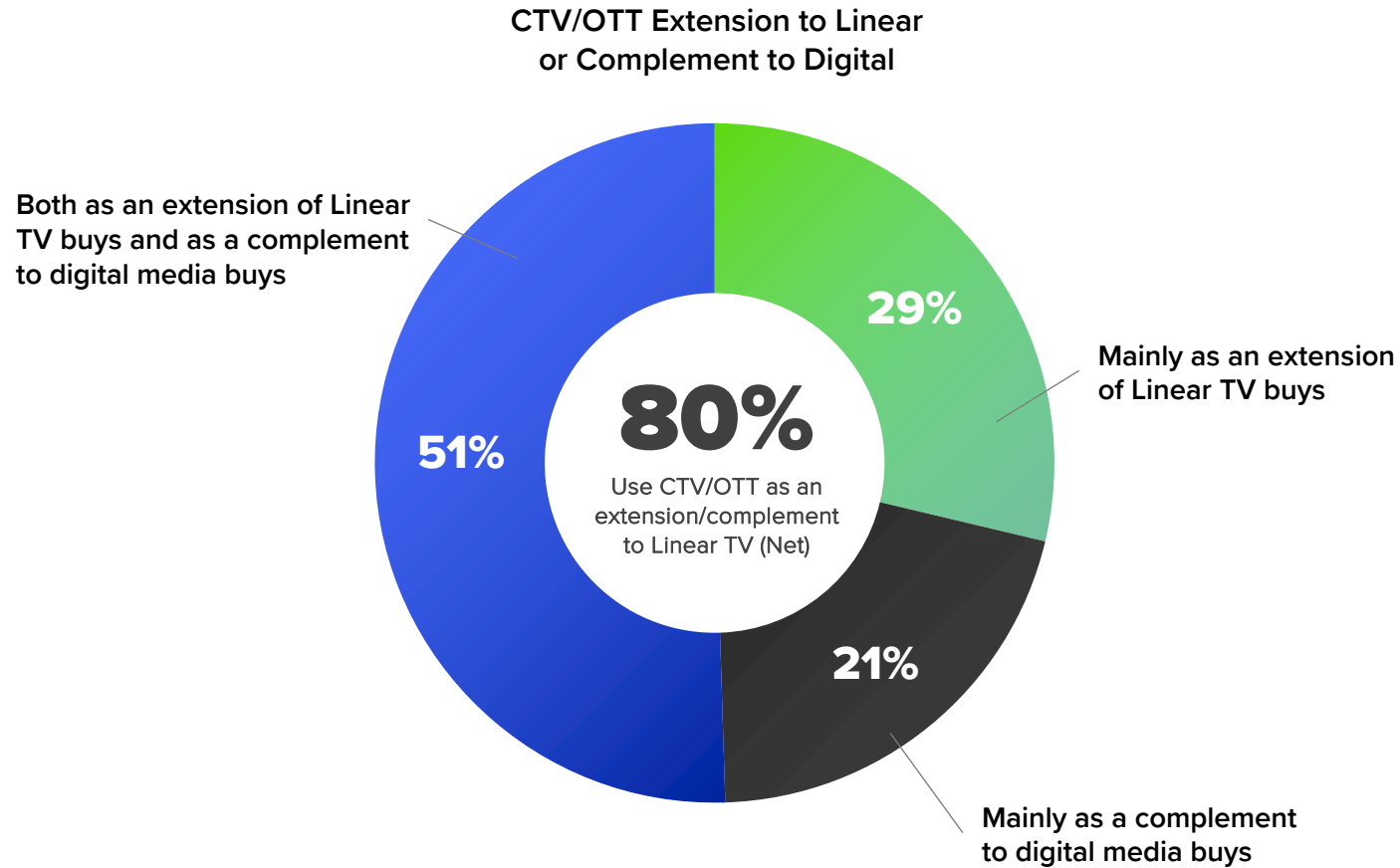
More than half of CTV/OTT advertisers say CTV/OTT is more effective than social media in ensuring a brand-safe environment, while more than 40% say it is more effective in measuring campaign effectiveness and aligning with quality content

Effectiveness of CTV/OTT Advertising in Achieving Goals/KPIs vs. **Social Media**

(Ads on Facebook, Twitter, etc.) (Sorted by CTV/OTT is More Effective)

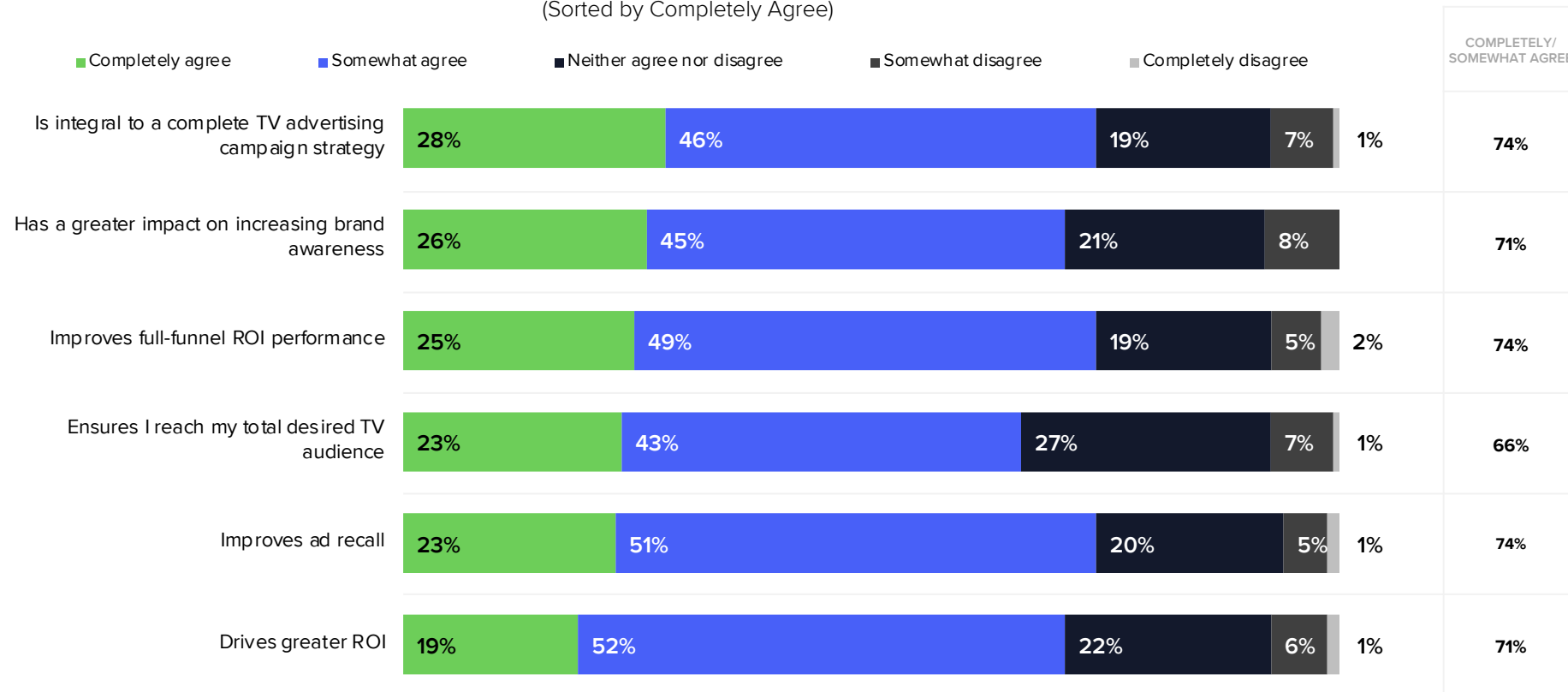


4 in 5 advertisers see CTV/OTT advertising as an extension of their Linear TV buy



74% of advertisers agree that combining Linear TV & CTV/OTT is integral to a complete TV ad campaign strategy, improves full-funnel ROI performance and improves ad recall

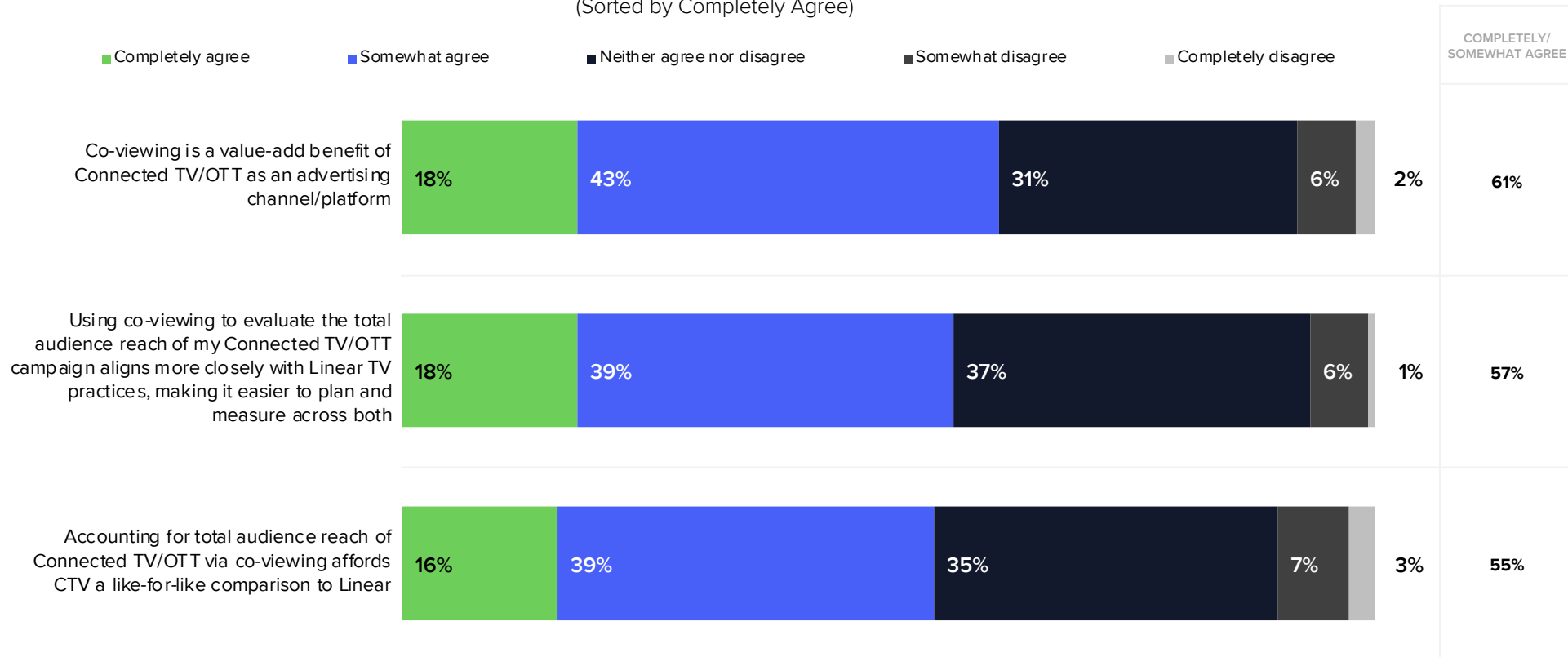
Agreement with Statements About Combining Linear TV & CTV/OTT
(Sorted by Completely Agree)



More than half of advertisers agree that co-viewing is a value-add benefit of CTV/OTT advertising and, since it aligns CTV/OTT with Linear TV practices, makes it easier to evaluate, plan and measure across both

Agreement with Statements about Co-Viewing as it Relates to CTV/OTT

(Sorted by Completely Agree)

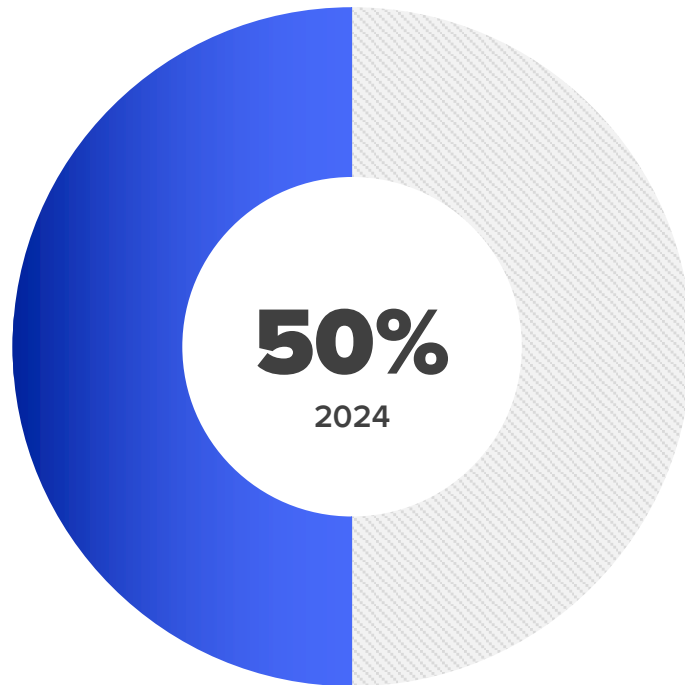




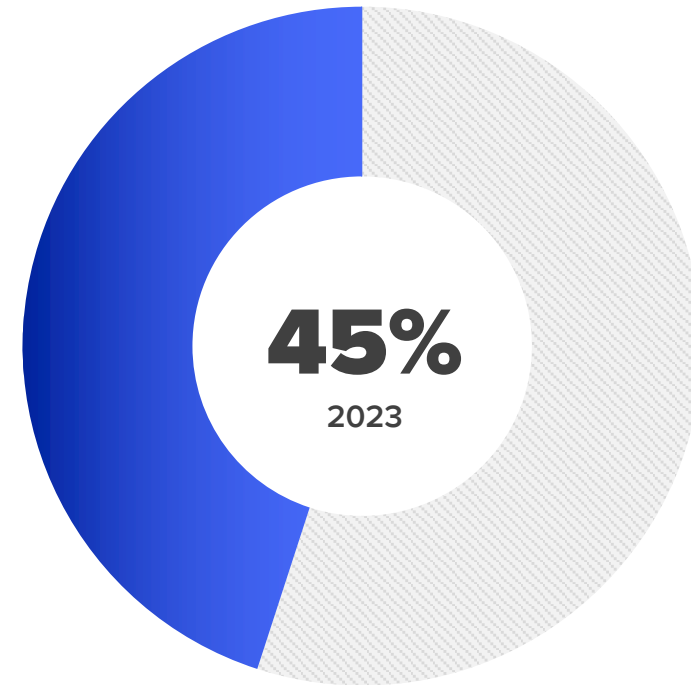
Programmatic CTV/OTT

Half of all CTV/OTT advertising is expected to be purchased programmatically in 2024

Average Percentage
Purchasing Programmatically in 2024

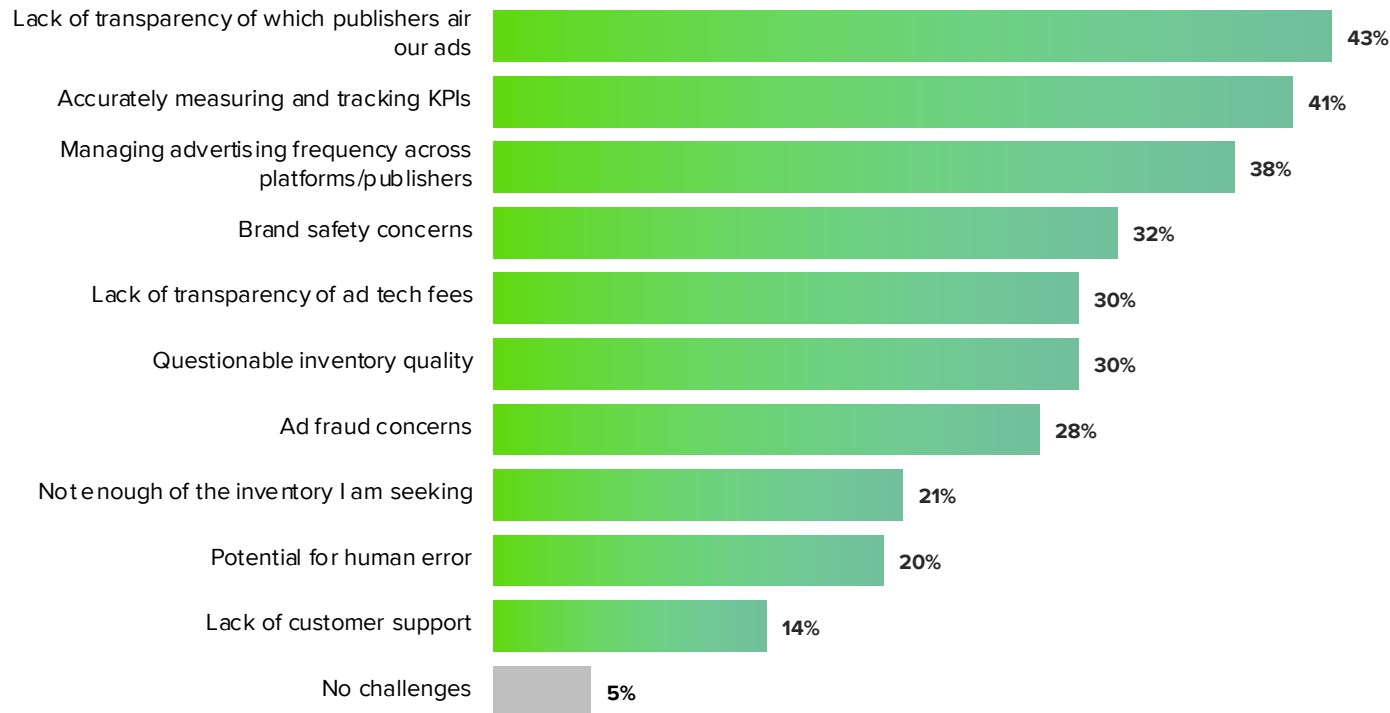


Average Percentage
Purchasing Programmatically in 2023



Lack of transparency in where ads are aired and accurately measuring and tracking KPIs are the top challenges of buying CTV/OTT programmatically

Challenges with Buying CTV/OTT Inventory Programmatically



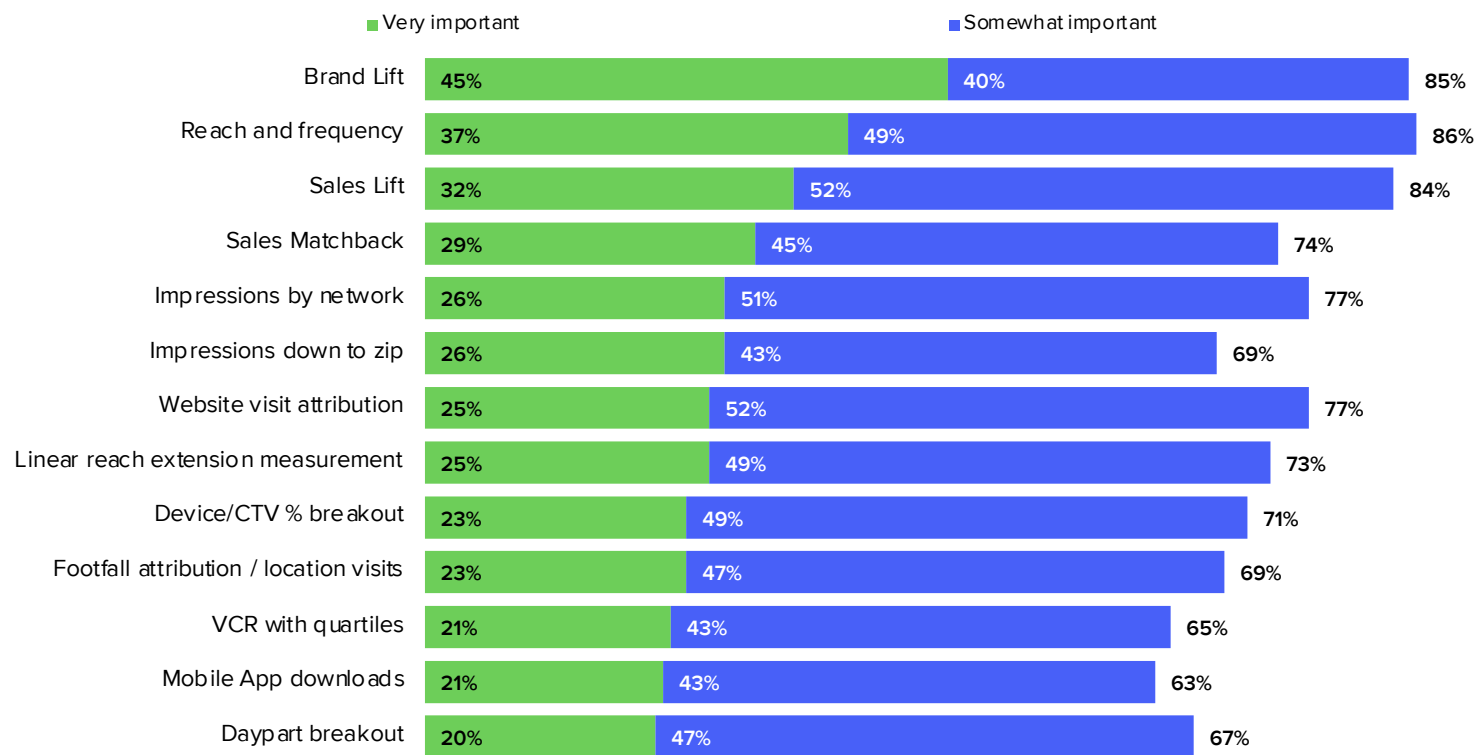


Targeting + Measurement

Brand lift, reach & frequency and sales lift are the most important reporting metrics for CTV/OTT ad campaigns

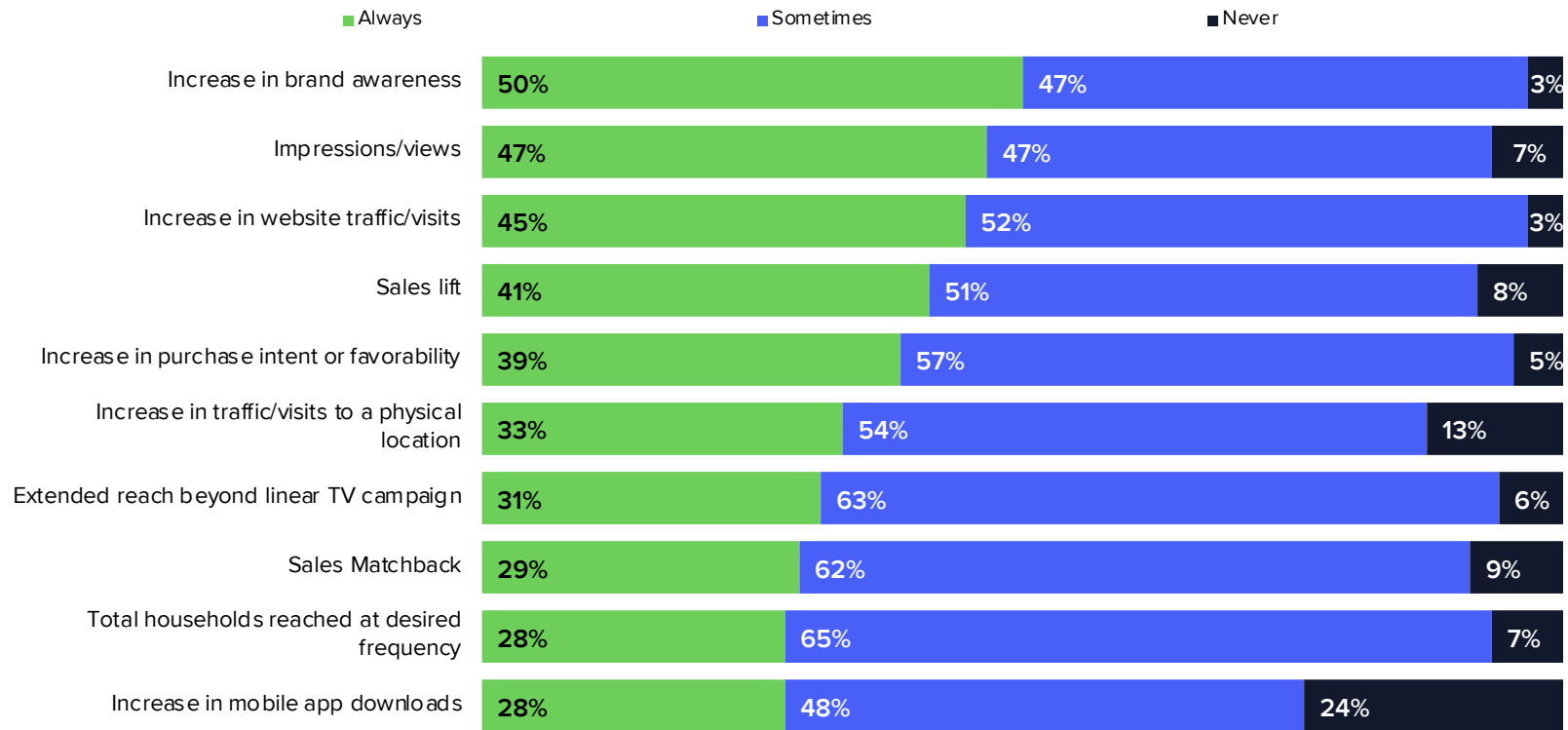
Importance of Reporting Metrics in CTV/OTT Advertising

(Sorted by Very Important)



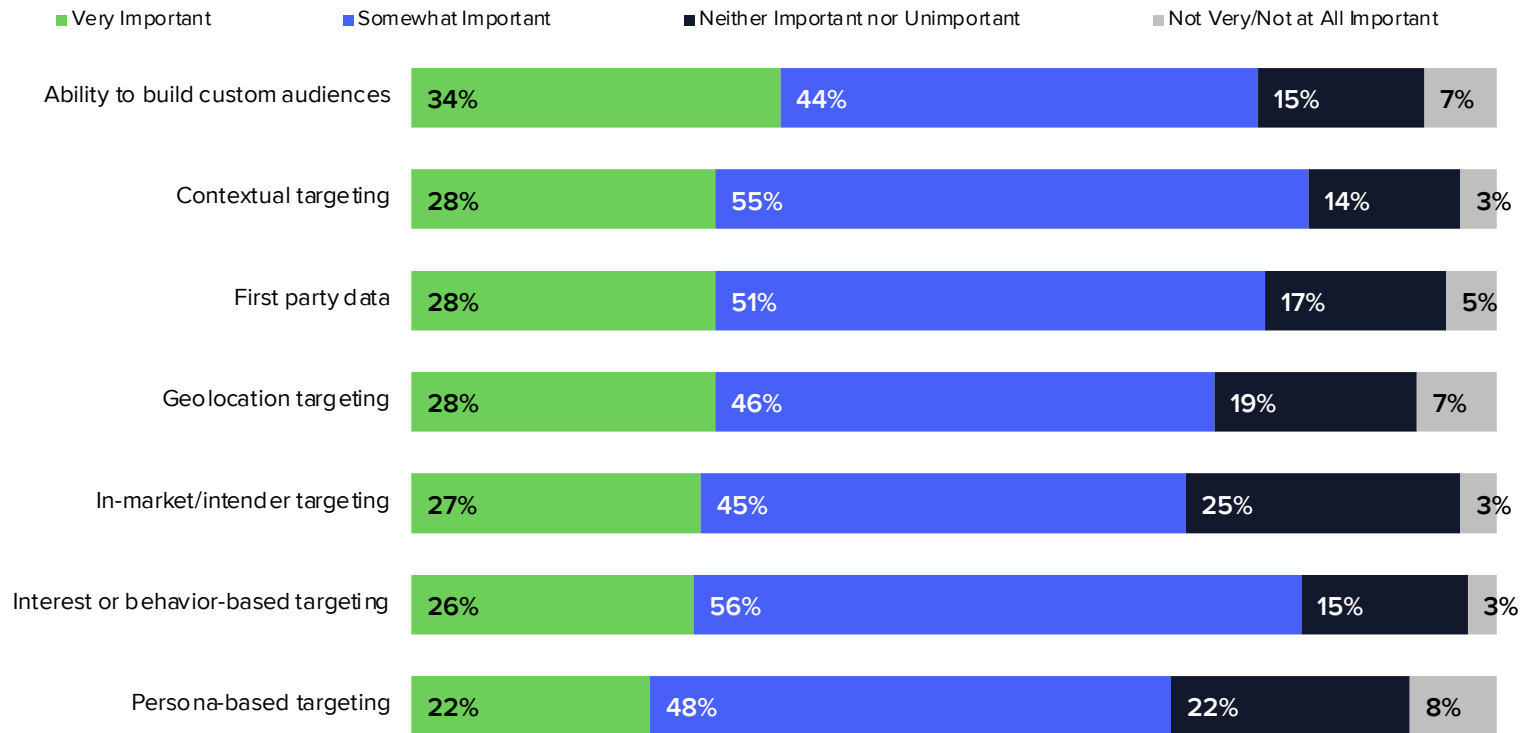
Half of advertisers always use increase in brand awareness to evaluate campaign ROAS, with over 40% always using impressions/views, increase in web traffic/visits and sales lift

Frequency of Using Reporting Metrics to Evaluate CTV/OTT Advertising
(Sorted by Always)



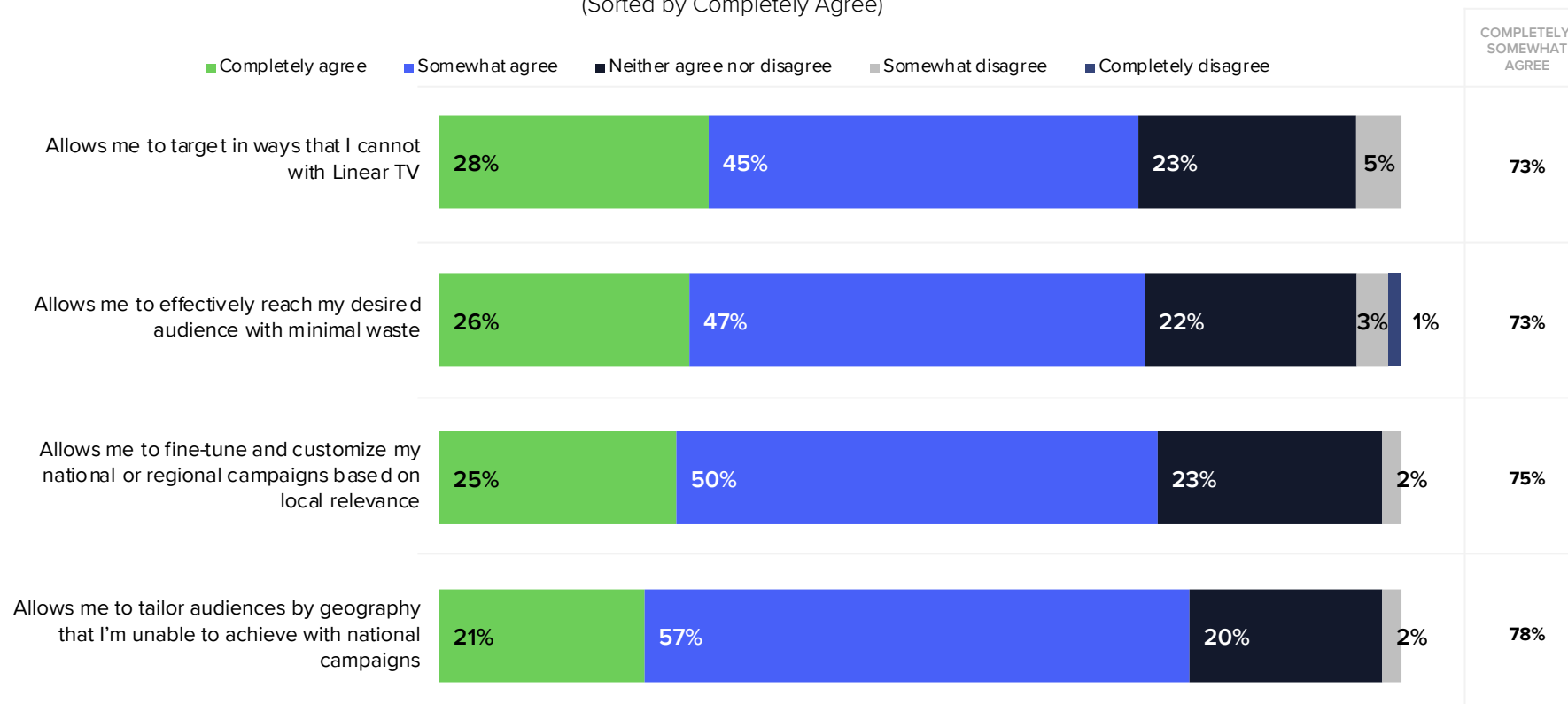
1 in 3 CTV/OTT advertisers say that the ability to build custom audiences is very important to their CTV/OTT campaigns, with contextual and interest/behavior-based targeting cited as important most often

Importance of Targeting Tactics for CTV/OTT Campaigns
(Sorted by Very Important)



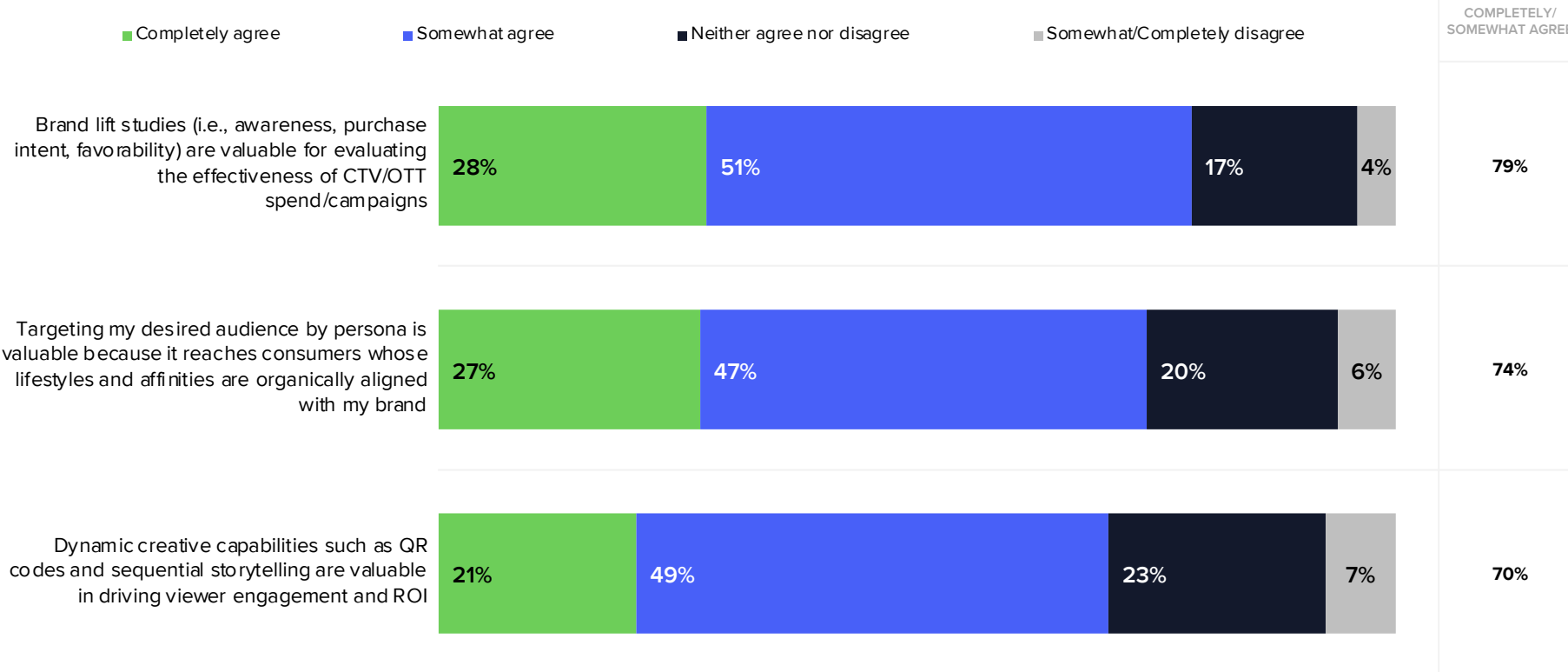
3 in 4 CTV/OTT advertisers agree that CTV/OTT allows them to fine-tune and customize national and regional campaigns based on local relevance

Agreement Statements: Targeting Audiences Locally with Connected TV/OTT
(Sorted by Completely Agree)



7 in 10 advertisers agree that brand lift studies, targeting audiences by persona and dynamic creative capabilities are valuable to their campaigns

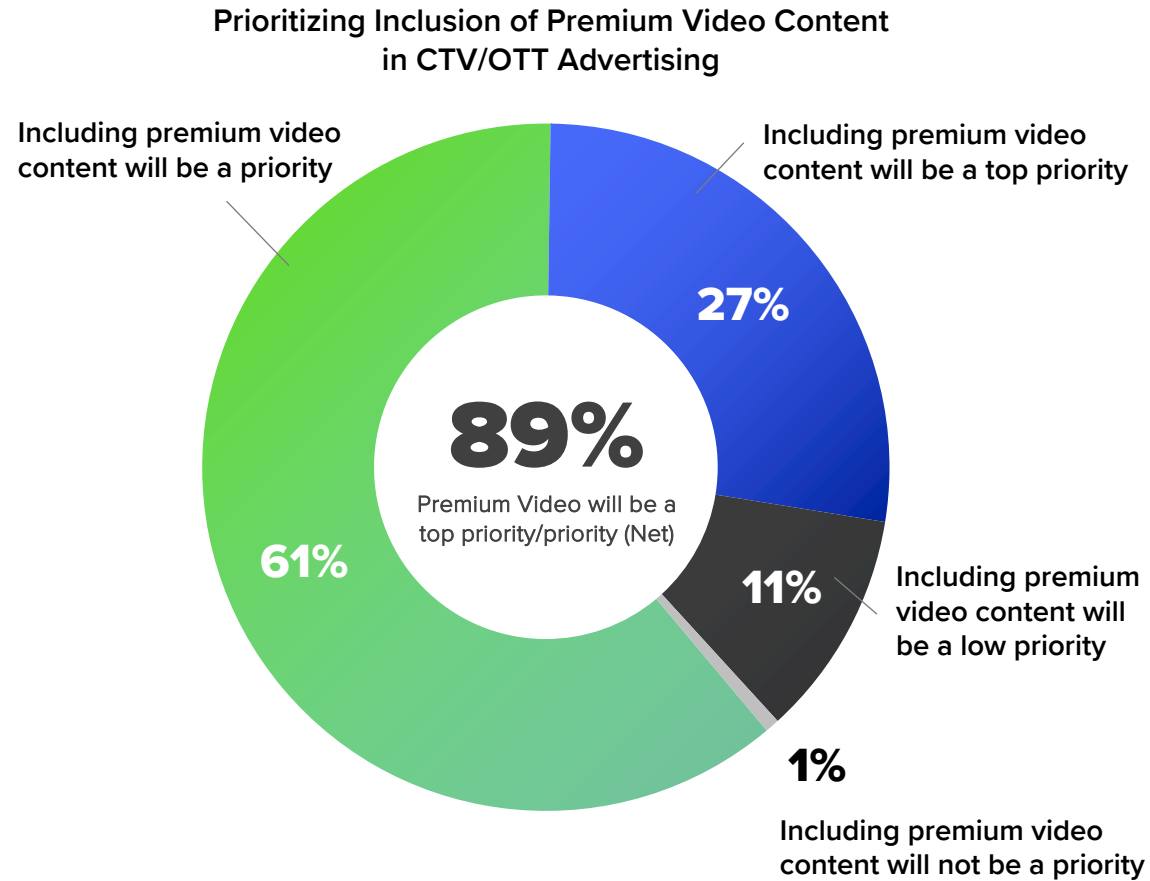
Agreement Statements: CTV/OTT (Dynamic Creative, Brand Lift Studies, Targeting by Persona)
(Sorted by Completely Agree)





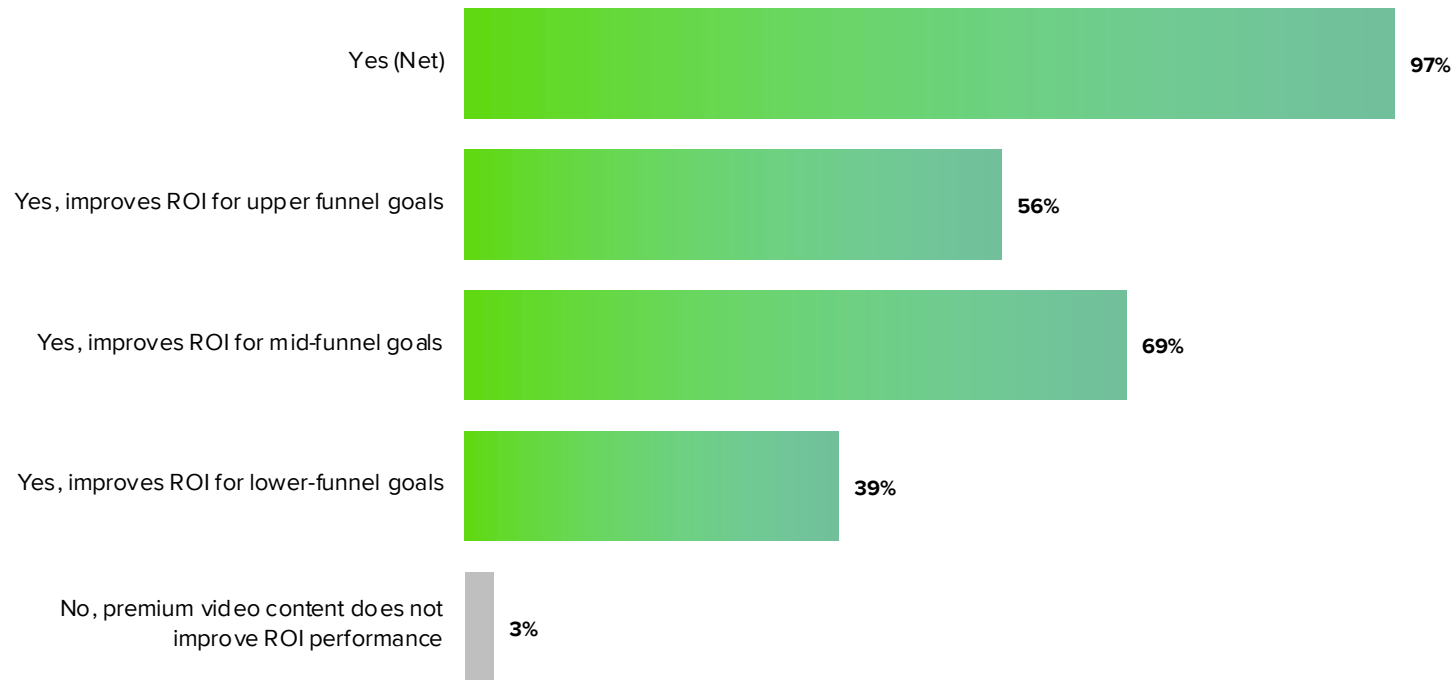
Premium Content + Primetime

89% of advertisers consider it a priority to include premium video content in their CTV/OTT advertising, with 27% considering it a top priority



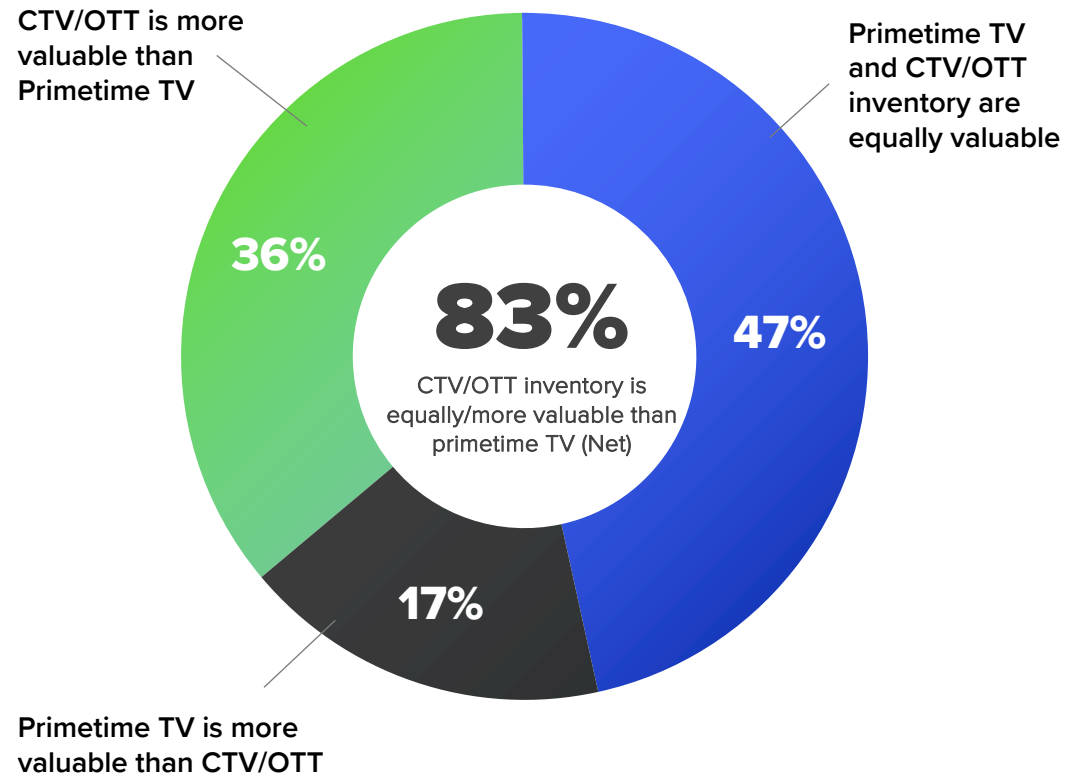
97% of CTV/OTT advertisers agree that advertising on premium video content improves ROI performance goals

Improvement in ROI Performance with CTV/OTT Premium Video Content



83% of CTV/OTT advertisers believe that CTV/OTT's value is greater than, or equal to, that of primetime TV, with 36% saying CTV/OTT is more valuable

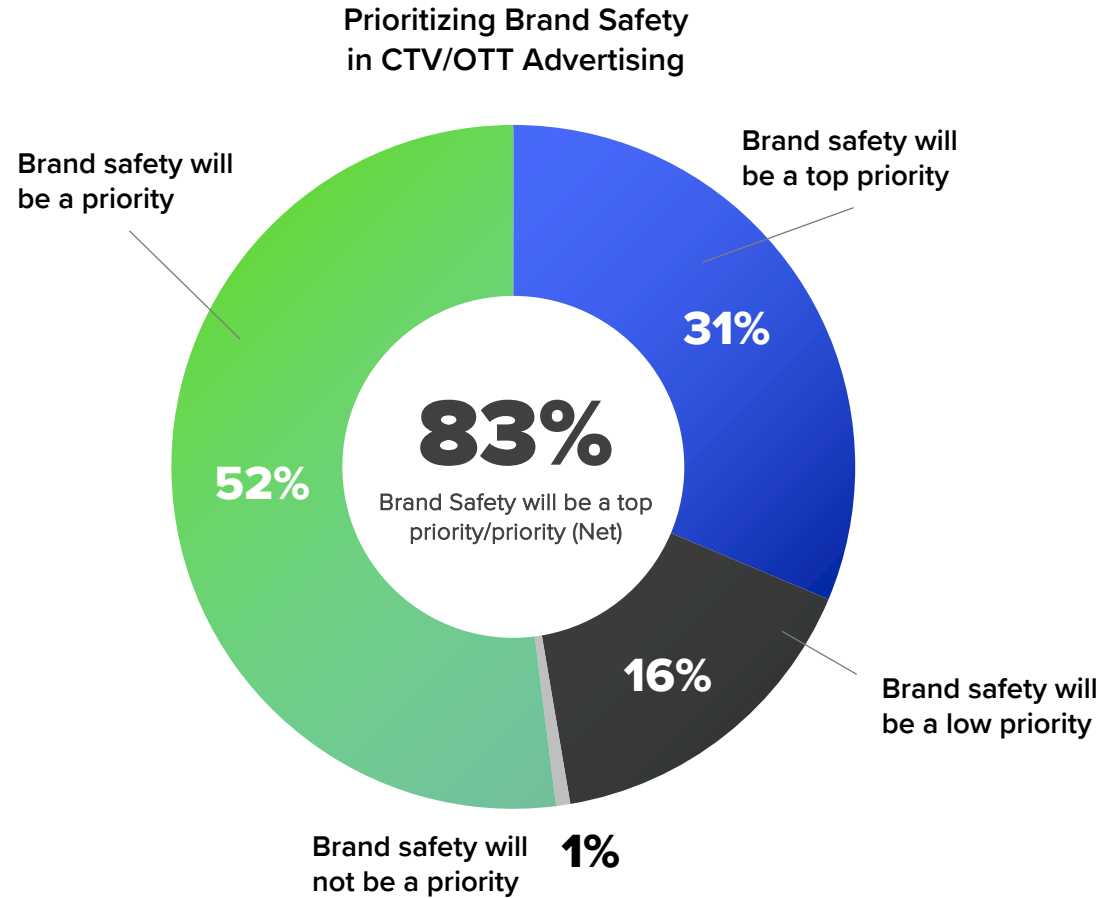
CTV/OTT's Value Compared to Primetime Television



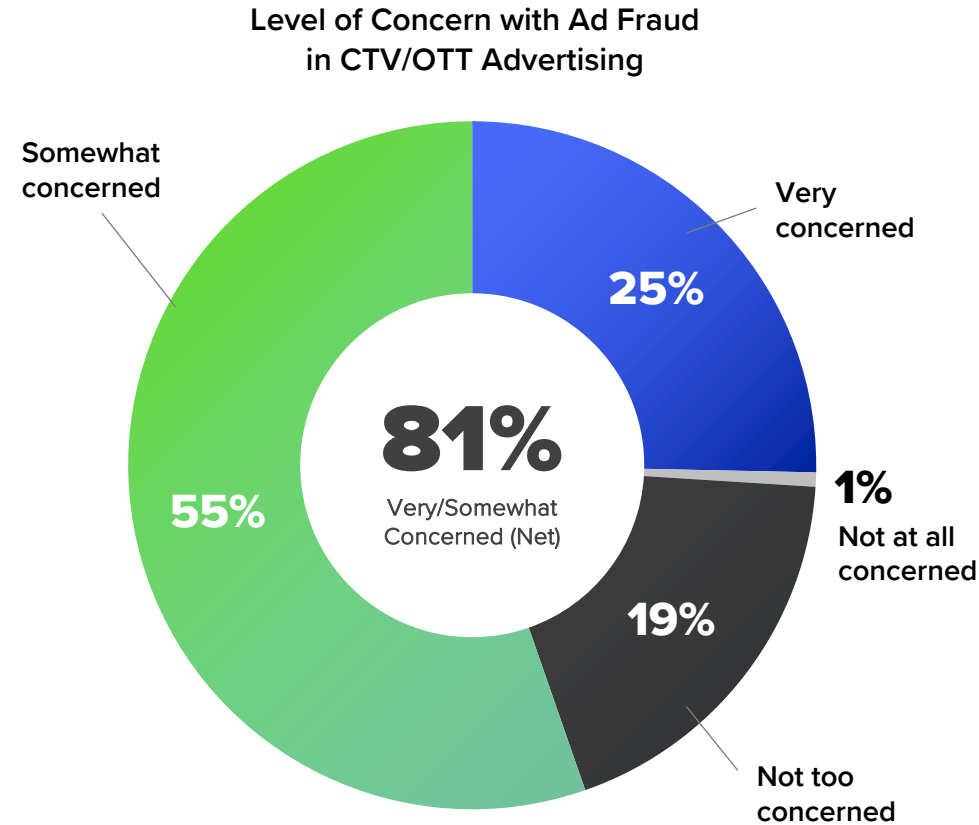


Brand Safety + Ad Fraud Prevention

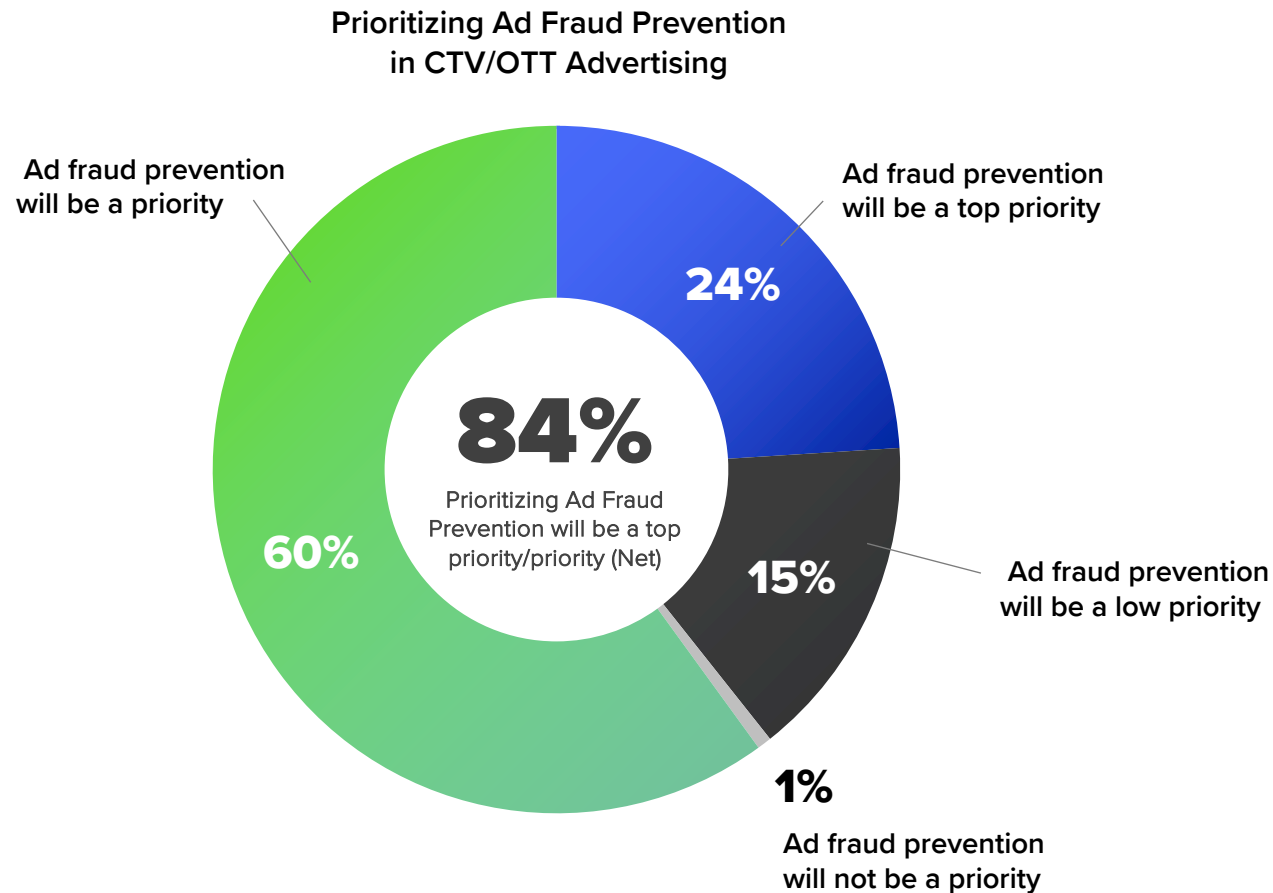
83% of advertisers consider brand safety a priority in their CTV/OTT advertising planning and strategy, with over 30% considering it a top priority



81% of advertisers are concerned with ad fraud in their CTV/OTT advertising, with 25% being very concerned



84% of advertisers consider ad fraud prevention a priority in their CTV/OTT advertising planning and strategy, with 24% considering it a top priority





Thank You