

A group of people are gathered in a living room, watching a television. In the foreground, a man in a dark green shirt is seen from behind, holding a remote control. In the background, a man in an orange shirt is pointing at the screen, and two women are looking on. The room is dimly lit with a lamp and a television. There are popcorn buckets and beer bottles on a table in front of the TV. The overall atmosphere is relaxed and social.

INNOVLD

The CTV Advertising Insights Report 2024

*Your Data-Driven Source
for CTV Performance Trends*

The 100% Digital Future of TV Is Hurtling Toward Us. Are You Ready?

The 100% digital future of television is imminent. Amazon Prime, Apple TV+, Netflix, and other streamers have announced ad-supported subscription tiers. Live sports are moving to streaming, and you can bet advertiser dollars will move there as well. Marketers will spend more than \$40 billion on CTV advertising in 2027, according to eMarketer projections.

Advertisers, you need to prepare for what's coming, and Innovid is the CTV partner to help you succeed in this new world. In 2023, our ad server delivered almost 380 billion video impressions, and 53% of those impressions were via CTV. **We have an unprecedented view into streaming viewership.** That means we have invaluable insight for CTV advertisers. Our data can help you understand how to connect, engage, and drive outcomes in a media world that will be dominated by CTV.



Key High-Level Findings

Your Audience Is Watching CTV

Consumers are flocking to CTV. With cord-cutters and cord-nevers growing, a significant portion of that audience is unreachable via traditional linear TV. Advertisers understand this fact, and **CTV advertising impressions accounted for 53% of Innovid's total video impressions** in 2023, which increased 12% over 2022.

CTV Scales Reach and Frequency

With **an average frequency of 7.42 across all CTV campaigns and unique reach of 87%** for campaigns using five or fewer publishers, CTV provides advertisers unprecedented "Goldilocks" scale to ensure that your reach and frequency level is neither too high nor too low — but just right.

Advanced Creative Delivers

The biggest screen in the house delivers top-end engagement: advanced interactive campaigns on CTV achieve **engagement that is 4.6x higher than mobile and 10.3x higher than desktop.**

Let's take a deeper dive into the data.



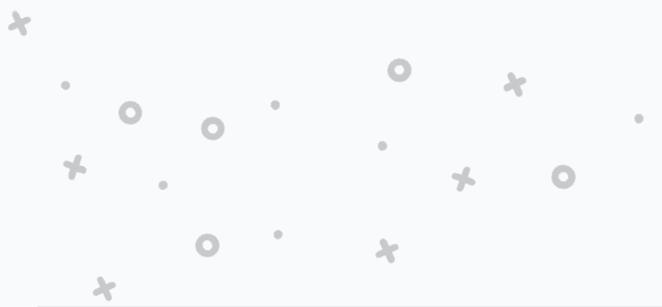
Your Audience Is Watching CTV



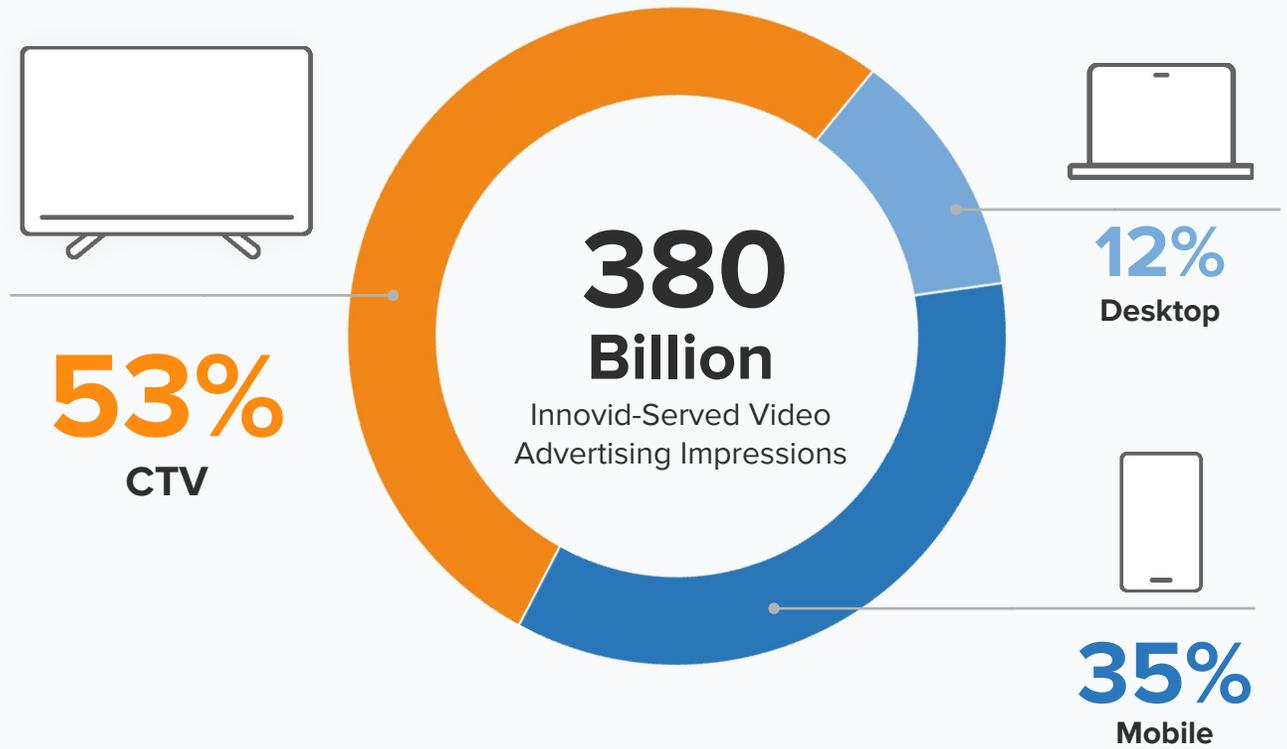
CTV Is Taking Over

Make no mistake: CTV is taking over. The Super Bowl just delivered the largest streaming audience in history and will likely build on that record in 2025. CTV advertising provides unique reach extending far beyond linear TV, meaning there are tens of millions of cord-cutters and cord-nevers — households you can only reach via streaming platforms. CTV advertising also offers the added advantage of delivering more precise control of frequency for your target audience.

As the 100% digital future of TV grows ever closer, CTV advertising continued its strong growth in 2023. It's more proof that brands and agencies realize the importance of CTV in their marketing mix. **CTV accounted for 53% of Innovid's served video impressions in 2023, and CTV impressions increased by 12% year over year.** Industry observers expect this kind of growth to continue this year and beyond.

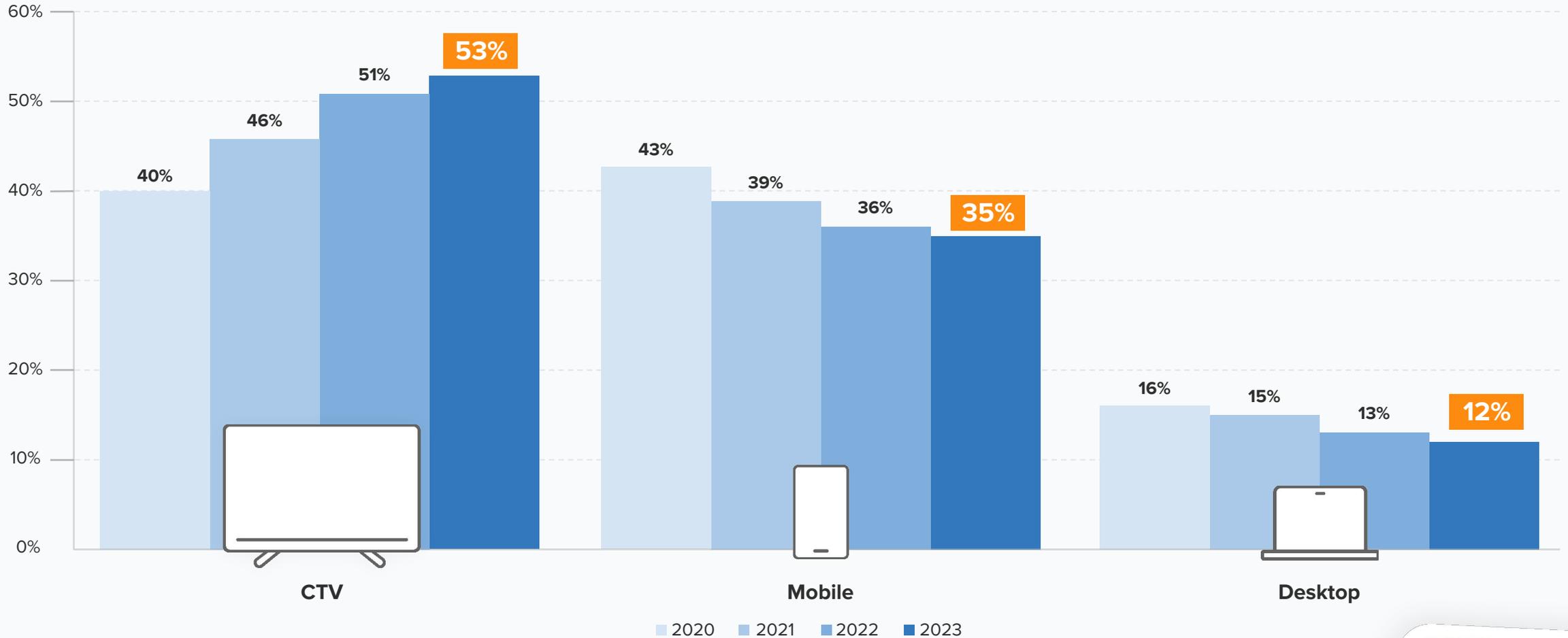


CTV's Share of Video Continues to Rise



CTV's Role in the Video Mix Grows

Video Impression Share By Device



CTV Scales Reach and Frequency



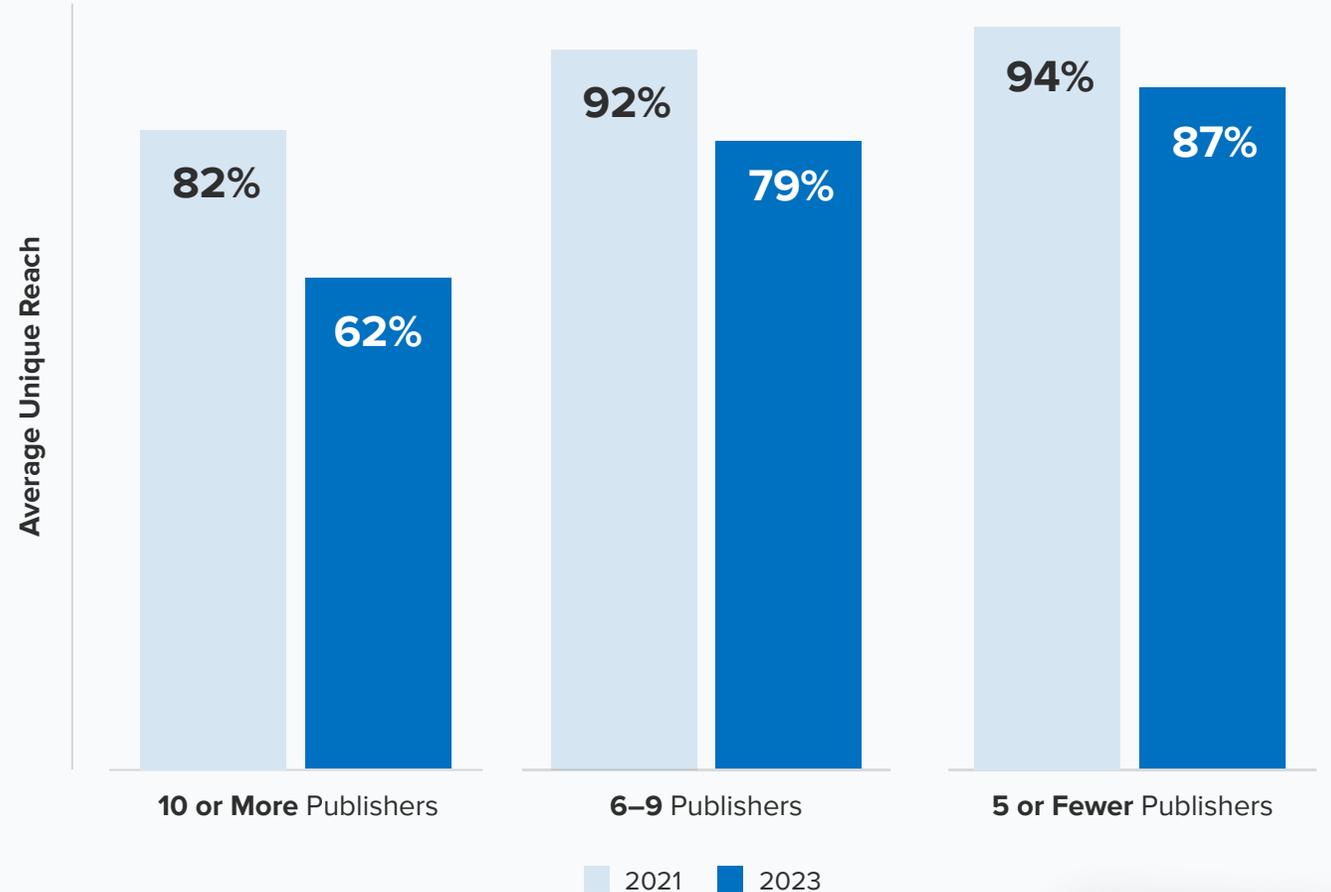
CTV Expands Advertisers' Control of Unique Reach

Advertiser goals for unique reach vary from campaign to campaign. In the past, determining metrics like unique reach has been guesswork, but the modern ad server enables brands, agencies, and publishers to use real-time data to assess a campaign's unique reach across platforms.

With more viewers using multiple streaming providers, the unique reach gained by adding 10 or more publishers has declined significantly since 2021, **dipping to 62% in 2023 from 82% two years ago**. This insight indicates that as more consumers subscribe to multiple streaming platforms, advertisers can sometimes find a shorter path to building unique reach.

The real-time data supplied by Innovid's measurement offering makes it easier to identify sources of unique reach and select the optimal mix of publishers to maximize the effectiveness of your campaigns. Ultimately, having access to this kind of data puts control of unique reach in the hands of the advertiser — where it belongs.

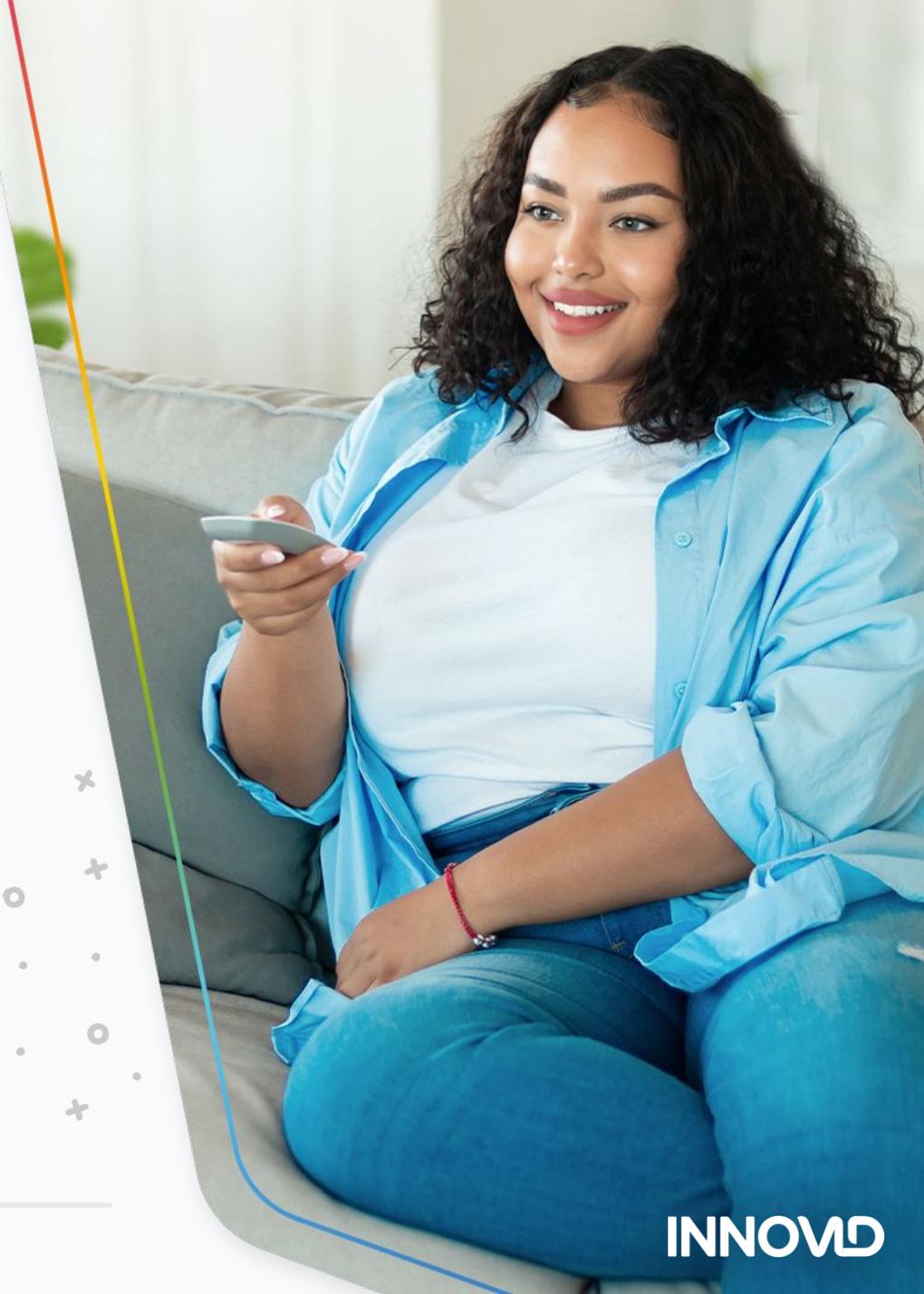
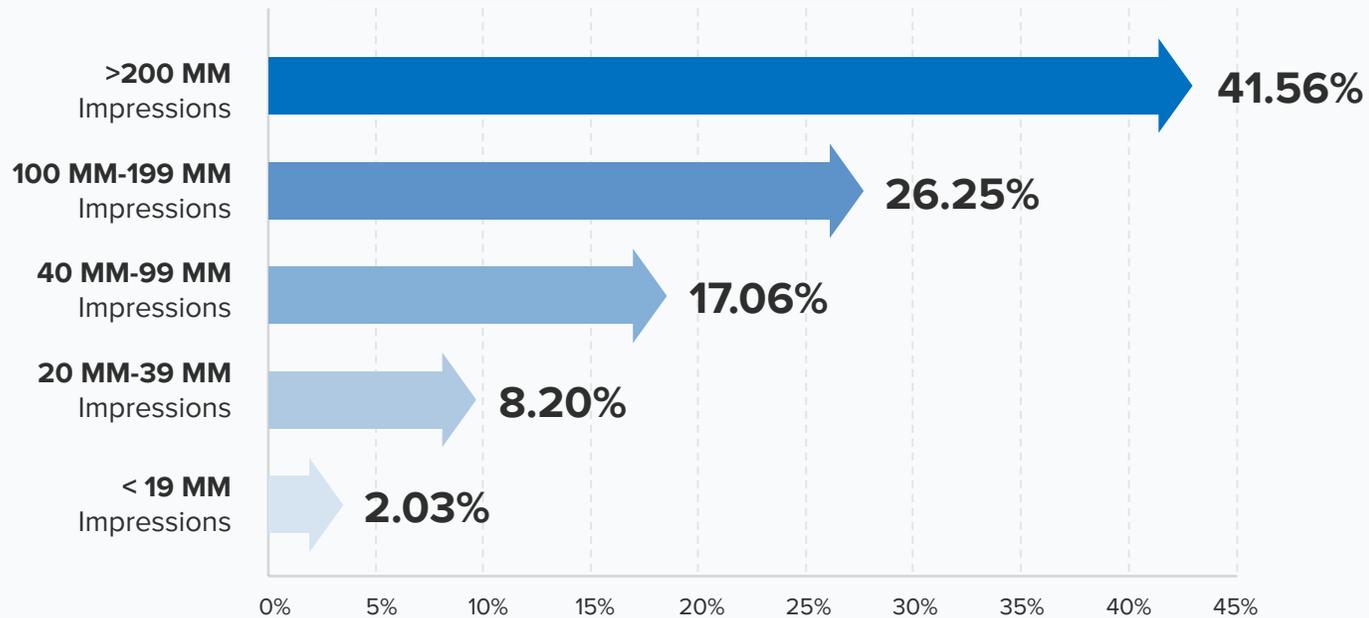
Average Campaign Unique Reach by Number of Publishers



Average CTV Campaign Reach Surges

The average CTV campaign reach is 20.16% of Innovid’s 95 million CTV households, which more than doubled compared with our data from two years ago. This surge is due to a combination of more viewers watching CTV and brands running more and larger CTV advertising campaigns. Even with this strong growth, CTV viewership — and reach — is expected to continue to increase.

Household Reach Based on Impression Volume



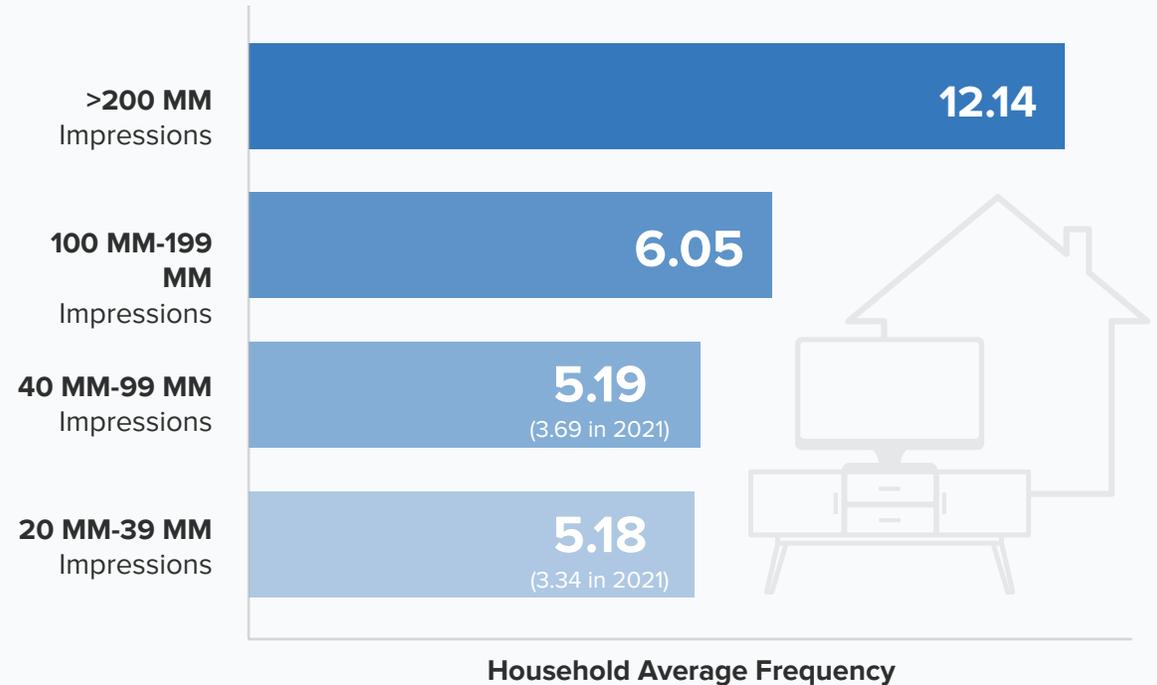
Tuning In To the Right Frequency on CTV

Delivering an advertising message at the "Goldilocks" frequency — neither too high, nor too low but just right — has long been a marketer's dream. Hitting a consumer with a marketing message multiple times is a necessity, but the risk of overexposure always lurks. We've all experienced that sinking feeling of seeing that same ad pop up repeatedly when we're streaming. But good news is on the way. As the 100% digital era of TV approaches, the possibility of precisely scaling frequency is arriving.

Over the past two years, the average frequency delivered by **Innovid's CTV campaigns has increased by about 80% from 4.08 to 7.42**. This jump is a double-edged sword. Brands want their ads viewed by consumers multiple times — but they don't want to annoy their audience either. With the ability to measure frequency accurately and with the promise of new technology that will manage frequency at the household level, CTV can provide advertisers with more precise control of frequency — to avoid bombarding consumers with a message they have already received loud and clear.

The capability to optimize ad frequency enables publishers to ensure that consumers have better viewing experiences. It also allows publishers to help advertisers reduce waste and drive improved performance.

Household Average Frequency Based on Impression Volume



Vertical Benchmarks for Reach and Frequency

Unique reach and average frequency vary among vertical industries on CTV. **The average reach for vertical ad campaigns is highest for CPG at 25.24%, and frequency is highest for Home & Garden at 16.73.**



U.S. Household Reach and Frequency by Vertical

	Avg. Reach	Avg. Frequency
 CPG	25.24%	6.63
 Technology	20.29%	8.68
 Services	17.50%	5.14
 Pharma	15.75%	5.05
 Travel/Tourism	11.89%	12.90
 Retail	9.95%	7.17
 Finserv	8.44%	8.73
 Auto	4.71%	11.52
 QSR	4.48%	8.46
 Home & Garden	3.18%	16.73

Case Study

DAVIS ELEN

Davis Elen Client Enjoys 20% Decline in Cost Per Unique Reach with InnovidXP

For its clients, advertising agency Davis Elen Advertising wanted to understand whether expanding to include video running across television, desktop, and mobile screens would yield incremental reach and frequency-based cost savings. In particular, Davis Elen wanted to know if analyzing device-level reach and frequency with InnovidXP across LG Ads and Samsung Ads could reduce partner overlap and add efficient, incremental scale to the campaigns.

Ultimately, for its global project management software client, **Davis Elen achieved an average 20% decrease in cost per unique reach across the premium video buy.** Additionally, it secured 92% unique reach across the entire campaign, delivering maximum efficiency.

Results



20%

decrease in cost per unique reach across the premium video buy



92%

unique reach across the entire campaign

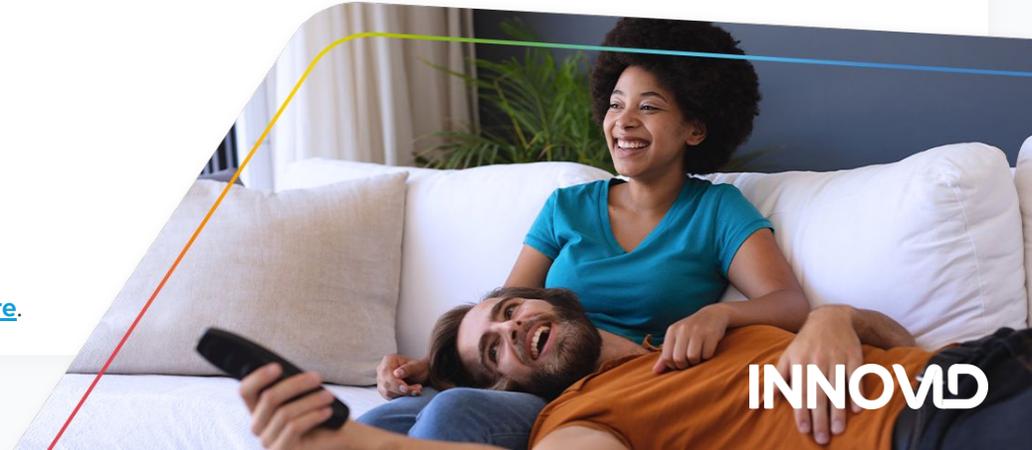
Note: This is a stand-alone case study separate from this report's analysis of Innovid's data set; [read the full case study here.](#)

“

InnovidXP has proven time and again to be a critical tool for us when it comes to real-time testing and learning, ultimately providing an even better ROI to our customers.

*John Papadopoulos,
SVP, Director of Media Strategy,
Davis Elen Advertising*

”





Advanced Creative Delivers Powerful Performance



Brands Are Embracing Advanced Creative on CTV

In the broadcast era, advertisers reached a broad swath of consumers with brand messages on shows like *Happy Days*. In the cable era, advertisers could deliver more targeted messages to viewers on HGTV or the Golf Channel. Now, as television hurtles toward its 100% digital future, the kind of personalized, one-to-one advertising that was pioneered on the internet is available on your television, the biggest screen in the house.

This shift to CTV doesn't only mean that advertisers are following consumer eyeballs and moving ad buys to CTV. It also means that brands can leverage new advertising formats (that simply aren't available on linear TV) to boost the effectiveness of their campaigns. The two key formats that brands have embraced are:

- **Interactive ads**
- **Dynamic creative optimization (DCO)**

Read on for more insight into how these formats are driving powerful results.



Interactive Ads Drive Strong Engagement

Interactive ads enable consumers to engage on screen through elements such as expandable learn-more galleries or add-to-cart QR codes, which have an overall scan-rate of 0.02% with several advertisers seeing scan-rates that approach 5%. Shoppable interactive ads allow advertisers to engage in full-funnel marketing via television.

Innovid's data demonstrates that interactive CTV ads deliver outsized performance:

3.39%
Engagement Rate

With an engagement rate of 3.39%, interactive CTV ads (including choice-based ads) deliver 7x the engagement of standard video ads.

92
Seconds

Consumers spend an average of an additional 92 seconds engaging with interactive CTV ads compared with standard pre-roll.

Interactive Product Information



Interactive Call to Action



Interactive Drive to Purchase

The Power of the Big Screen

The big screen rules all when it comes to consumer engagement with interactive CTV ads. **Interactive campaigns on CTV deliver engagement rates that are 4.6x higher than mobile and 10.3x higher than desktop.** On CTV, choice-based ads, which ask a consumer to view an ad before consuming content, are particularly effective in driving engagement when compared to non-choice-based ads.

Interactive dynamic video ads include an interactive element as well as dynamic creative optimization (DCO) elements that deliver targeted ads based on geolocation, weather, and other data.



Powerfully Engaging: Interactive Engagement Rates and Time Earned by Device and Video Ad Format

Ad Format	Device	Engagement Rate	Time Earned
Interactive	Mobile	0.73%	38.86 seconds
	PC	0.33%	
Interactive DCO	Mobile	0.49%	37.21 seconds
	PC	0.21%	
Interactive (Non-Choice-Based)	CTV	0.54%	64.74 seconds
Interactive (Choice-Based)		20.93%	94.21 seconds
Interactive (Total)		3.39%	91.88 seconds

Interactive Ads Generate Engagement

Interactive CTV video formats generate over 600% lift in engagement over standard pre-roll. This figure includes non-choice-based ads, which deliver a lift of 18%, and choice-based ads, which deliver a 4,450% lift. Choice-based ads, which include the video ads you watch to get free Wi-Fi at the airport or to gain access to a show on a streaming platform, generate powerful engagement.



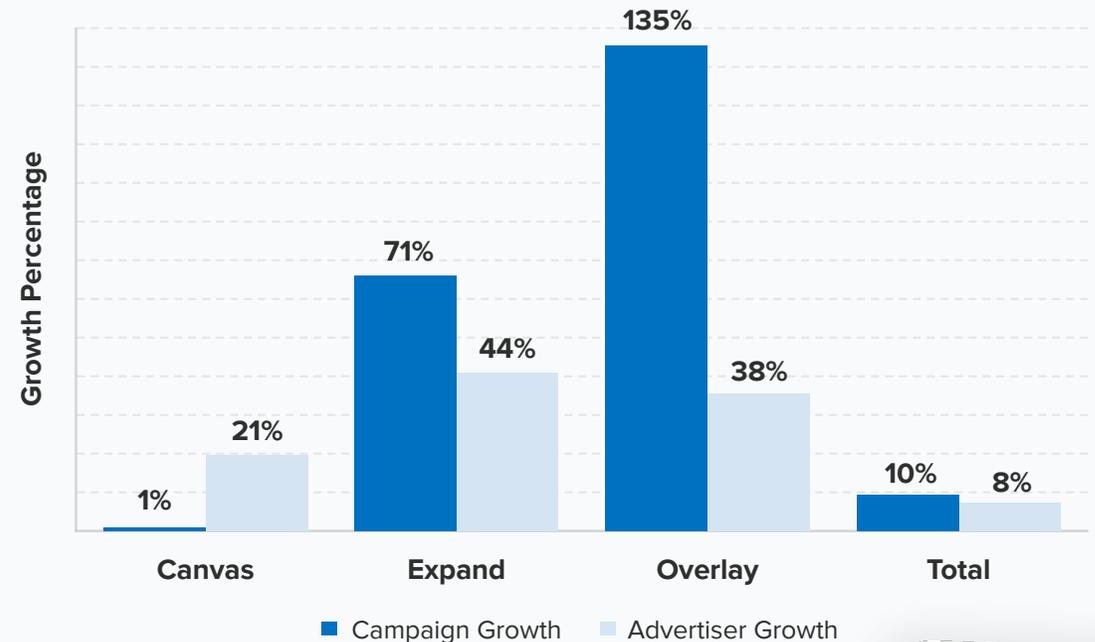
Interactive CTV ads generate 600% lift over pre-roll video

Together, choice-based and non-choice-based formats delivered a **+600% lift vs. standard pre-roll, with non-choice-based ads accounting for an 18% lift.**

Number of Interactive Advertisers and Campaigns Increase

Total interactive CTV campaigns increased by 10% and advertisers by 8% in 2023. Specifically, the Canvas, Expand, and Overlay interactive formats delivered growth in both number of campaigns and advertisers.

Interactive Ads Show Steady Growth



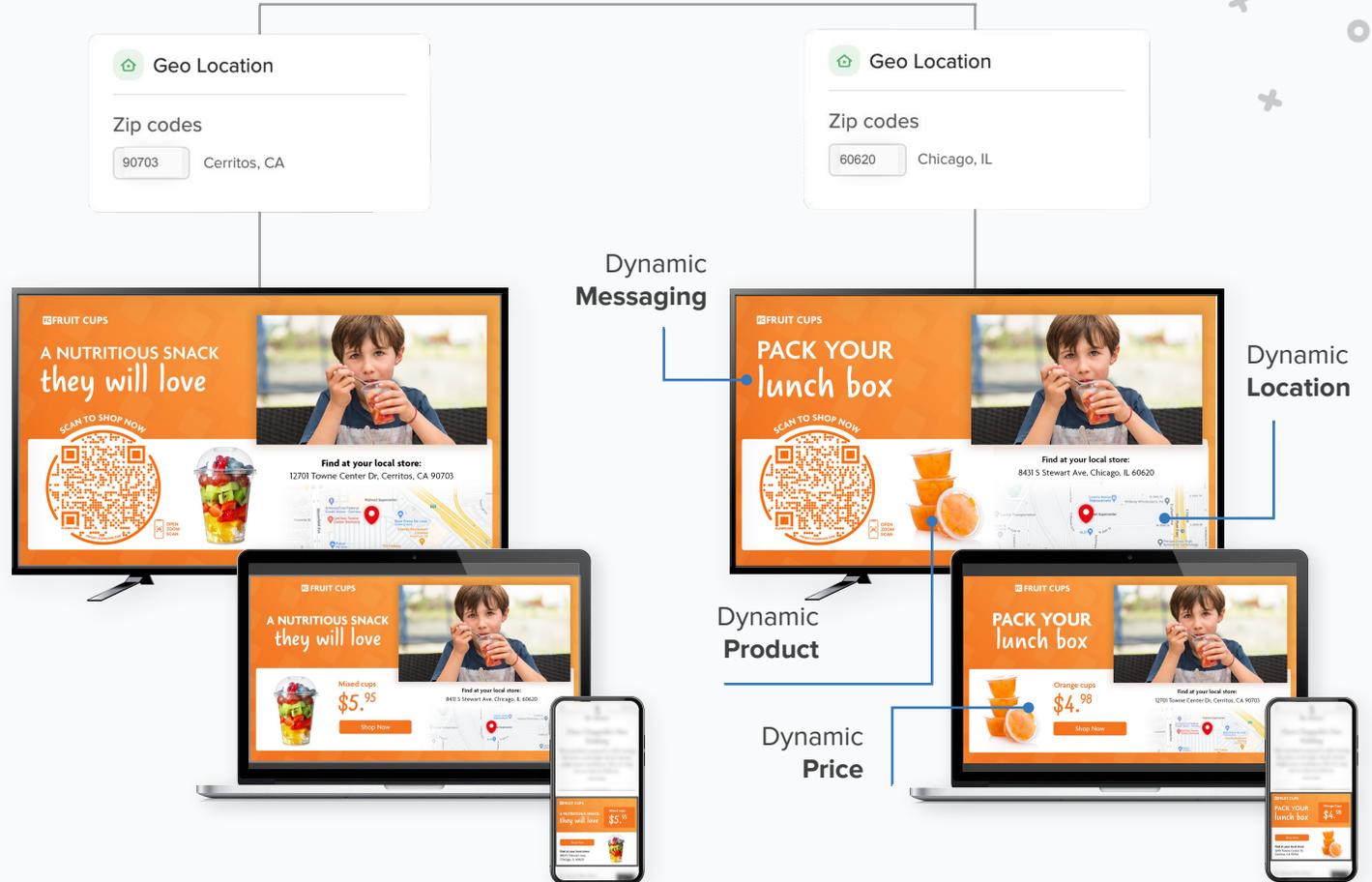
DCO Enables Data-Driven Creative at Scale

Dynamic creative optimization (DCO) enables advertisers to deliver data-driven creative at scale. With DCO, brands can ensure the most effective creative is delivered to consumers based on signals such as first-party data as well as geolocation, weather, and day-part.

8% Higher lift for dynamic video

51% Higher lift for dynamic display

Dynamic creative optimization advertising delivers results. **For DCO ads, the additional engagement time earned over standard video is more than 37 seconds.** CTR lift for dynamic video is 8% on mobile over standard video. CTR lift for dynamic display is 51% on mobile over standard display.



Interactive SpongeBob Campaign Generates a 7.1% Engagement Rate

Who lives in a pineapple under the sea? SpongeBob SquarePants. Who exceeded benchmarks by 13x with a recent interactive advertising campaign? Same answer: SpongeBob SquarePants.

The interactive campaign, promoting THQ Nordic's "SpongeBob Square Pants: The Cosmic Shake" video game, ran on Paramount+ and used the Innovid platform. The ads featured video previews of game footage, testimonials from players, an interactive canvas format to surround the video with persistent branding, and an in-canvas game where players could guess which costume SpongeBob was wearing, mirroring a key aspect of the game.

Results



7.1%

Engagement rate for the interactive campaign



13x

Higher engagement than Innovid benchmarks

Note: This is a stand-alone case study separate from this report's analysis of Innovid's data set; [read the full case study here](#).



We worked closely with the Paramount team to find the right technology and the perfect format to bring gamified ads to SpongeBob viewers. We wanted the ads to be a strong combination of fun, promotional, and informative.

*Lillian Salvadori,
Marketing Manager,
THQ Nordic*



The Data Is In: The Sweet Spot for Ad Duration

The sweet spot for video advertising tends to be about 15 to 30 seconds. Advertisers should carefully consider the length of their videos — and the attention span of their audience. Across CTV, mobile, and desktop, videos that are 15 to 30 seconds in length deliver the highest video completion rates. The click-through rates for mobile and desktop videos that are 15 to 30 seconds are also the top performers.

In general, the shorter the video, the higher the completion rate. CTV videos have higher completion rates compared with videos on mobile and desktop. The best click-through rates for mobile and desktop are in that same sweet spot of 15 to 30 seconds.

CTV: VCR by Video Ad Duration

Duration	VCR (Video Completion Rate)
≤ 10 Sec	90.40%
15 Sec	93.88%
30 Sec	95.92%
45 Sec	64.75%
60 Sec	88.85%
75 Sec	86.40%
90 Sec	89.91%
> 90 Sec	32.44%



The Data Is In: The Sweet Spot for Ad Duration (Mobile and Desktop)

Mobile: VCR & CTR by Video Ad Duration

Duration	VCR <i>(Video Completion Rate)</i>	CTR <i>(Click-Through Rate)</i>
≤ 10 Sec	75.44%	0.29%
15 Sec	68.83%	0.50%
30 Sec	72.26%	0.68%
45 Sec	34.98%	0.22%
60 Sec	46.30%	0.31%
75 Sec	33.64%	0.30%
90 Sec	37.53%	0.29%
> 90 Sec	12.10%	0.29%

Desktop: VCR & CTR by Video Ad Duration

Duration	VCR <i>(Video Completion Rate)</i>	CTR <i>(Click-Through Rate)</i>
≤ 10 Sec	82.66%	0.18%
15 Sec	76.26%	0.39%
30 Sec	74.23%	0.66%
45 Sec	36.91%	0.12%
60 Sec	53.12%	0.19%
75 Sec	42.20%	0.18%
90 Sec	55.78%	0.34%
> 90 Sec	25.02%	0.17%



CTV Delivers Real-Time Measurement and Optimization

Instant Measurement, Instant Optimization

The future of 100% digital TV is upon us. Among the many promises of the digitization of television for brands is a steady flow of data and the insight it can provide. Data enables advertisers to understand almost immediately how their campaigns are performing. Then these advertisers can quickly optimize by doubling down on what's working.

With near instantaneous feedback available on the performance of TV advertising, brands no longer have to wait until a campaign has completed to gain insight. Advertisers can put insight into action right away — by running the most effective creative more often and by funneling budget to the best-performing media.

In the case study on the next page, Compulse was able to optimize campaign messaging and targeting to ultimately deliver better performance.



Direct Advertising Buys Outperform

We've seen that when direct digital publisher advertising buys and ad buys through DSPs go head-to-head in a single campaign, **the direct buy has delivered a 14.70% higher response rate.**



Compulse Delivers Spike in CTV Campaign Outcomes Using InnovidXP

For a financial services client, Compulse used InnovidXP to track daily campaign performance at a granular level and implement two key in-flight optimizations, which ensured that the advertiser's goals were met.

First, Compulse adjusted the creative messaging, adding a specific call to action. Next, the agency fine-tuned the audience targeting strategy. Together, these optimizations helped realize a **241% lift in consumers completing the advertiser's online form**. These optimizations delivered the outcomes below:

Results



76%

increase in website activity from adjusted messaging



73%

increase in website activity from adjusted audience targeting

“

Innovid has been a strategic partner of Compulse's for several years. Leveraging the InnovidXP platform to underpin our Compulse managed service allows us to make rapid optimizations in response to on-the-ground campaign dynamics, and ensure we deliver exactly the outcomes that the advertiser is looking for from their campaign with us.

*Brian Hunt,
Corporate Vice President, Head of National
Digital and CTV/OTT Advertising Sales,
Compulse 360*

”

Note: This is a stand-alone case study separate from this report's analysis of Innovid's data set; [read the full case study here](#).

Key Takeaways

Innovid's data tells a clear story about the 100% digital future of television. Here are four key takeaways about the future of CTV advertising.

1

Get in the CTV Game — It's Already Started

Advertising on streaming platforms is no longer a nice-to-have. It's a must-have. You simply can't reach large swaths of your audience on linear TV anymore. CTV must be part of your media mix.

2

Scale Your Reach and Frequency — Without Guesswork

With the data produced by CTV, advertisers have more precise control over reach and frequency. Paying more careful attention to these metrics will ensure your advertising is more effective and more efficient.

3

Ignore Advanced Creative at Your Peril

Streaming is changing more than *where* you can advertise; it's changing *how* you can advertise. Dynamic creative optimization and interactive advertising formats enable marketers to have personalized, 1:1 conversations with their audience, generating higher engagement and stronger results.

4

Measure and Optimize in Real-Time — It's No Longer Optional

The real-time data supplied by CTV enables advertisers to gauge performance of their campaigns and adjust on the fly. If you're not measuring and optimizing your campaigns in real-time, you can be sure that your competitors are.

Key Definitions

Advanced Creative: Premium ad formats that include dynamic and/or interactive components.

Choice-Based Ads: An interactive CTV ad experience that incentivizes engagement by offering reduced commercial breaks for the duration of the viewer's content if they engage with the ad experience for a given period of time.

Click-Through Rate (CTR): Calculated by dividing the total number of impressions by the number of ad impressions that resulted in a click through to an external new web page.

Connected TV (CTV): A TV that is connected to the internet, whether natively or by a device that is primarily used to stream video content. This includes smart TVs, gaming consoles (e.g., Xbox, PlayStation), and devices (e.g., Roku, Apple TV, Amazon Fire Stick).

Dynamic Ads: A form of advertising technology that uses data to inform and optimize creative elements and messages such as copy, pictures, backgrounds, video, animation, and interactive elements in real time.

Engagement Rate: The percent of impressions where there was at least one interaction within the interactive video unit.

Impressions: The measurement of responses from a web server to a page request from the viewer's browser. Innovid's impression measurement is defined at ad render and does not include those filtered as general invalid traffic.

Interactive Ads: An ad experience that allows viewers to engage directly within the ad, such as an overlay, branded canvas, or expanded unit that runs across CTV, mobile, and desktop devices.

Non-Choice-Based Ads: An interactive CTV ad experience that allows viewers to engage, but does not incentivize engagement with reduced commercials or ad load.

Time Earned: The average number of extra seconds a user engages with an advanced creative experience, subsequently extending the amount of time spent with the ad.

Standard Video: A standard promotional video message that plays before the content the user has selected, also known as pre-roll video.

Video-Completion Rate (VCR): The percentage of video ads that play to 100% completion.

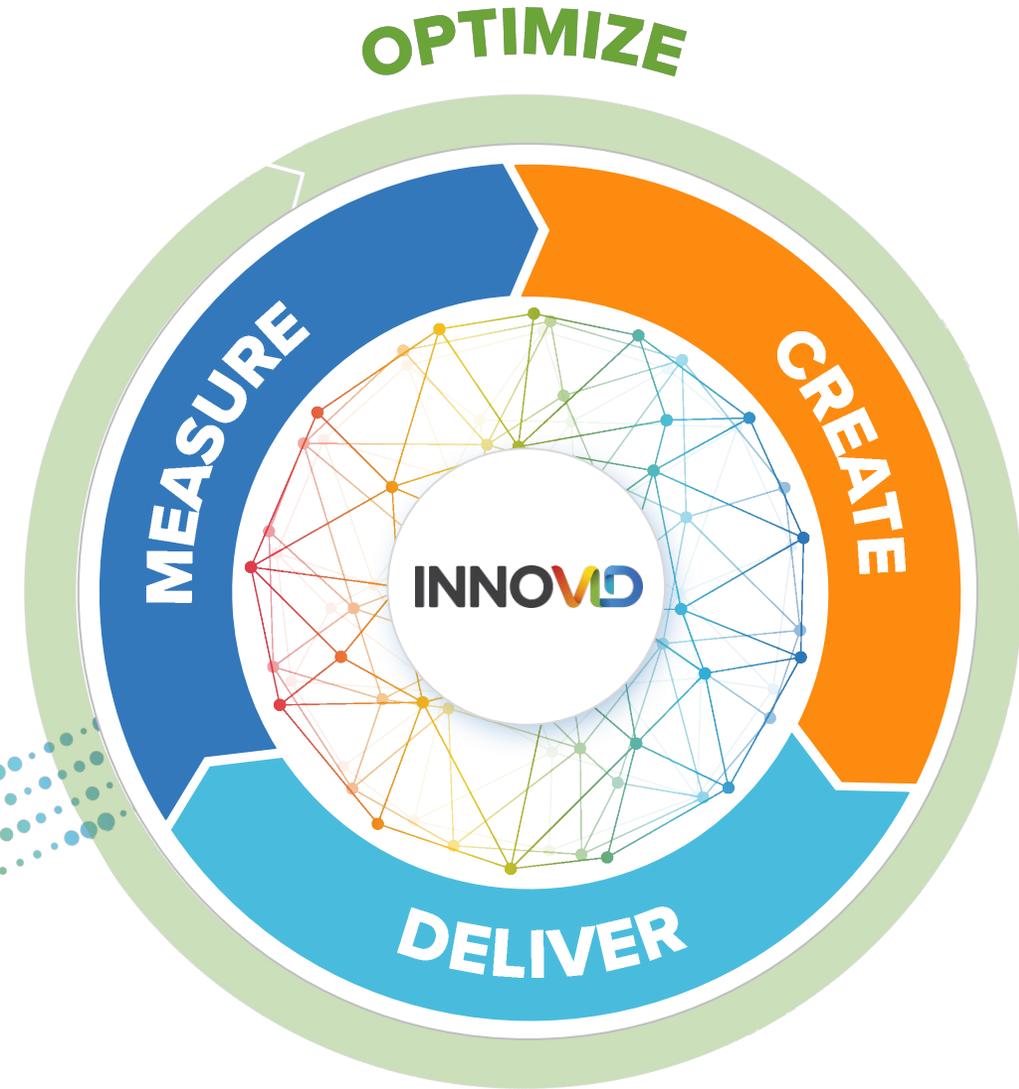
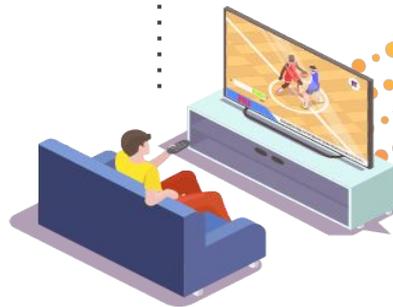
Curious About More CTV Terminology?
For more TV advertising definitions, check out

**“TV Speak: Innovid’s Modern Glossary
for Converged TV Advertising.”**

A Note About This Report

Through our ad-serving business, Innovid delivers an average of over **1 billion ad impressions per day**. These impressions, in turn, create trillions of data points, which are the basis of this report. More importantly, these data points are fuel to help the advertising ecosystem — including brands, agencies, and publishers — create, deliver, measure, and optimize effective campaigns.

1+
BILLION
Ads Served Daily



About Innovid

Innovid (NYSE: CTV) powers advertising delivery, personalization, and measurement across connected TV, linear, and digital for the world's largest brands. Through a global infrastructure that enables cross-platform ad serving, data-driven creative, and measurement, Innovid offers its clients always-on intelligence to optimize advertising investment across channels, platforms, screens, and devices. Innovid is an independent platform that leads the market in converged TV innovation, through proprietary technology and exclusive partnerships designed to reimagine TV advertising. Headquartered in New York City, Innovid serves a global client base through offices across the Americas, Europe, and Asia Pacific.

Methodology

For this report, Innovid analyzed almost 380 billion video advertising impressions served on our platform between January 1 and December 31, 2023. Researchers examined mobile, desktop, CTV devices, and social platforms to compile the most complete picture of video advertising available in terms of benchmarks and insights across the globe. Across reach and frequency performance, researchers studied the top CTV advertisers across all their campaigns with at least 1 million CTV impressions.

To learn more,
visit innovid.com

Follow us
on social media



Get in touch!

