The State of Streaming

What you need to know for effective CTV media buying for 2024 & beyond

Bully Pulpit Interactive

What's changed since last year?

Connected TV (CTV) now accounts for **more than a quarter of daily digital media time**, Netflix introduced ads, explosive growth in free streaming platforms, and even the Hollywood strikes are disrupting the streaming and TV landscapes.
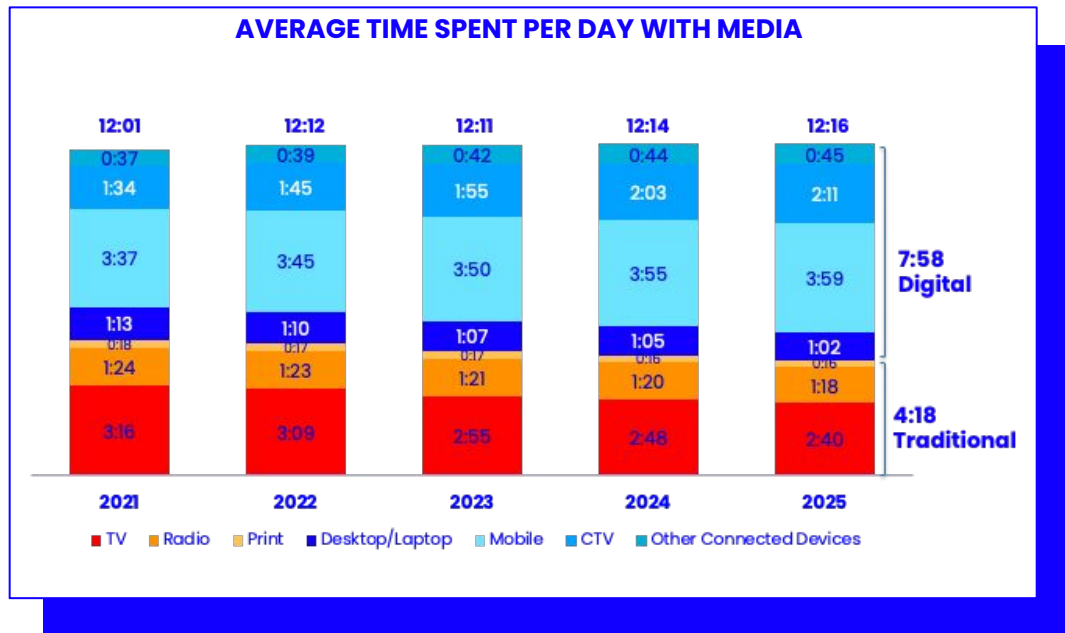
But it can't be 'set it and forget it'. Understanding the streaming landscape is critical to planning a successful media buy.

Time spent with media has peaked

Time spent with media has leveled off since the pandemic-boom in 2020. **It's now all about market share and how attention moves between mediums - in particular, how it fluctuates between TV + CTV.**

Among devices and formats, **nothing is growing faster than time spent with CTV.** In 2023, time spent with CTV will increase by 9.3% — and account for more than a quarter of daily digital media time.
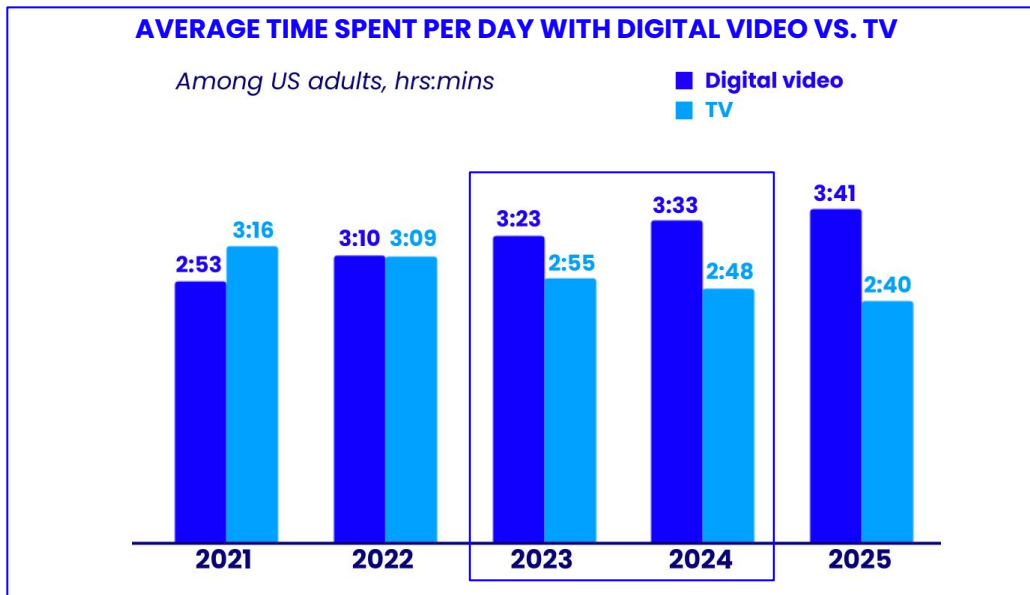
AVERAGE TIME SPENT PER DAY WITH MEDIA

	12:01	12:12	12:11	12:14	12:16
Other Connected Devices	0:37	0:39	0:42	0:44	0:45
CTV	1:34	1:45	1:55	2:03	2:11
Mobile	3:37	3:45	3:50	3:55	3:59
Desktop/Laptop	1:13	1:10	1:07	1:05	1:02
Print	0:18	0:17	0:17	0:16	0:16
Radio	1:24	1:23	1:21	1:20	1:18
TV	3:16	3:09	2:55	2:48	2:40
	2021	2022	2023	2024	2025

7:58 Digital

4:18 Traditional

■ TV ■ Radio ■ Print ■ Desktop/Laptop ■ Mobile ■ CTV ■ Other Connected Devices

Source: eMarketer, June 2023
Other connected devices include smart speakers, smartwatches

Digital video surpasses TV

For the first time ever and sooner than experts anticipated, **people spend an average of 28 minutes more per day with digital video than TV.**

This dominance is driven by CTV video, social video, and YouTube. By 2025, we anticipate digital video will surpass traditional TV by over an hour.
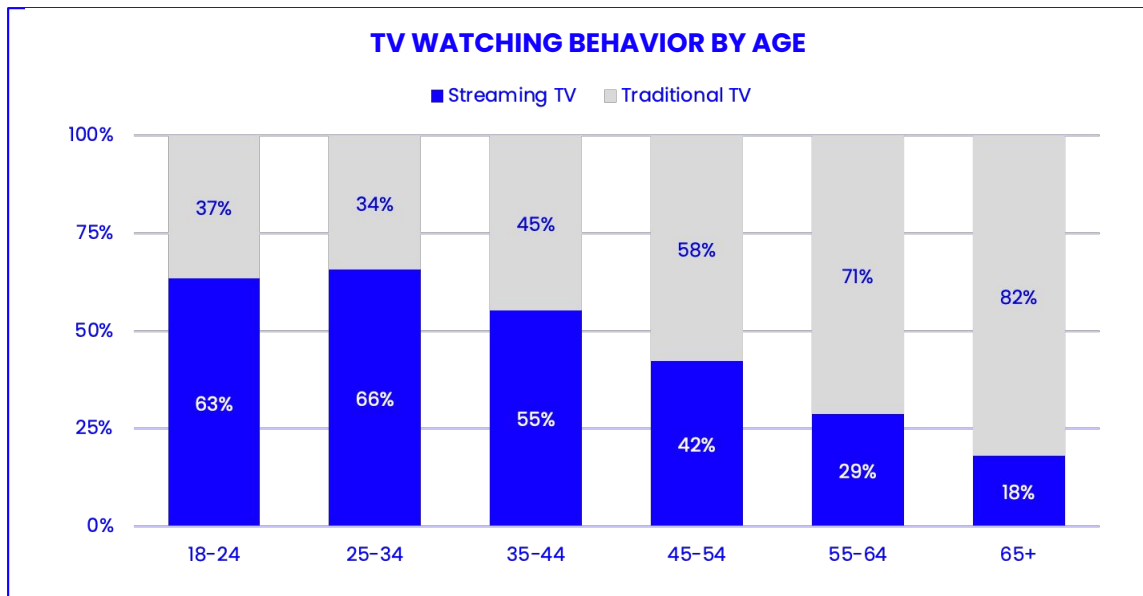
AVERAGE TIME SPENT PER DAY WITH DIGITAL VIDEO VS. TV

Among US adults, hrs:mins

■ **Digital video**
■ **TV**

	2021	2022	2023	2024	2025
Digital video	2:53	3:10	3:23	3:33	3:41
TV	3:16	3:09	2:55	2:48	2:40

Source: eMarketer, June 2023

Everyone is streaming

Traditional TV remains critical for many households, but reach is shrinking. By next year, streaming households will outweigh traditional households by 2:1

CTV now makes up more than 60% of TV hours among voters 18–34 — a 20% increase since last year.

TV WATCHING BEHAVIOR BY AGE

■ Streaming TV   ■ Traditional TV

Age	Streaming TV	Traditional TV
18-24	63%	37%
25-34	66%	34%
35-44	55%	45%
45-54	42%	58%
55-64	29%	71%
65+	18%	82%

Source: Nielsen, 2023

But it's not easy to buy well

There are thousands of ways to buy CTV. **What separates good vs. bad buying? The ability to understand which sources are duplicative vs. provide exclusive reach at the best rate.**

Content Creator
WARNER BROS. DISCOVERY

Warner Bros. Discovery as the content creator, has a right to sell an impression.

Supply Partners
SPOTX

Supply Partners like SpotX partner with content distributors and creators to aid in the aggregation of demand for their impressions.

Content Distributor
sling

Sling, as a distributor of that content, has the right to sell an impression.

Hardware
SAMSUNG

Because this is a Samsung TV, Samsung can also sell this impresion.

5 things advertisers should know about CTV for 2024 and beyond

Growth of free ad-supported TV (FAST)

Combating distracted viewing on the big screen

Optimizing for meaningful attention

Audience-first planning

Cross-screen frequency management

Ad-supported platforms are growing

9 out of 10 streamers watch content with ads, with almost half of all streamers watching only ad-supported programming — and that trend is growing.

Both Netflix and Disney+ launched an ad tier in 2022, and we continue to see platforms prioritize these tiers to consumers.

Ad-supported video-on-demand services will gain more than triple the US viewers than ad free services in 2023.

VIEWERS WHO WATCH AD-SUPPORTED VS AD-FREE STREAMING

■ Only ad-supported	■ Mix of both	Only ad-free
47%	39%	14%

86% of streamers watch content with ads
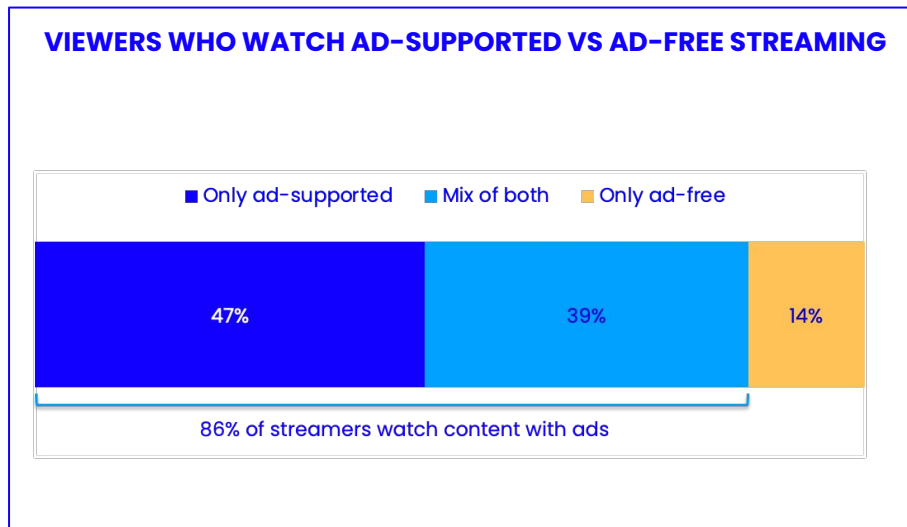
Source: eMarketer, Feb 2023

Free ad-supported platforms are leading the charge

In 2023, free ad-supported streaming TV (FAST) will surpass 100MM monthly viewers.

Pluto TV, Tubi TV, and Roku Channel are each comparable in usage to Peacock and HBO Max, and in aggregate account for more viewership than Amazon Prime Video.

With subscription streaming prices rising, more consumers are being forced to lean into cheaper ad-supported options.
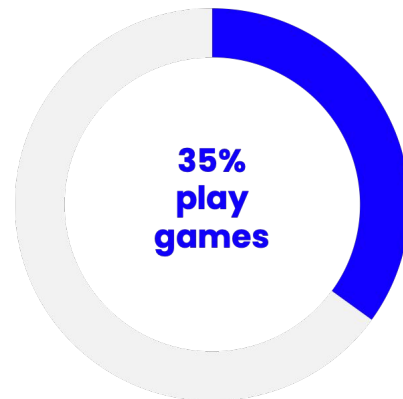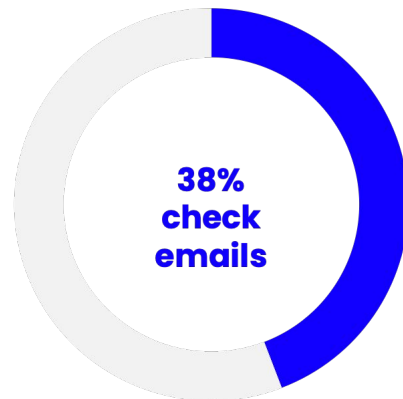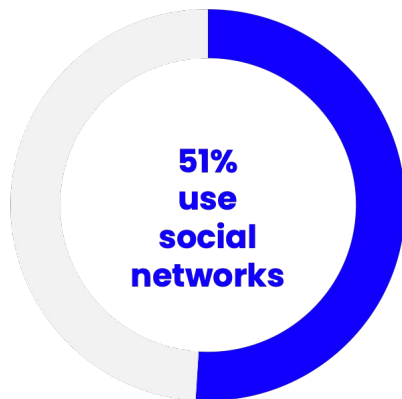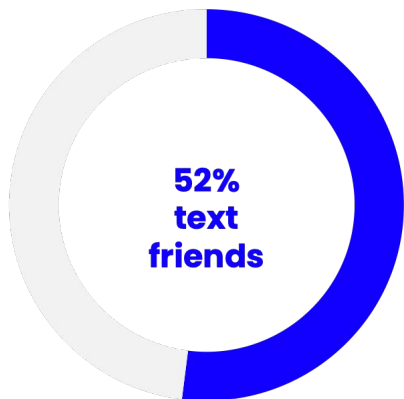
OTT VIDEO VIEWERSHIP, IN MILLIONS

Paid SVODs
FASTs
vMVPDs

Platform	Viewership
YouTube	236.1
Netflix	170.6
Prime Video	157.3
Hulu	127.8
Disney+	112.7
Max	89.7
Paramount+	72.6
Peacock	69.9
Roku Channel	67.8
Tubi	62.3
Pluto TV	57.4
ESPN+	53.2
AppleTV+	42.1
Freevee (Amazon)	35.6
Crackle	35.4
YouTube TV	15.2
Hulu Live TV	11.4
Sling	6
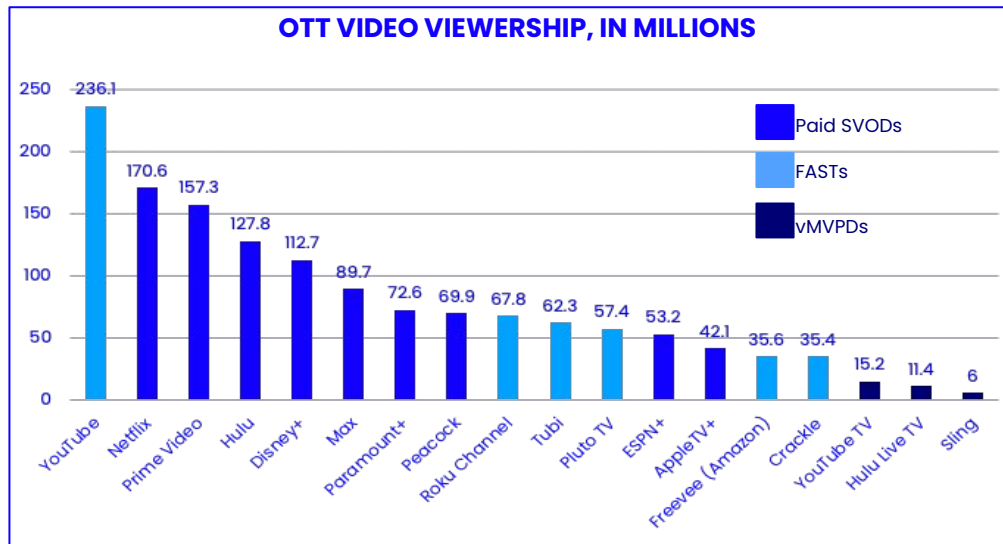
Source: eMarketer, Feb 2023

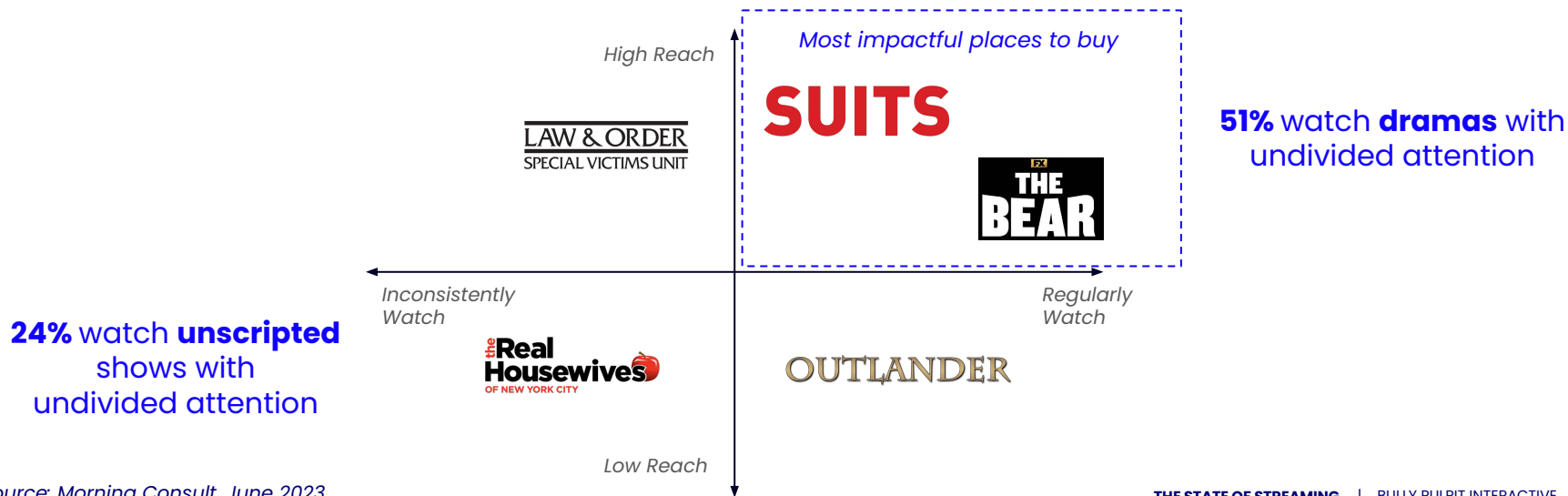# Big screen viewers are distracted

86% of internet users use other devices while watching TV and CTV. Streaming habits lend well to dual-screen multitasking, so advertisers must think holistically when planning CTV to accommodate for undivided attention. **The big screen can't be your only tactic — other media in market is necessary to reinforce your message and break through.**

% of second-screeners who say they do the following on another device at the same time:

**52%
text
friends**

**51%
use
social
networks**

**38%
check
emails**

**35%
play
games**

Sources: eMarketer, July 2023 / GlobalWebIndex

Optimize for meaningful attention

In an environment where every ad has a 95–100% completion rate, how do you ensure people are actually watching? Based on viewership data, we optimize towards shows that people watch regularly and intentionally instead of just "background viewing." Both play a role, but only one drives attention. We measure what people are actually paying attention to and then weight budget towards those programs.

High Reach

Most impactful places to buy

LAW & ORDER
SPECIAL VICTIMS UNIT

SUITS

FX
THE BEAR

51% watch **dramas** with undivided attention

Inconsistently Watch

Regularly Watch

24% watch **unscripted** shows with undivided attention

the Real Housewives
OF NEW YORK CITY

OUTLANDER

Low Reach

CTV universe is vast and varied

There are multiple ways for people to stream their favorite content. **More than half of CTV watchers use 3 or more services.** To reach a majority of your audience and make an impact, you need to understand more than just where they are streaming, but their time spent with platforms and types of content viewed.

35%

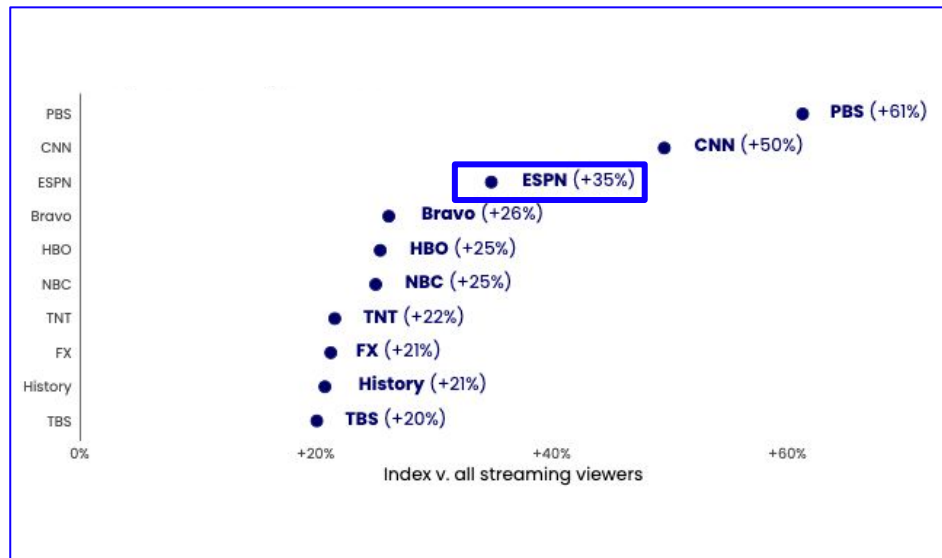**Streamers who watch 4 or more streaming services**

Audience-first planning on CTV

Clean room partnerships allow us to tie our audience to TV viewership habits and identify over-indexing channels.

Deeply understanding audience viewership behavior allows us to inform content development, media planning, activation, and measurement.

In this example of political elites vs. all streamers, one in three elites watched Sports Center in the last 60 days – more than the average viewer.

PBS (+61%)

CNN (+50%)

ESPN (+35%)

Bravo (+26%)

HBO (+25%)

NBC (+25%)

TNT (+22%)

FX (+21%)

History (+21%)

TBS (+20%)

0%   +20%   +40%   +60%

Index v. all streaming viewers

Manage holistic video frequency

Linear and streaming buying shouldn't happen in silos. Using automatic content recognition (ACR), we can identify over saturated and undersaturated audiences and adjust targeting to achieve ideal frequency levels across digital and linear programs.
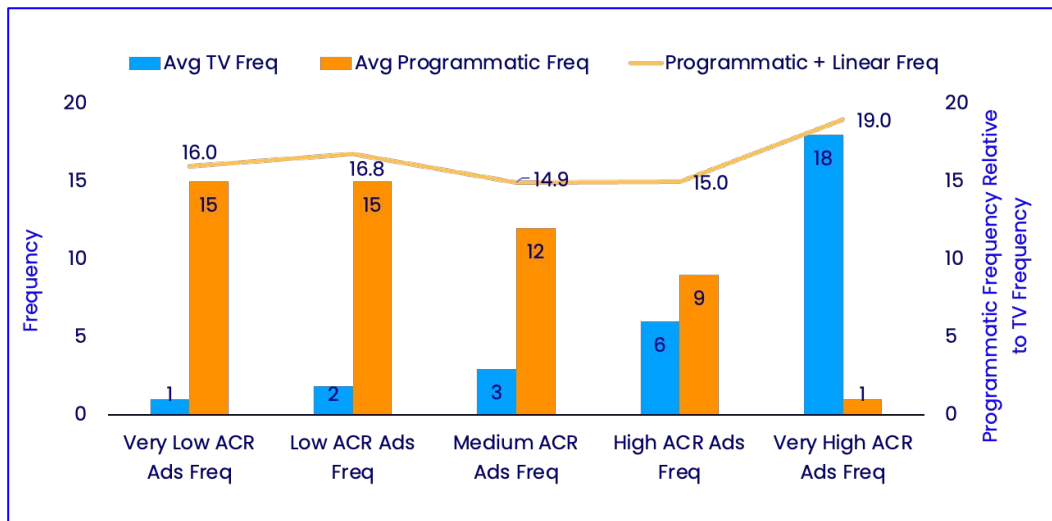
We're prepared for regulation and targeting changes

CTV will fill a vacuum left by cookies.

As Google phases out cookies, CTV might be one of the most targetable mediums for 2024, as they have complete subscriber data on their users. Unlike addressable TV, in which there are technical limitations on which set-top-boxes enabled it, CTV starts with maximum targeting.

Clean rooms to meet privacy regulations.

As privacy regulations change, platforms are moving towards direct 'clean room' integrations with advertisers. This requires substantial setup time, engineering work, and scale, but is the future of addressable buying.

In June, we announced our partnership with Roku, and are developing others.

And to get our clients the best deal

Our scale gets us an average of 32% off on CTV rates — which means that for every $100,000 you spend, you'll be able to deliver as many as 900,000+ extra impressions.

Our CTV Rate Cards include:

Want to talk more about the best media mix for 2024 and beyond?

Drop us a line at hello@bpimedia.com.