

## The TV landscape is shifting. If your buyers are still solely focused on reaching viewers via linear TV, they're missing out on growth opportunities.

**Streaming adoption is growing exponentially:** 



but advertisers may need your U.S. connected TV households in 2021 help adjusting to a more represented 81% of HH.<sup>2</sup> complicated ecosystem.

Paid SVOD and AVOD services enjoy higher levels of consumer awareness and usage, while free AVOD services are a nascent channel. 60%

It's a fragmented world.

% **Currently Using Service** 40% ESPN+ Peacock (

AT&T Now Pluto TV **CBS All Access** Crackle Showtime IMDB TV Sling TV **Anytime** Vudu 20% 40% 60% % Aware of Service SVOD services Paid AVOD services

Discovery+

**Consumers are accessing CTV across** an array of devices.

((:<u>!!</u>!) Of households with a digital assistant like an Alexa (37% of HH) use one to watch TV.3

CTV customers are trying a mix of paid, free and ad-supported streaming models to piece together a TV experience that's best for them. Average number of streaming services used by streamers.3 service "has it all."3

ull Of TV viewers feel they are Of streamers worry about how using too many services for much they're spending on these TV content.3 services and are sharing logins to help manage expenses.3

The new playing field. Consumers tend to swim in multiple streams, and fortunately each platform complements the others by providing viewing experiences that the others don't.

**Opportunity for publishers** 

**Cable** 

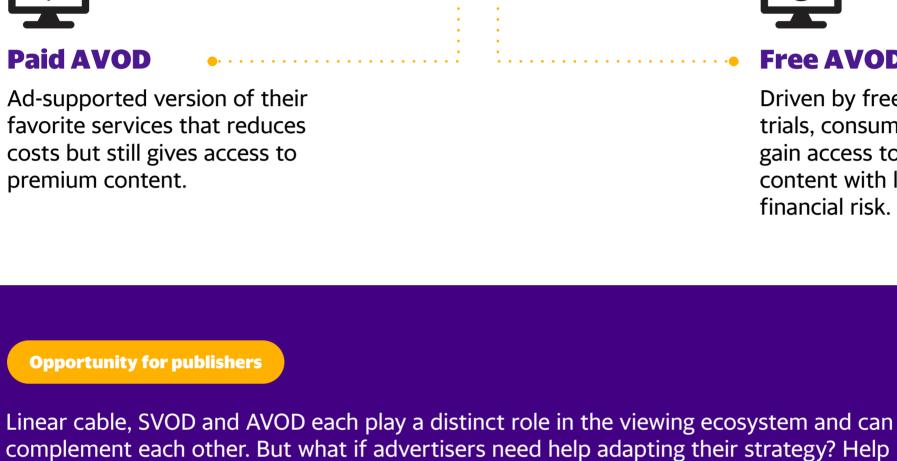
Delivers on sports, live

surfing. Provides a

lean-back escape and

events and easy channel

### passive viewing that streaming currently 4 doesn't deliver on.



them understand where your piece fits into this puzzle.

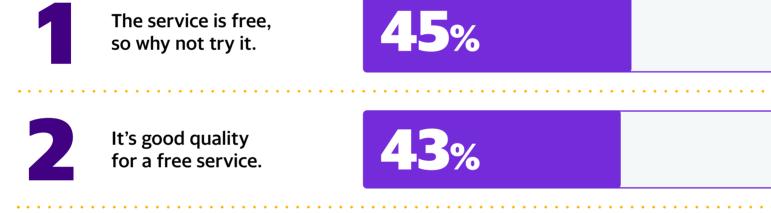
feeling subscription price fatigue.

trials, consumers' gain access to financial risk.

Of consumers are more aware of AVOD offerings than they were just a few years ago, with half more interested in ad-supported streaming services.3

What's driving free AVOD?

Free AVOD services are growing in interest and awareness due to consumers



**28**%

**Content-based answers** 

**Top 5 drivers of free AVOD:**<sup>3</sup>

It has a wide variety of genres to choose from.

It's easy to use, has good

search and navigation.

It features really high-

Look to cable.

quality shows and movies.

# **How can AVOD succeed?**

viewers to stay put once they are in a particular device/service.

66 99 If I want to watch something specific and it's only offered on one streaming service then I will go to that service. I tend to stay there when I'm done and choose to move on to the next thing to watch. - Heavy AVOD user

its value proposition for subscribers and advertisers. Creating better ad experiences. Ads aren't gone from CTV, but the experience needs a bit of TLC. Bad ad experiences can

AVOD is gaining strength and a continuing emphasis on quality content will steadily enhance

devastate the customer experience and drive viewers to upgrade to an ad-free version, or

Commercial breaks that

Seeing the exact same ad

over and over throughout

consecutive shows I am

Commercials that come

right at cliff-hanger

moments.3

Ad experiences rated "Ideal" or a "Better Experience" (among total).\*

the same show or

watching.3

are too long.3

**Cable outperforms when it comes** 

to finding something quick when

you aren't sure what to watch.

**Opportunity for publishers** 

migrate back to SVOD options.

From worse:

Ad experiences

or "Annoying"

(among total).\*

To better:

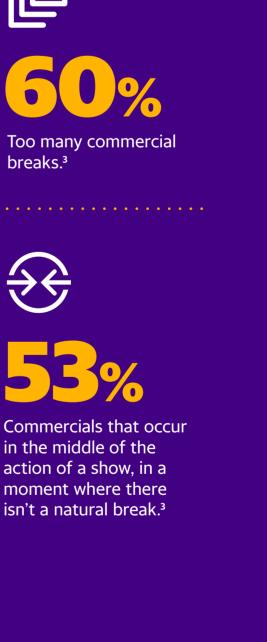
Commercial breaks that

beginning or end of the programming, not the

only happen at the

middle.3

rated "The Worst"



#### Ads I can skip after a Minimal commercial Ads that are funny certain period of time.3 breaks (one or two max).3 or entertaining.3

A countdown clock

ad break.3

indicating how much time

there is left in the ad or

How do you improve the ad experience for your viewers? **Examine your technology plumbing** Unified auction solutions and multi-bidding support can increase the pool of demand for your ad slots, helping reduce the frequency of no ads or repetitive ads.

### with an SSP, like Yahoo, that can accept those ad formats may be all you need.

**Investigate different** 

**Enabling interactive CTV ads may** 

be simpler than you think. Working

ad formats

binge-watchers, and so forth.

Advertisers want a consumer experience that's best in class. But currently, restless CTV streamers have mixed views about ad-supported networks. Work with us to create a better experience for your audience. Yahoo is a premiere partner for CTV and video monetization solutions.

<sup>1</sup> Yahoo, Internal data, March 2021. <sup>2</sup> eMarketer, U.S. time spent report, January 2021,

yahoo!

<sup>3</sup> Publicis Media & Yahoo: "Capitalizing on the CTV opportunity," April 2021.

Making it easy for you.

Netflix **Amazon Prime** Hulu Disney+ **HBO Max** Apple TV YouTube TV Free AVOD services Have a Smart TV.3 Of households with a video game console (60% of HH) use it to watch TV.3

Increase in time spent with

CTV ad spend will grow 42%

CTV year over year.<sup>2</sup>

by end of 2021.2

Have a connected device (with Roku and Amazon's Fire TV Stick/Cube topping the list).<sup>3</sup>

Streaming customers are overwhelmed by choices and prefer to access premium content at a lower cost. Price fatigue can tip consumers from SVOD to AVOD.

> varied, original and premium content that are "must see" shows.

SVOD

**Excels for** 

content with little

Free AVOD

Driven by free

The decision of "what to watch" is primarily content driven. However, what a viewer watches next is often dictated by where they are, with a tendency for

> Who use cable AND streaming say, "I think

cable is better for when you're not sure what to

watch, and want the TV to give you options."3

Ads that are relevant

to me personally.3

Take a look at your processes Make sure you're working with an SSP that supports content object, and share that data. This helps buyers drive more relevant ad experiences. Added benefit: buyers want to spend on content object data-rich supply, and many have readily available budgets earmarked for it.

**Rethink your ad podding strategy** Experiment with shorter ad breaks, alternative timing, rewarding

Let's connect