

CONSUMER STUDY -  2022 UPDATE

Press Play: CTV & Ads

How connected TV is shaping
the future of digital content
consumption in Australia

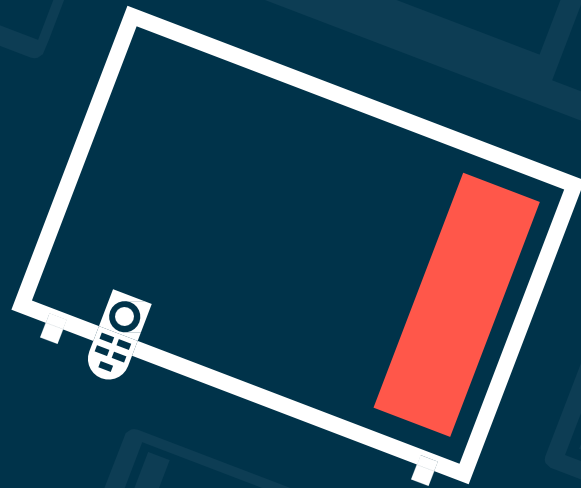


Introduction

Step aside, TV Guide. The days of fighting over primetime are over, and in their place: connected TV. Consumer adoption of CTV has been on the rise for years, and with couch time hitting a record high this year, content streaming is the new household ritual.

However, the advertising landscape on CTV has been slower to evolve. Questions about measurement and standardization have stalled adoption and innovation in the industry. But when it comes to CTV, people are sold.

To understand the future of CTV and advertising, IAS asked people about their CTV usage and how they feel about the ad-supported streaming experience.



Press Play: CTV and Ads

Study objectives and design

Field Date

March 2022

IAS ran an online survey among Australian consumers to understand perceptions of connected TV and streaming video content.

Participation

n=509 AU consumers

Specifically, this study looked at consumer use and behaviours associated with watching ad-supported streaming video content, perceptions on the ad experience on CTV, and how the experience can be improved.

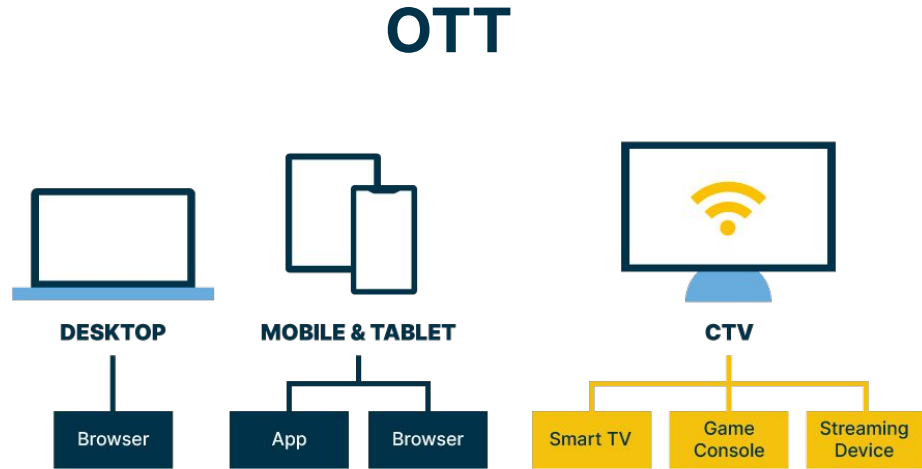
Statistically significant differences are calculated at 95% confidence interval.

CTV in the OTT Landscape

Over-the-top, or OTT, is a media streaming service offered directly to viewers via the internet.

OTT content can be consumed on various devices and bypasses broadcast and satellite television platforms that traditionally act as a distributor of such content.

Connected TV (CTV) is just that — meaning it's one of the devices that can stream OTT content.



Over **9 in 10** people stream content on CTV

People are spending more time at home than ever before, and it's no surprise that the vast majority of them prefer to watch content through CTV. When deciding how to stream, Smart TVs top the list of preferred devices.

91%

of people watch
streaming content
on TV

Q: Which of these connected TV devices do you use ? Connected TV - a TV connected to the internet either directly or through devices such as AppleTV, Roku, Amazon FireTV, Chromecast, etc. Please select all that apply:

Nearly all CTV users subscribe to **at least one** ad-free service

Paid access to ad-free video streaming content is near full saturation among CTV users, with a handful of platforms dominating the Australian market.

97%

of CTV users have access to a paid subscription to ad-free platforms

Q: Which ad-free streaming video services do you watch on your Connected TV? Please select all that apply:

73%

of consumers use their
connected TV to watch
YouTube with ads

YouTube with ads is
the top ad supported
content on Connected
TV with digital access
to Cable TV channels
a distant second

Q: Which ad-supported streaming video services do you watch on your Connected TV? Please select all that apply:

Cost is a driving factor in the decision to watch free streaming video services

47%

of consumers say they watch free streaming services to save money

36%

of consumers say they already pay too much for other streaming services

Q: What are your reasons for watching ad-supported streaming services on your connected TV? Please select all that apply:

Compared to linear TV, people prefer the CTV ad experience

People making the switch from linear to CTV care about more than just streaming convenience and content options — they also prefer the advertising experience on CTV.

94%

of users think there are features of the CTV ad experience that make it better than linear TV

Q: What connected TV features do you think make your ad experience better when compared to standard TV? Please select all that apply:

**Ability to skip ads,
fewer ads and
shorter ads are key
differentiators for
Connected TV**

64%

of consumers say fewer ad breaks and fewer ads help to make the CTV experience better compared to standard TV

Q: What connected TV features do you think make your ad experience better when compared to standard TV? Please select all that apply:

Nonetheless, the CTV ad experience can still be improved

Consumers are not agreed on a preferred ad experience with nearly half of consumers saying they will skip viewing ads on connected TV when given the option.

19%

of consumers say they usually watch and sit through ads when streaming video content

39%

consumers say they always see the same ads making ad repetition an issue

49%

consumers say they would skip viewing ads when given a chance to do so

Q: Please select the statements that you agree with regarding your ad experience when streaming video content / watching Connected TV.

Almost two-thirds of respondents say **shorter ads and shorter ad breaks** make their CTV ad experience better

65%

of consumers agree that shorter ads and shorter ad breaks would make the CTV ad experience better

63%

of consumers say fewer ad breaks and fewer ads would make their ad experience on CTV better.

46%

of respondents cited the ability to skip ads would make the CTV ad experience better

Q: What would make your ad experience on connected TV better? Please select all that apply:

A majority of consumers would be comfortable with sharing the types of shows they watch regularly

As the size of options for streaming services grow, key differentiators help services stand out for consumers.

46%

of consumers say that they would be okay with sharing anonymous demographic data about themselves

16%

of consumers say they would not be comfortable with sharing any data to advertisers for better ad experience

Q: What types of data are you comfortable sharing with brands/advertisers to help make your ad experience on connected TV better?

A majority of consumers would be comfortable with sharing the types of shows they watch regularly

As the size of options for streaming services grow, key differentiators help services stand out for consumers.

62%

of consumers say that they would be okay with sharing the types of shows that they watch regularly

46%

of consumers say that they would be okay with sharing anonymous demographic data about themselves

16%

only 16% of consumers say they would not be comfortable with sharing any data to advertisers for better ad experience

Q: What types of data are you comfortable sharing with brands/advertisers to help make your ad experience on connected TV better?

Content relevance drives ad completion

53%

of consumers say they will view an ad to completion if the ad is relevant to the content they are watching

Q: Which ad-supported streaming video services do you watch on your Connected TV? Please select all that apply:

KEY TAKEAWAYS

1

People are streaming with CTV and most are watching at least some ad-supported content

Over half of consumers use Smart TV with YouTube being the most used ad-supported streaming service

91%

of consumers stream content on CTV

73%

of consumers use their CTV to watch YouTube (with ads)

KEY TAKEAWAYS

2

Ad-supported CTV viewership is driven by cost and content

Two of the biggest reasons consumers choose to watch ad supported streaming services are price and content

47%

of consumers say they watch free streaming services to save money

36%

of consumers say they already pay too much for other video services

KEY TAKEAWAYS

3

Viewers prefer the CTV experience over linear TV, but think the ad experience could be improved

Connected TV showcases new ways to present a “better” ad experience for consumers compared to standard TV

94%

of users think there are features of the CTV ad experience that make it better than linear TV

53%

of consumers say they will view an ad to completion if the ad is relevant to the content they are watching

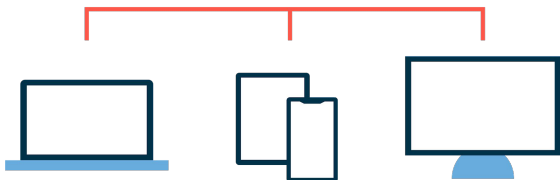
Video Unified Everywhere

HOLISTIC CROSS-DEVICE COVERAGE

The convergence of linear and digital television is set to forever change the way we watch TV and how we advertise on it.

As consumer attention and ad spend continues to shift towards CTV, IAS is dedicated to bringing real solutions to solve emerging challenges. With video consumption on the rise we knew we had to close the gap of video measurement.

So we developed our Unified Video Tag that allows you to seamlessly measure all video inventory - saving time and money.



The Unified Video Tag works by automating the process of device detection so that IAS technology does the hard work, and not your ad ops team.

WHAT YOU GET

Cross-device Support including web, mobile in-app and connected TV devices.

Operational Efficiency no need wasting time to break out tags, just upload, choose “Unified Video Tag” and you’re up and running.

Global Support so there’s no limit in reaching your audience.

Expanded Coverage to properly report VAST video on web and on impressions in-app.

[Contact IAS Today](#)

Thank you!

