CTV Ad Attention & Receptiveness
Why this research matters

AVOD is rapidly gaining traction and is on pace to reach half the US population

This gives brands a significant opportunity to connect with consumers

Streaming ad spend is surging

Ad spending on paid subscription services is expected to increase by 51% to $9.48 billion in 2023

Overall, CTV ad spending will exceed $26 billion in 2023 (+27%)

The Challenge

Brands must optimize their CTV strategy to capture attention and positive brand sentiment in an increasingly competitive market to stand out.

Understanding how key variables impact ad attention and receptiveness will help improve your CTV strategy

Sources: eMarketer, Q4 2022 Digital Video Trends Report
Key Questions Explored

- Does CTV ad attention & receptiveness vary by environment?
- How do consumers respond to different executional strategies?
- How can advertisers plan smarter CTV campaigns?
Metrics to Know

**Viewability**
TV on, 1+ persons in the room for 2+ secs

**Attention**
TV is on, and actively paying attention with eyes on the screen for 2+ secs

**Receptiveness**
Paying attention to the screen, enjoying the ad experience and open to a positive brand perception

Captured through Facial Recognition & Eye Tracking

Validated through Qual & Quant Methods
Eye Tracking Measurement

Facial recognition and ACR Fingerprinting to capture attention metrics.

TVision's tech stack among opted in panel: n=15,000

- TVision Sensor
  - Person & Facial Recognition (Who is in the room, and if they're paying attention)
  - ACR Fingerprinting (What is on TV)

- TVision Digital Meter
  - App Detection (If a streaming service is in use)

Consumer-Driven Hybrid Research

Qualitative
- TV Viewer Journals (20)
- In-Depth One-on-one Interviews (8)

Quantitative
- Nationally representative Survey
  - n=1,000

RESEARCH SUPPLIER: TVision

RESEARCH SUPPLIER: Open Mind Strategy

Source: CTV Ad Attention & Receptiveness 2023
The study in numbers

- **66k** Ads analyzed
  - Jan - Nov 2022
- **4** CTV ad environments
- **1.3M** impressions
- **5k** TVision Panel HHs
- **15k** TVision Panel Individuals
- **28** 20 TV Journals & 8 IDIs
- **1k** Survey respondents

Multi-phase body of work including qualitative exploration, quantitative national survey, and large scale eye-tracking attention measurement.

Source: CTV Ad Attention & Receptiveness 2023
Ad Attention and Receptiveness in the CTV Landscape
AVOD users are at least somewhat satisfied with their CTV ad experience.

82% of CTV viewers expect ads on free streaming services.

56% Agree “ads/commercials give me information that’s useful to me”

7 in 10

Ads are expected and welcome in CTV environments

“Actually, I like advertising. I think it can be valuable to me. Ads show me things and teach me about things I might want.”

–Rich, Smart TV FAST Channel

Source: CTV Ad Receptiveness & Attention 2023
The challenge is maximizing attention and receptivity

Not all ads are watched. This is because CTV is a multimedia channel, encompassing both sight & sound

- **Viewable** - TV on, 1+ persons in room 2+ secs
- **Active Attention** - Eyes on screen 2+ secs

**63%**

**33%**

44% say they **frequently** have the TV on **throughout the entire day** (51% of FAST AVOD Users)

53% say they **frequently** have TV on **in the background/ do other things while watching TV** (47% male vs. 60% female)

Source: CTV Ad Attention & Receptiveness 2023
Creative & Media Placement are both important components of maximizing attention & receptivity.

Optimizing Attention & Receptiveness

Source: CTV Ad Receptiveness & Attention 2023
Key factors that help optimize attention

- Timing
- Environment
- Target Demos
- Pod Position & Length
- Ad Break Timing
- Frequency
- Recency
- Ad Length
- Context

Source: CTV Ad Attention & Receptiveness 2023
Timing matters
Different times of day deliver different benefits

ATTENTION % AND SHARE OF TIME SPENT THROUGHOUT THE DAY

Attention starts out high early in the morning and spikes throughout the day.

Primetime captures the greatest attention, with 47% of time spent.

Source: CTV Ad Attention & Receptiveness 2023
Though viewing time drops, CTV sustains attention throughout summer months.

**ATTENTION % AND SHARE OF TIME SPENT THROUGHOUT THE YEAR**

<table>
<thead>
<tr>
<th>Month</th>
<th>Share of Time Spent</th>
<th>Attention %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan 22</td>
<td>12%</td>
<td>36%</td>
</tr>
<tr>
<td>Feb 22</td>
<td>10%</td>
<td>34%</td>
</tr>
<tr>
<td>Mar 22</td>
<td>8%</td>
<td>32%</td>
</tr>
<tr>
<td>Apr 22</td>
<td>10%</td>
<td>30%</td>
</tr>
<tr>
<td>May 22</td>
<td>8%</td>
<td>28%</td>
</tr>
<tr>
<td>Jun 22</td>
<td>6%</td>
<td>26%</td>
</tr>
<tr>
<td>Jul 22</td>
<td>4%</td>
<td>24%</td>
</tr>
<tr>
<td>Aug 22</td>
<td>2%</td>
<td>22%</td>
</tr>
<tr>
<td>Sep 22</td>
<td>4%</td>
<td>20%</td>
</tr>
<tr>
<td>Oct 22</td>
<td>6%</td>
<td>18%</td>
</tr>
<tr>
<td>Nov 22</td>
<td>8%</td>
<td>16%</td>
</tr>
</tbody>
</table>

Attention drops by 3% near the holidays.

Source: CTV Ad Attention & Receptiveness 2023
Analyzed 4 Ad-Supported Application Types

**Paid/Subscription Based**

**Hybrid AVOD**
Hulu, HBO Max, Paramount+, Peacock, Discovery+, Disney+, Netflix**, Amazon Prime Video**

**vMVPD**
FuboTV, YouTubeTV, Sling, Philo, DirecTV Stream

**Non-subscription Based**

**FAST**
Tubi, Pluto, Roku, Crackle, Vudu, Xumo

**Smart TV FAST Channels**
Amazon Freevee, Vizio’s WatchFree**, Samsung TV Plus**, LG Channels**

Source: CTV Ad Attention & Receptiveness 2023
Ad attention is higher for more “intentional” paid subscription services.

Viewers also expect a better experience on services they are paying for.

**ATTENTION %**

- vMVPD: 35%
- Hybrid: 33%
- Smart TV FAST Channel: 30%
- FAST: 28%

**ATTENTION TIME (SECS)**

- Hybrid: 10.2
- vMVPD: 10.1
- FAST: 9.4
- Smart TV FAST Channel: 8.5

When you’re watching a commercial on a [premium] channel ... it’s not supposed to be your humdrum television.”

–James, FAST

Source: CTV Ad Attention & Receptiveness 2023
Although paid subscription based model overperform overall, attention varies across app types

Though FAST apps underperform on average, some do well, i.e. XUMO or Roku Channel

**ATTENTION %**

<table>
<thead>
<tr>
<th>Hybrid</th>
<th>FAST</th>
<th>VMVPD</th>
<th>Smart TV</th>
</tr>
</thead>
<tbody>
<tr>
<td>47%</td>
<td>35%</td>
<td>32%</td>
<td>28%</td>
</tr>
<tr>
<td>45%</td>
<td>34%</td>
<td>31%</td>
<td>27%</td>
</tr>
<tr>
<td>41%</td>
<td>34%</td>
<td>30%</td>
<td>27%</td>
</tr>
<tr>
<td>35%</td>
<td>30%</td>
<td>30%</td>
<td>25%</td>
</tr>
<tr>
<td>34%</td>
<td>30%</td>
<td>30%</td>
<td>24%</td>
</tr>
<tr>
<td>34%</td>
<td>30%</td>
<td>30%</td>
<td>23%</td>
</tr>
</tbody>
</table>

Source: CTV Ad Attention & Receptiveness 2023
Who you advertise to matters

Attention to ads in CTV grows with age

<table>
<thead>
<tr>
<th>ATTENTION %</th>
<th>ATTENTION TIME (SECS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>U18</td>
<td>20%</td>
</tr>
<tr>
<td>18-29</td>
<td>31%</td>
</tr>
<tr>
<td>30-39</td>
<td>29%</td>
</tr>
<tr>
<td>40-49</td>
<td>32%</td>
</tr>
<tr>
<td>50-59</td>
<td>34%</td>
</tr>
<tr>
<td>60+</td>
<td>36%</td>
</tr>
</tbody>
</table>

Source: CTV Ad Attention & Receptiveness 2023
Younger viewers are harder to engage, but app type matters

Younger viewers are nearly 60% more likely to spend time with Hybrid applications

EXPOSURE BY AGE INDEX

- vMVPD (e.g., FuboTV, YouTube TV)
- FAST (e.g., Pluto, Tubi, Roku)
- Hybrid (e.g., HBOMax, Hulu, Peacock)
- Smart TV FAST Channel (e.g., Amazon Freevee)

Source: CTV Ad Attention & Receptiveness 2023
Pod Position Matters

Ads in the first position capture more attention than the mid & last position

**ATTENTION %**

- **First**: 38%
- **Mid**: 36%
- **Last**: 36%

**ATTENTION TIME (SECS)**

- **First**: 11.0
- **Mid**: 10.2
- **Last**: 10.1

+6%

+0.9s

“[Advertisers] should really **strive to be the first**.... The first ad in the break is the one that’s likely to get the most of your attention.”

–Rich, Smart TV FAST Channel

Source: CTV Ad Attention & Receptiveness 2023
Pod length also makes a difference

Shorter pod durations get more attention and co-viewing, and consumers are more receptive

<table>
<thead>
<tr>
<th>Pod Duration</th>
<th>Attention %</th>
<th>Co-viewing %</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;90 seconds</td>
<td>38%</td>
<td></td>
</tr>
<tr>
<td>90 seconds - 3 minutes</td>
<td>35%</td>
<td></td>
</tr>
<tr>
<td>3-4 minutes</td>
<td>37%</td>
<td></td>
</tr>
<tr>
<td>4-5 minutes</td>
<td>36%</td>
<td></td>
</tr>
<tr>
<td>5+ minutes</td>
<td>27%</td>
<td></td>
</tr>
</tbody>
</table>

“[If] the commercial breaks are too long it causes me to flip channels.”

–Aud, Hybrid

66% of CTV viewers agree

“I care more about the length of the ad break than the length of individual ads.”
The timing of ad breaks impacts receptiveness

Unnatural breaks are deemed as “the worst”, with many preferring the more natural breaks seen on cable.

“The Worst” ad experiences

- 66% Ads that cut a show off at an unnatural place (i.e., middle of sentence)
- 61% Ads that cut a show off at a cliffhanger
- 47% Ad breaks that aren’t evenly spaced out throughout a show

“Natural” cable ad experience preferred

- 55% say cable ad experiences are more predictable than on streaming services
- 51% would like streaming ad experiences to reflect the cable ad experience

Source: CTV Ad Attention & Receptiveness 2023

“There was a fight scene and the ads were just stuck in the middle of the fight scene. Why, why, why?”
– TeAsia, FAST

“On cable you’re exposed to a multitude of different stuff whereas with the streaming services ... it’s random and there’s a lot of repetition.”
– Emily, FAST
vMVPD and Hybrid deliver the most “natural” ad breaks

The applications rated the highest for ad attention also deliver the most “natural” ad breaks

**“THE AD EXPERIENCE ON THIS SERVICE FEELS NATURAL”**

(average; among users of each AVOD type)

<table>
<thead>
<tr>
<th>AVOD Type</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>vMVPD</td>
<td>43</td>
</tr>
<tr>
<td>Hybrid</td>
<td>39</td>
</tr>
<tr>
<td>Smart TV FAST</td>
<td>38</td>
</tr>
<tr>
<td>FAST</td>
<td>33</td>
</tr>
</tbody>
</table>

“DirecTV stream has commercials you would normally see on cable which ... makes me appreciate it more.”

– Lindsee, vMVPD

Source: CTV Ad Attention & Receptiveness 2023
Frequency matters

Attention peaks at 6-10 exposures – but 85% of impressions never hit this peak

<table>
<thead>
<tr>
<th>ATTENTION %</th>
<th>IMPRESSION %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Exposure</td>
<td>2-5 Exposures</td>
</tr>
<tr>
<td>52%</td>
<td>53%</td>
</tr>
<tr>
<td>85%</td>
<td>32%</td>
</tr>
</tbody>
</table>

Source: CTV Ad Attention & Receptiveness 2023
However, repetition can also be a major annoyance. …

…. and, even worse, negatively impacts brand sentiment.

**IMPACT OF REPETITION ON BRAND SENTIMENT**

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Negative Brand Impact (B2B)</th>
<th>No Effect</th>
<th>Positive Brand Impact (T2B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seeing the same ad multiple times</td>
<td>47%</td>
<td>29%</td>
<td>24%</td>
</tr>
<tr>
<td>Seeing an ad back-to-back</td>
<td>46%</td>
<td>29%</td>
<td>25%</td>
</tr>
<tr>
<td>Seeing an ad many times over the course of a few days</td>
<td>36%</td>
<td>36%</td>
<td>28%</td>
</tr>
</tbody>
</table>

Source: CTV Ad Attention & Receptiveness 2023
The Attention Sweet Spot for Frequency & Recency

The key is to achieve an effective frequency of 6-10 exposures while maintaining an optimal gap of 12 - 24 hours between exposures.

**AD ATTENTION % VS. TIME SINCE LAST EXPOSURE**

![Graph showing the relationship between time since last creative exposure and ad attention percentage](Image)
Different length ads play different roles

Longer lengths get more viewer attention time while people watch half of short ad lengths

<table>
<thead>
<tr>
<th>ATTENTION TIME (AVG. SECS)</th>
<th>% of TOTAL AD VIEWED</th>
</tr>
</thead>
<tbody>
<tr>
<td>15 seconds 7.2 sec</td>
<td>48%</td>
</tr>
<tr>
<td>30 seconds 11.3 sec</td>
<td>38%</td>
</tr>
<tr>
<td>60 seconds 15.1 sec</td>
<td>25%</td>
</tr>
</tbody>
</table>

Source: CTV Ad Attention & Receptiveness 2023
Changing the creative over multiple exposures has positive impact on receptiveness, more so than various ad lengths.

<table>
<thead>
<tr>
<th>Impact on Different Types of Ad Experience Toward Brand</th>
<th>Positive Brand Impact (T2B)</th>
<th>No Effect</th>
<th>Negative Brand Impact (B2B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seeing different ads for the same brand that tell a story</td>
<td>47%</td>
<td>36%</td>
<td>17%</td>
</tr>
<tr>
<td>Seeing different lengths of the same ad</td>
<td>32%</td>
<td>41%</td>
<td>27%</td>
</tr>
</tbody>
</table>

Source: CTV Ad Attention & Receptiveness 2023
Longer executions have more opportunity to capture attention in the first pod position.

**AD LENGTH BY POD POSITION**

Source: CTV Ad Attention & Receptiveness 2023
Context matters

Share of ad attention is highest for genres that garner more engagement, whether during solo viewing or co-viewing.

If it’s a weekly series or drama... I’ll be more engaged in the programming and therefore more engaged in watching the ad.

– Rich, Smart TV FAST Channel

If I have people over we may enjoy the commercials more. We can bond over them, especially if the ads are humorous.”

– Ramon, Hybrid

### Top 3 Genres for Co-Viewing Attention %

1. Game Show
2. Political Commentary/Coverage
3. Family

### ATTENTION %

- Crime Drama: 46%
- Political Commentary/Coverage: 39%
- Game Show/Competition: 38%
- Drama: 35%
- Horror/Mystery: 34%
- Other: 32%
- Comedy: 32%
- Talk: 32%
- Crime: 31%
- Reality: 31%
- Sports: 29%
- Documentary: 28%
- Cooking: 26%
- News: 24%
- Family: 23%
- Home: 20%
- Action/Adventure: 20%
- Sci-Fi: 16%
- Awards: 14%

Source: CTV Ad Attention & Receptiveness 2023
Creative that is contextually relevant drives greater attention

64% of viewers agree ad experiences are better when ads feature people/elements from the program they are watching

ATTENTION % - 30 SECOND ADS

Cooking Genre
- All Ads in Cooking Genre: 26%
- Food/Beverages: +77% to 45%

Home Improvement Genre
- All Ads in Home Genre: 20%
- Home & Garden: +20% to 24%

Sports Genre
- All Ads in Sports Genre: 29%
- Entertainment/Media/Leisure: +9% to 31%

I saw an ad for the NHL while watching the Washington Capitals game. I thought this ad was awesome.”

– Ella, vMVPD

Source: CTV Ad Attention & Receptiveness 2023
Outside of conventional ads, Sponsorships are highly effective at capturing attention

<table>
<thead>
<tr>
<th>BRAND SPONSORSHIPS LOGOS VS. CONVENTIONAL CTV ADS: DELTA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ATTENTION</strong></td>
</tr>
<tr>
<td>% of ad impressions where a viewer was watching the TV screen for two or more seconds.</td>
</tr>
<tr>
<td><strong>ATTENTION TIME</strong></td>
</tr>
<tr>
<td>The avg. amount of time per attentive impression where a viewer was watching the TV screen.</td>
</tr>
<tr>
<td><strong>ATTENTION CONVERSION</strong></td>
</tr>
<tr>
<td>Indicates how well a commercial draws attention in relation to the length of the commercial.</td>
</tr>
</tbody>
</table>

“**When RAM trucks sponsored Yellowstone, it felt like my time was being valued by the brand. I remember those things. It doesn’t get lost in the shuffle.**”

– Bill, vMVPD

“We like to watch some types of sporting events that are sponsored by various companies. Those ads are usually pretty good.”

– Bill, vMVPD

Source: CTV Ad Attention & Receptiveness 2023
Creative is a key ingredient to garner attention and receptiveness

Source: CTV Ad Attention & Receptiveness 2023
Creativity matters

IDEAL AD EXPERIENCE (T2B)

67% Ads that are funny

61% Ads that are to-the-point

59% Ads that feature good music/a catchy jingle

55% Ads that immediately tell you what brand they’re for

54% Ads that tell a story

It’s a 360 degree experience

Advertising on TV shows/content is “at its best” for me when...“The ads are funny, well-executed, and short.”

–Ella, vMVPD

Humor and music are attention-grabbing to me.”

–Francesco, vMVPD

Draw my attention quick and right off the bat. Keep it short and simple.”

–Ramon, Hybrid

Source: CTV Ad Attention & Receptiveness 2023
Audio branding is critical in low attention environments

Even when consumers are not watching the ad, they are listening

81% agree that when TV is on in the background they still hear/listen to the audio (89% of Heavy AVOD users)

“The sound is able to permeate my space so even if I’m filling up my drink I’m still hearing it – though I may not be seeing the full visual.”

–Bill, vMVPD

Source: CTV Ad Attention & Receptiveness 2023
Personalization matters

59% Want “ads that are relevant to me/my interests”

54% Agree that social media does a better job of showing me relevant ads and promotions than streaming services

62% Say “most ads I see when I’m watching streaming services aren’t relevant to me”

A majority of consumers want ads that are relevant and nearly as many feel most ads are not.

“[Streaming services] personalize their ads somewhat, but it’s not nearly the level of personal targeting you see in social media where they can pull out your likes and your search data and use it to build an algorithm to target ads. [CTV] is not the personalized experience.”

–Bill, vMVPD

“It feels like the streaming services are a bit out of touch with who’s watching their content. ...they should make a little bit of an effort ...so it feels a little more personalized and you’re not just pressing a random-ass button... I’m not stupid.”

–Emily, FAST
### IMPACT OF DIFFERENT TYPES OF AD EXPERIENCES

<table>
<thead>
<tr>
<th>(Among Total)</th>
<th>Would make my ad experience better</th>
<th>Wouldn’t have impact</th>
<th>Would make my ad experience worse</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seeing a countdown timer</td>
<td>57%</td>
<td>34%</td>
<td>9%</td>
</tr>
<tr>
<td>Having the ability to choose what categories of ads I’m interested in</td>
<td>56%</td>
<td>36%</td>
<td>8%</td>
</tr>
<tr>
<td>Choosing which ad(s) to watch</td>
<td>54%</td>
<td>36%</td>
<td>10%</td>
</tr>
<tr>
<td>Having the ability to interact with ads</td>
<td>35%</td>
<td>46%</td>
<td>20%</td>
</tr>
</tbody>
</table>

64% of CTV viewers would like to be able to customize their ad experiences on streaming services.

Source: CTV Ad Attention & Receptiveness 2023
## Takeaways & Yahoo Solutions

<table>
<thead>
<tr>
<th>Timing</th>
<th>Environment</th>
<th>Target Demos</th>
<th>Ad Break Timing</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Meet them where they are.</strong> Evening &amp; morning hours have the most engagement.</td>
<td><strong>High Attention Environment; Higher Expectations.</strong> Paid/subscription services are lean in environments with high attention, but viewers have higher expectations for ad creatives.</td>
<td><strong>Attention increases with age</strong> and certain age group are more likely to lean into one application than another, with younger viewers more likely on Hybrid. Consumers are also most receptive to ads that feel personalized to them.</td>
<td><strong>Be First, Don’t be awkward.</strong> Ads in the first pod position and in pods &lt;90 seconds garner the most attention. Paid/Subscription environments are viewed as having the most “natural” ad break timings.</td>
</tr>
</tbody>
</table>

### Solutions

- Yahoo’s offers full measurement and targeting capabilities across dayparts
- Comprehensive CTV supply access including LIVE sports and events as well as LIVE Linear Addressable
- Yahoo’s panel of 167M logged in users connects TV HHs to accurate demographic & behavioral data
- Yahoo taps into all premium environments including vMVPDs and premium streamings apps like HBO Max and Peacock

---

*Attention increases with age* and certain age group are more likely to lean into one application than another, with younger viewers more likely on Hybrid. Consumers are also most receptive to ads that feel personalized to them.
Context Matters:
Lean in genres such as Crime Drama garner the most attention. Contextually aligned ads are high attention grabbers especially in Cooking, Home, & Sports genres.

Different ad lengths play different roles.
Longer lengths get longer view time, while shorter lengths have higher attention conversion (% of total ad viewed).

The Attention Sweet Spot:
Campaigns can be left in market longer to maximize attention (6-10 exposures), but avoid brand burnout by optimizing gap time (12 - 24 hours between exposures).

Creative closes the deal.
Humor, music, audio branding in low attention environments, storytelling, and early branding enhance viewers’ attention and receptiveness.

Yahoo can help manage frequency across channels and solve for ad wearout.
Yahoo can contextualize creative impact relative to many different outcomes.
Yahoo has integrations with leading contextual solutions.
Yahoo DCO for CTV enables creative versioning and personalization.

Takeaways & Yahoo Solutions

Frequency & Recency

Ad Length

Genre & Context

Creative
Yahoo Advantages

- Identity at the core with Yahoo Connect ID 192M Authenticated Users
- Premium CTV and Live Linear supply to reach more HHs in the right environment
- Trusted TV Data with exclusive Vizio and DirecTV partnerships
- Tools to measure holistic reach and frequency and optimize for performance
Yahoo’s Advanced TV Advantages

Best of Both Worlds

- Walled gardens getting higher
- Independents challenged by identity

Trusted TV Data

- DIRECTV
- VIZIO
- Insights
- Activate
- Measure

Linear + CTV Reach

- The largest addressable TV footprint in market: 80M+ CTV and 25M linear households
- Trusted TV Data
- Low Tech Fees + Value Add:
  - Cross Device Graph
  - 1P Measurement
  - Linear Audience Insights
  - Unified TV Measurement
  - Addressable Linear Buying
The Most Trusted ATV Data Solution

What sets Yahoo apart?
- Exclusive and First To Market Data
- Multi-Sourced TV Data
- Yahoo’s Proprietary 167M Panel
- Fully Transparent
- Cost Effective

Logged-in users.¹

Additional TV Data Access

---

¹Yahoo Internal data, September 2022.
Thank you
Consumers recognize that advertisers make less expensive programming possible

**AD SENTIMENT AMONG TOTAL** (on a 5-point scale)

<table>
<thead>
<tr>
<th>Statement</th>
<th>T2B</th>
<th>(midpoint)</th>
<th>B2B</th>
</tr>
</thead>
<tbody>
<tr>
<td>“I’m okay with seeing ads when I’m watching TV”</td>
<td>49%</td>
<td>14%</td>
<td>37%</td>
</tr>
<tr>
<td>“If I were to add a new streaming service, I’d rather pay less and get some ads”</td>
<td>46%</td>
<td>13%</td>
<td>41%</td>
</tr>
<tr>
<td>“I do everything I can to avoid ads”</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>“If I were to add a new streaming service, I’d rather pay more and not get any ads”</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

I am receptive to ads. I expect ads, especially when watching a free service. It’s even fun sometimes – if the ads are right.”  
– Emily, FAST

I don’t mind ads, and I like not having to pay extra to avoid them. ...They’re not something I’m actively avoiding at all costs – like some people.”  
– Lindsee, vMVPD

..Somebody has to pay for it, so they have to add ads to support you.”  
– Rich, Smart TV FAST Channel

Source: CTV Ad Attention & Receptiveness 2023
Audio branding is critical in ads even as when consumers are not watching the ad, they listen.

- **53%** say they frequently have TV on in the background/do other things while watching TV.
- **44%** say they frequently have TV on throughout the day.
- **81%** agree that when TV is on in the background they still hear/listen to the audio.

Source: CTV Ad Attention & Receptiveness 2023
Seasonality is not as impactful on CTV where time spent is sustained

Drivers: Time of Year

### LINEAR ADS - TIME OF YEAR

<table>
<thead>
<tr>
<th>Month</th>
<th>Share of Time Spent</th>
<th>Attention %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan 22</td>
<td>14.15</td>
<td>12%</td>
</tr>
<tr>
<td>Feb 22</td>
<td>10.79</td>
<td>10%</td>
</tr>
<tr>
<td>Mar 22</td>
<td>9.59</td>
<td>8%</td>
</tr>
<tr>
<td>Apr 22</td>
<td>8.70</td>
<td>6%</td>
</tr>
<tr>
<td>May 22</td>
<td>8.58</td>
<td>4%</td>
</tr>
<tr>
<td>Jun 22</td>
<td>7.14</td>
<td>2%</td>
</tr>
<tr>
<td>Jul 22</td>
<td>6.18</td>
<td>14%</td>
</tr>
<tr>
<td>Aug 22</td>
<td>7.01</td>
<td>16%</td>
</tr>
<tr>
<td>Sep 22</td>
<td>7.87</td>
<td>11.17%</td>
</tr>
<tr>
<td>Oct 22</td>
<td>9.67</td>
<td>12%</td>
</tr>
<tr>
<td>Nov 22</td>
<td>10.31</td>
<td>8%</td>
</tr>
</tbody>
</table>

Attention drops by 3% near the holidays

### CTV ADS - TIME OF YEAR

<table>
<thead>
<tr>
<th>Month</th>
<th>Share of Time Spent</th>
<th>Attention %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan 22</td>
<td>10.83</td>
<td>12%</td>
</tr>
<tr>
<td>Feb 22</td>
<td>9.72</td>
<td>10%</td>
</tr>
<tr>
<td>Mar 22</td>
<td>11.17</td>
<td>8%</td>
</tr>
<tr>
<td>Apr 22</td>
<td>8.77</td>
<td>6%</td>
</tr>
<tr>
<td>May 22</td>
<td>9.97</td>
<td>4%</td>
</tr>
<tr>
<td>Jun 22</td>
<td>7.53</td>
<td>2%</td>
</tr>
<tr>
<td>Jul 22</td>
<td>8.31</td>
<td>14%</td>
</tr>
<tr>
<td>Aug 22</td>
<td>8.58</td>
<td>16%</td>
</tr>
<tr>
<td>Sep 22</td>
<td>9.19</td>
<td>11.17%</td>
</tr>
<tr>
<td>Oct 22</td>
<td>8.78</td>
<td>12%</td>
</tr>
<tr>
<td>Nov 22</td>
<td>7.15</td>
<td>8%</td>
</tr>
</tbody>
</table>

Attention drops by 3% near the holidays

Source: CTV Ad Attention & Receptiveness 2023
Younger viewers are more attentive to ads in environments they spend more time with.

**Attention %** - The percentage of ad impressions where a viewer was watching the TV screen for two or more seconds.

Source: CTV Ad Attention & Receptiveness 2023
Repetition causes attention to plummet

Attention drops when viewers are exposed to the same ad within two minutes, and remains lowered for ads aired less than 5 minutes apart.

Source: CTV Ad Attention & Receptiveness 2023
Genres that garner attention differ by age, with crime-related and comedic shows most likely to appear in the top three for multiple age categories.

<table>
<thead>
<tr>
<th>Age Range</th>
<th>Top 1</th>
<th>Top 2</th>
<th>Top 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 18</td>
<td>Family</td>
<td>Documentary</td>
<td>Comedy</td>
</tr>
<tr>
<td>18 - 29</td>
<td>Other</td>
<td>Reality</td>
<td>Comedy</td>
</tr>
<tr>
<td>30 - 39</td>
<td>Crime</td>
<td>Reality</td>
<td>Documentary</td>
</tr>
<tr>
<td>40 - 49</td>
<td>Horror / Mystery</td>
<td>Politics / Government</td>
<td>Crime</td>
</tr>
<tr>
<td>50 - 59</td>
<td>Crime Drama</td>
<td>Comedy</td>
<td>Family</td>
</tr>
<tr>
<td>60+</td>
<td>Crime Drama</td>
<td>Game Show</td>
<td>Cooking</td>
</tr>
</tbody>
</table>

Source: CTV Ad Attention & Receptiveness 2023
Attention is influenced by many factors

1. Optimize through Creative
   Creative is key. Humor, music, storytelling, casting, and other creative choices enhance viewers' ad experience - as does getting the brand name out early. Audio branding is especially critical in low attention environments.

2. Optimize through Audience
   Attention increases with age. Audiences tune to different applications, so depending on your target look to air ads on applications and application types where they are most engaged, with younger viewers on Hybrid. Align with shorter pod durations for coviewing.

3. Optimize through Content
   Audiences lean into different genres. Understand where your audience is tuning and target those environments. Contextual relevance can help get twice as much attention for your brands. Look to air ads in contextually relevant content.

4. Avoid Brand Burnout
   Frequency & Recency matter. Creatives can be kept in market longer to maximize attention (6 - 10 exposures), but avoid brand burnout by optimizing gap time (12 - 24 hours). Utilize sequential storytelling to avoid repetitiveness.

Source: CTV Ad Receptiveness & Attention 2023
Creative Best Practices

1. Get the brand name out early
   Few ads retain attention through the end. Don’t keep viewers in suspense about the brand being advertised – they’ll walk away before you make an impression (especially if they’re under 60).

2. Audio Branding is critical in low attention environments
   Bring back the jingle. Music is a favorite aspect of advertising for many, and can work for advertisers even when eyes aren’t on screen.

3. Make them laugh or make them care – or both
   Consumers are particularly receptive to funny ads, and to ads that tap into what they care about – whether that’s celebrities, causes, or the content that draws them in, from cooking to crime.

4. Use your context
   Utilize elements in the programming your audience is tuning in to – such as actors and sports personalities, topics, or even tone. They like what they like – give them more of that.
Avoid brand burnout

Mix in more creatives using Sequential Messaging
Consider adding a wider variety of creatives to your rotation to reduce the risk of repeat ad wear out. Sequential messaging, using storytelling across a creatives for the same brand helps with repetition issues.

Experiment with shorter ad lengths
Attention conversion is more sustained for shorter ads and mixing lengths help avoid burn out. Try adding some 15-second ads to your mix.

Work with platforms to limit frequency
If the same ad is being distributed through multiple partners, frequency caps can reduce the chance of customers seeing it back-to-back.

Consolidate
Consider moving inventory to one DSP to avoid ad wear out

Since the problem of repeat airings has yet to be fixed, here are a few quick tips for marketers looking to make the most of their CTV spend.
### TVision Metric Dictionary

<table>
<thead>
<tr>
<th>Metric</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share of Time Spent</td>
<td>Represents the share of seconds visible with the content tuned relative to the total time spent for the parameters.</td>
</tr>
<tr>
<td>Attention %</td>
<td>The percentage of ad impressions where a viewer was watching the TV screen for two or more seconds.</td>
</tr>
<tr>
<td>Attention Time</td>
<td>The average amount of time per attentive impression where a viewer was watching the TV screen.</td>
</tr>
<tr>
<td>Attention Conversion</td>
<td>Indicates how well a commercial draws attention in relation to the length of the commercial.</td>
</tr>
<tr>
<td>Viewability %</td>
<td>The percentage of ad impressions where a viewer was in the room for two or more seconds.</td>
</tr>
<tr>
<td>In-View Time</td>
<td>The average amount of time per viewable impression where a viewer was in the room.</td>
</tr>
<tr>
<td>Co-Viewing %</td>
<td>The percentage of ad impressions where two or more viewers were in the room together for two or more seconds.</td>
</tr>
<tr>
<td>Age Band Share Index</td>
<td>The Age Band Share Index represents the age band's exposure share by application type relative to the avg age band exposure share, displayed as an index.</td>
</tr>
</tbody>
</table>