

Fast Facts



What you need to know about new & emerging trends, platforms or technology

Staying Current on Streaming

The Latest on Connected TV Consumer Behaviors

June 2023



What You'll Learn

As connected TV and ad-supported streaming continue to grow, it's important for marketers to stay current on the latest trends in consumer behaviors.

This report provides the latest updates on:

1

Connected TV Trends



2

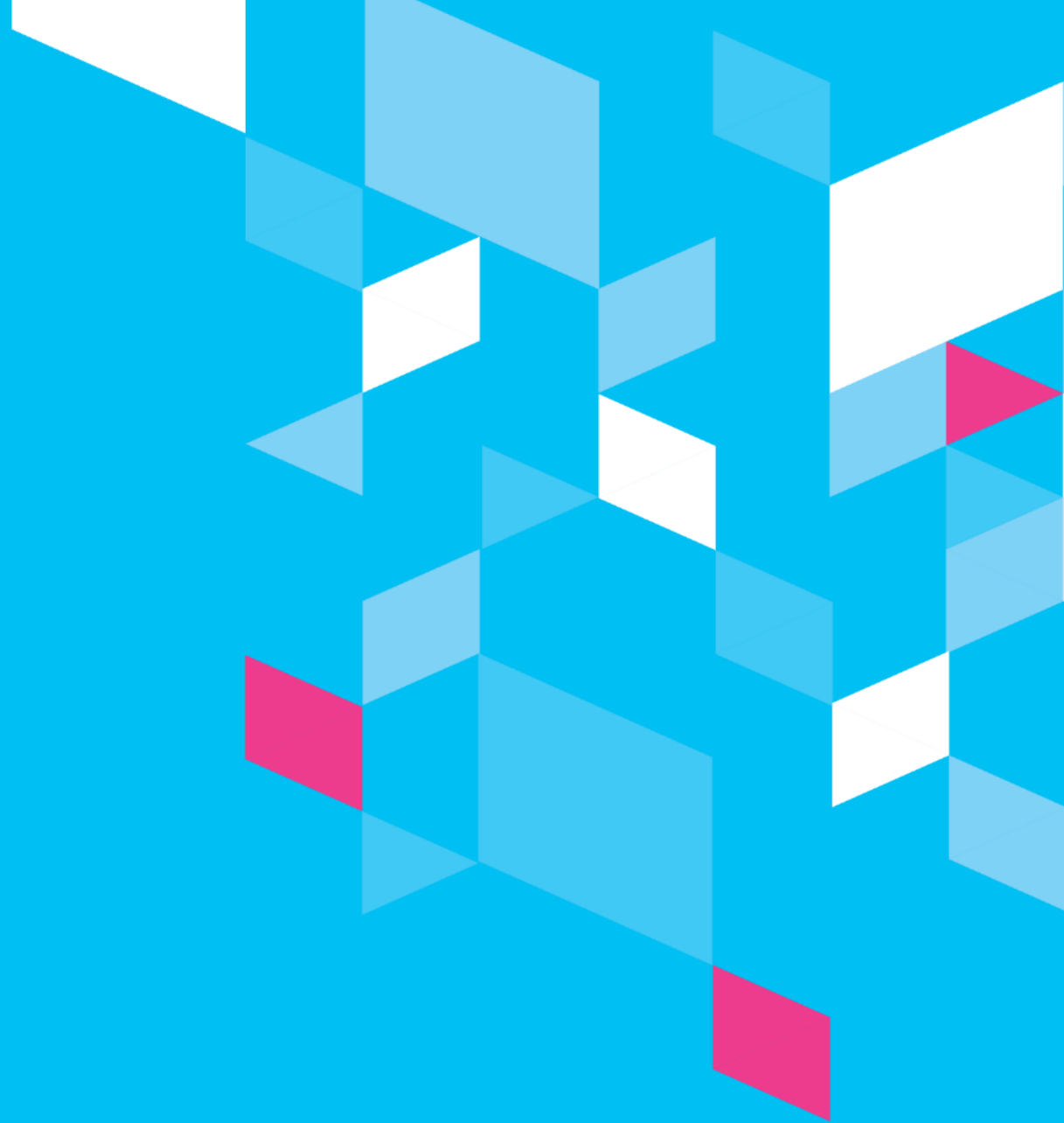
Convergent TV Trends



Click through a box above to be brought directly to the appropriate section

1

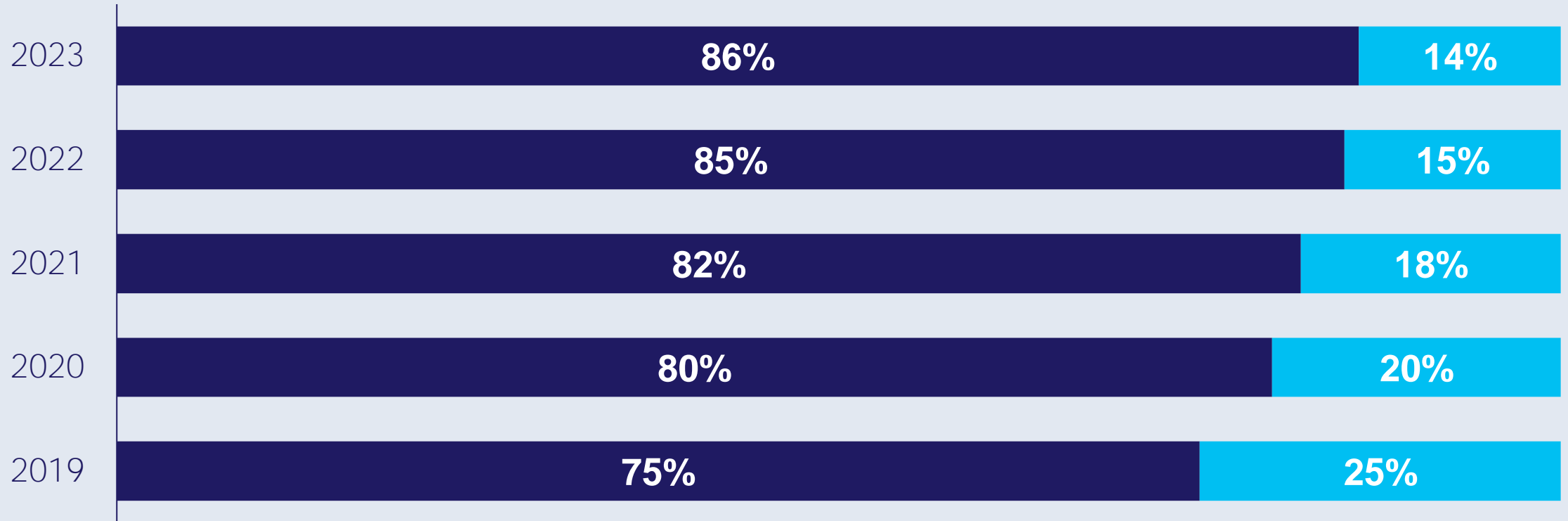
Connected TV Trends



Streaming household penetration has almost reached saturation as nearly nine in ten U.S. homes now own at least one Connected TV

U.S. Share of Connected TV (CTV) Households

■ CTV Households ■ Non-CTV Households

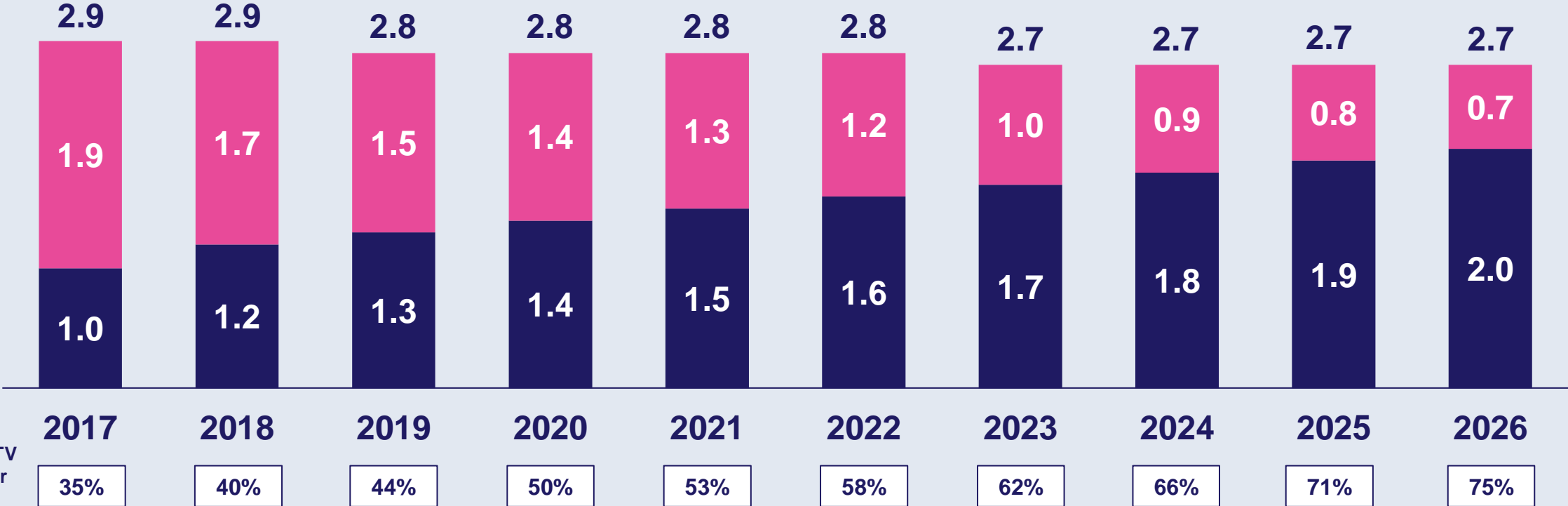


Source: Variety Intelligence Platform, *2023 Media & Tech Trend Tracker*, First Edition, March 2023.

As Connected TV HH penetration levels off, the share of smart TVs within the home continues to steadily increase as consumers upgrade their TVs

of TV Sets by TV Households

■ Smart TV ■ Other TV



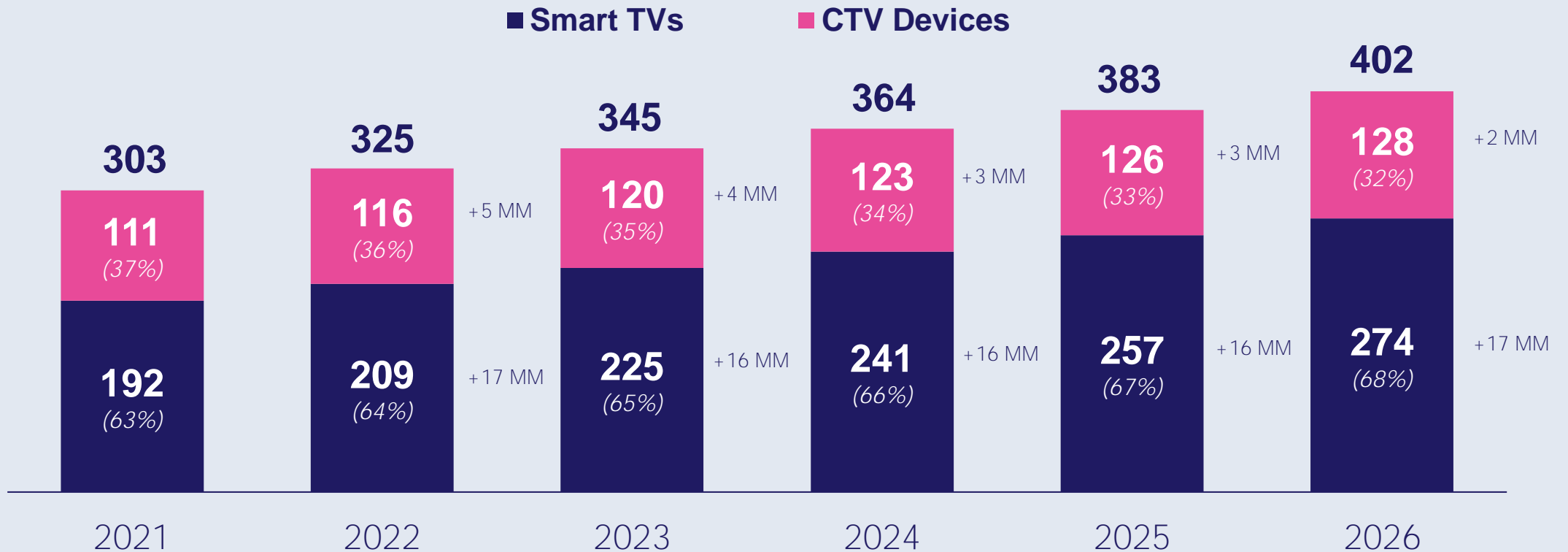
Source: Kagan, a media research group within the TMT offering of S&P Global Market Intelligence; industry data, Kagan estimates; smart TV set projections, 2017-2026. Data compiled June 2022. Based on total TV HHs.

With fairly low price points now, consumers prefer buying a new Smart TV over other connected TV devices, like streaming sticks and boxes

▶ 26% of consumers are planning to purchase a Smart TV in the next 6 months because they want a bigger screen and higher-definition video quality; almost half of this percentage is planning to replace a non-smart TV

U.S. Installed TV Streaming Devices

Devices in Millions, (% share of devices)

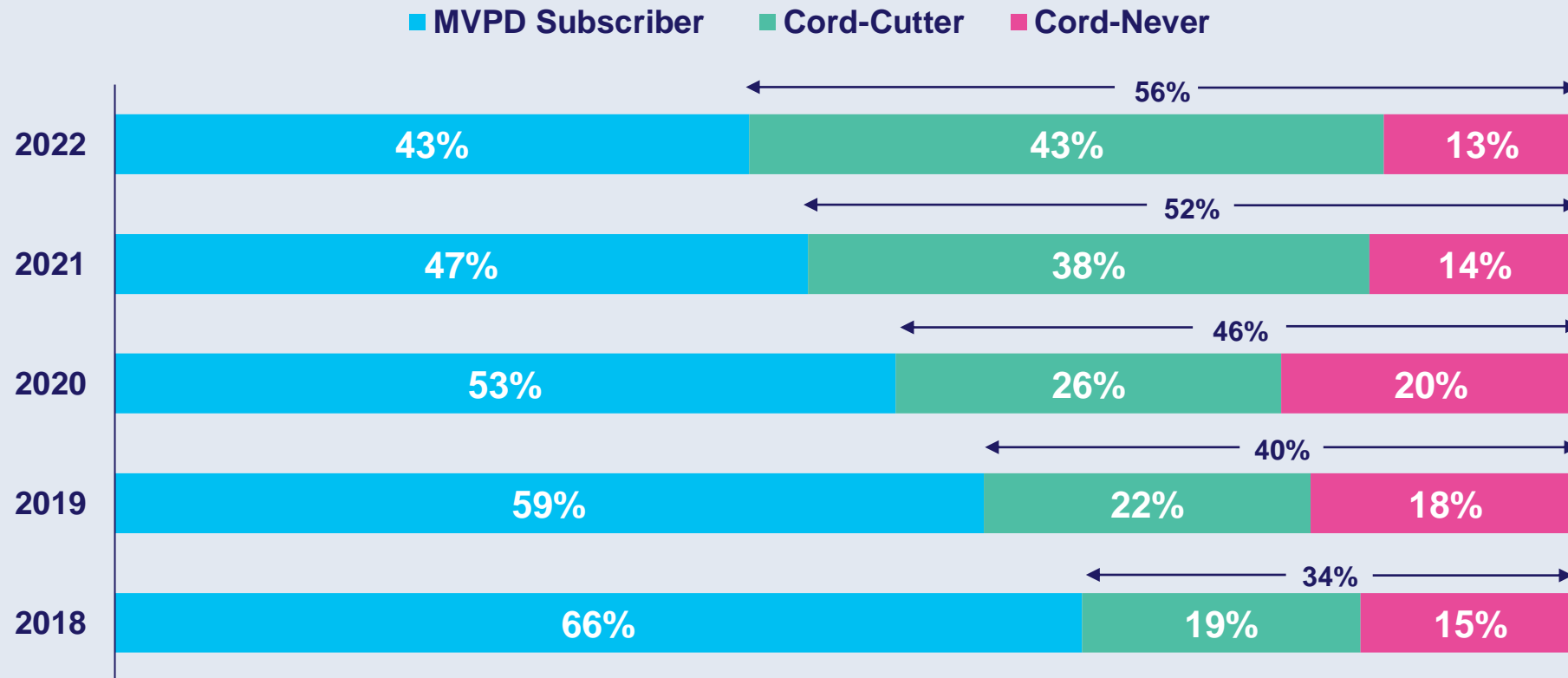


How to read: In 2021, there were 111 million installed CTV devices which accounted for 37% of the installed TV streaming devices.

Source: Variety VIP+, *Smart TV: Increasing Competition Tunes in a Booming Market*, April 18, 2023. CTV devices include streaming sticks and set-top boxes. *Tivo, *Video Trends Report*, Q4 2022.

Nearly 60% of Connected TV households are cordless, which illustrates the growing importance of streaming as an incremental reach opportunity

Cord Status of CTV Households



Source: Comscore, *Year in Review*, 2022. Comscore CTV Intelligence, December 2018 – December 2022, U.S. About 1% or less of CTV households are “cordless unknown”. Data based on December of each year.

2

Convergent TV Trends



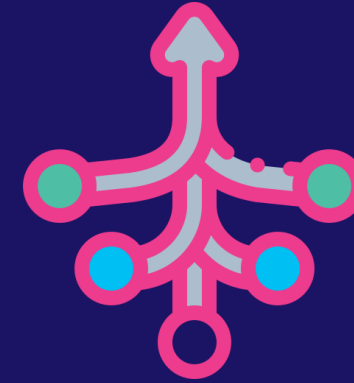
What is ‘convergent TV’?

▶ ‘Convergent TV’ = Linear TV + Streaming



From the viewer’s perspective:

The idea that people seamlessly watch linear TV and various forms of digital / streaming TV.



From the marketplace perspective:

The idea of selling and buying video holistically through an interoperable* way of executing and measuring linear + digital buys.

‘Convergent TV’ is not to be confused with ‘Connected TV,’ which refers specifically to a device

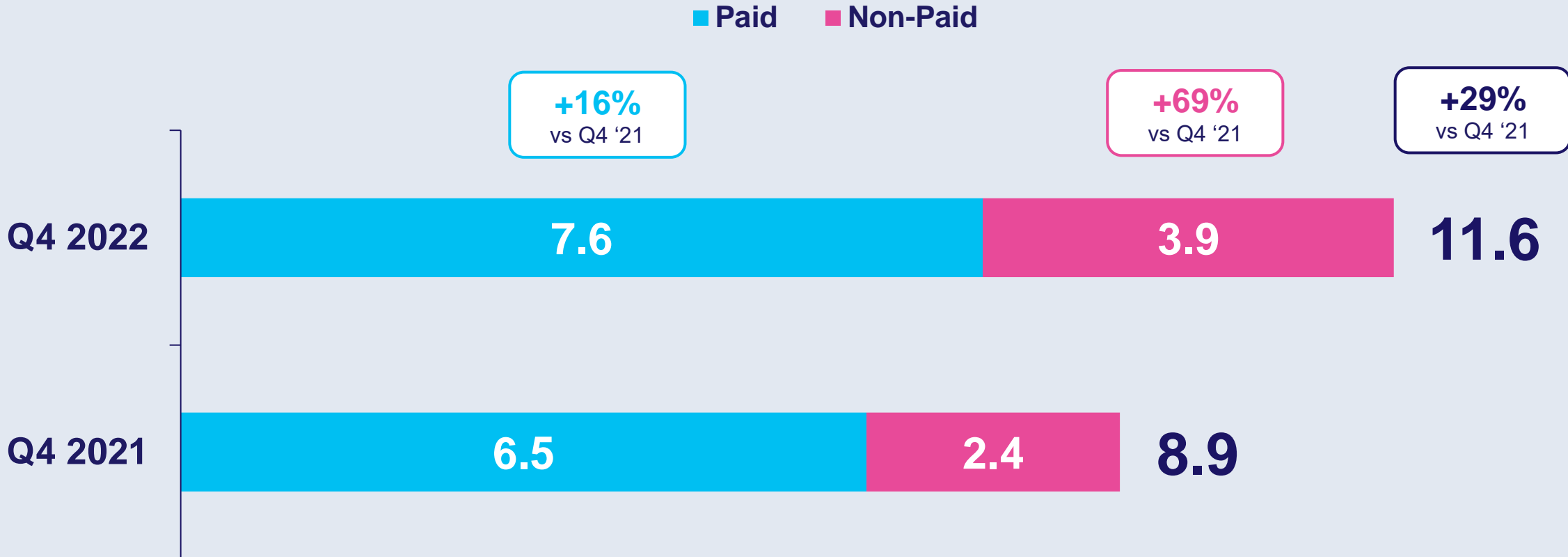
Connected TV (CTV): A television set that has built-in Internet capabilities (e.g., Smart TV) or is connected to the Internet via a streaming device such as a streaming box/stick, gaming console or Blu-ray player; all of which can access a variety of long-form and short-form content.

* Note: ‘Interoperable’ refers to the ways in which the technologies (and datasets) for different platforms function in conjunction with one another for planning, buying and measuring a media campaign across linear TV and streaming video.

Video viewing continues to fragment across linear TV and streaming while consumers increasingly turn to free ad-supported services for more content

▶ Pay-TV subscribers utilize many more video services (12.7) compared to broadband only 'cord cutters' and 'cord nevers' (8.3)

Average Number of Paid & Non-Paid Video Services Used

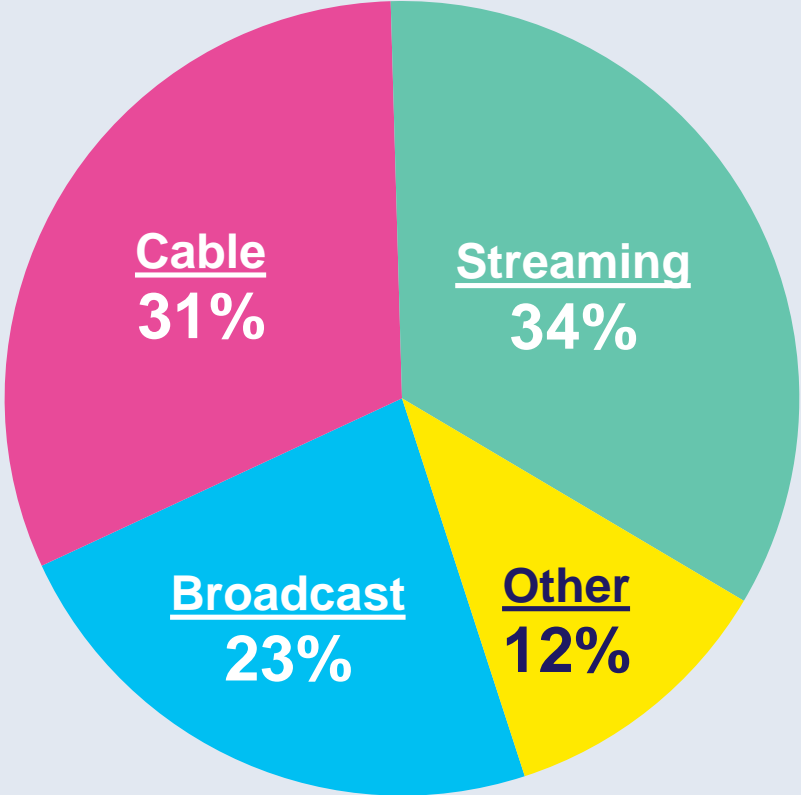


Source: TiVo, Video Trends Report, Q4 '22.

With people splitting their time across premium video sources, streaming has become an important platform for convergent TV campaigns

% Share of TV Usage by Platform
April 2023

Cable + Broadcast
54%

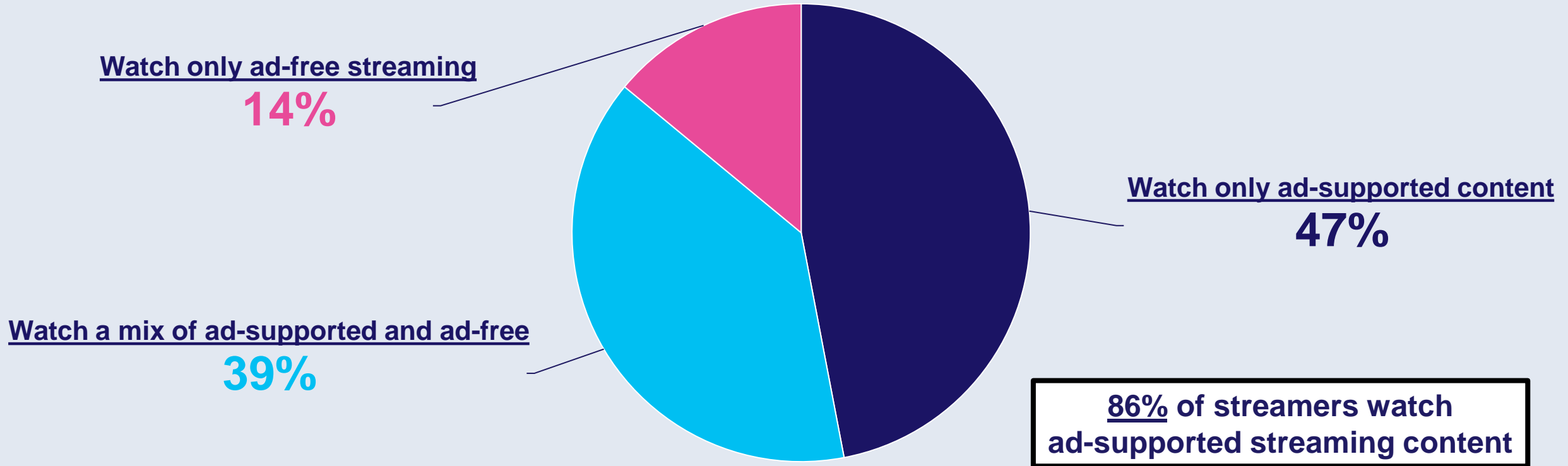


- 6.9% Other Streaming
- 8.1% YouTube
- 6.9% NETFLIX
- 3.3% hulu
- 2.8% prime video
- 1.8% Disney+
- 1.2% HBOmax
- 1.1% peacock
- 1.1% tubi
- 0.8% pluto tv

Source: Nielsen, *The Gauge*, April 2023, Total Day, P2+, 'Other' includes all other TV including all other tuning (unmeasured sources), unmeasured video on demand (VOD), streaming through a cable set top box, gaming and other device (DVD playback) use.

Nine out of ten streamers watch content with ads, with almost half of all streamers watching only ad-supported programming

What Are Streamers Watching?

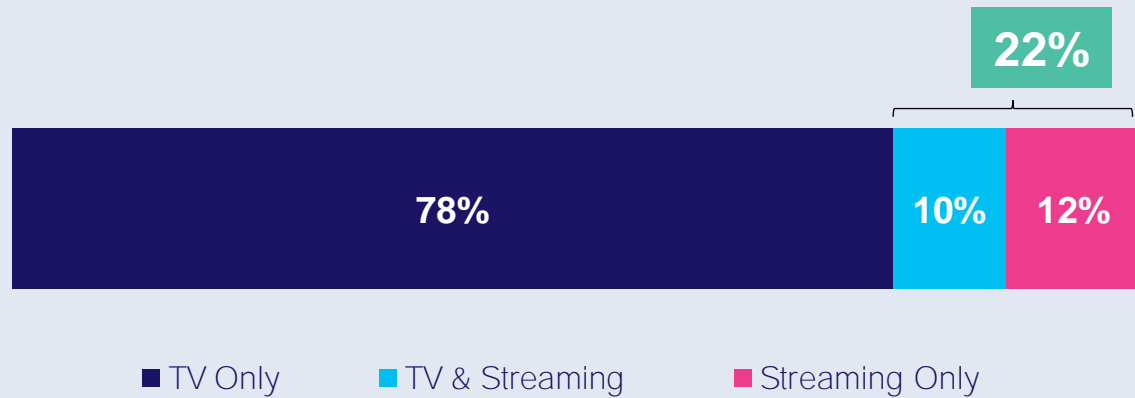


Source: Magnite Research, *Streaming Continues To Surge- An In-Depth Look at How Ads Are Powering Streaming Growth*, 2023.

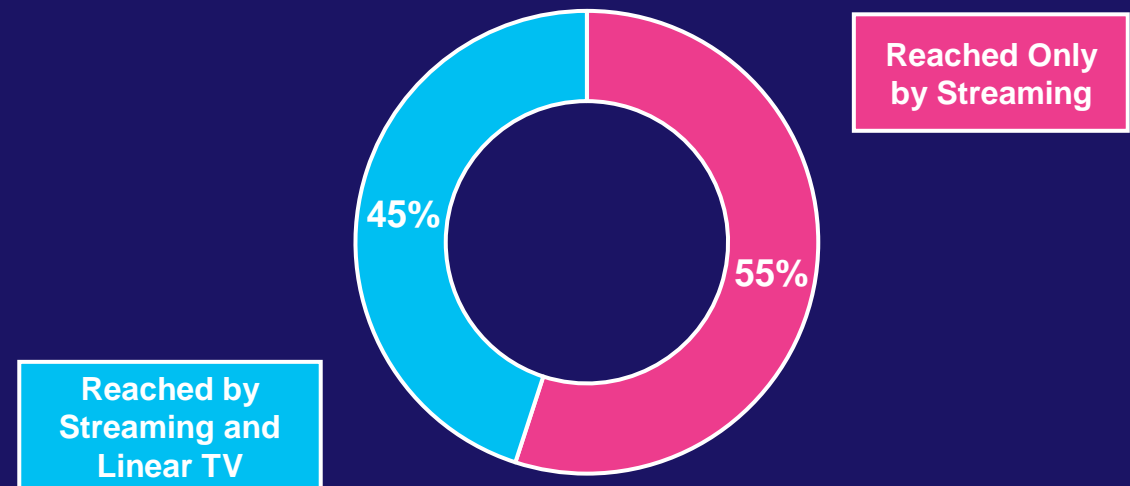
Integrating premium streaming platforms into video campaigns drives significant incremental reach for brands looking to optimize their exposure

Linear TV drives majority of multiscreen campaign reach

Multiscreen Campaign Average Reach % Share by Platform

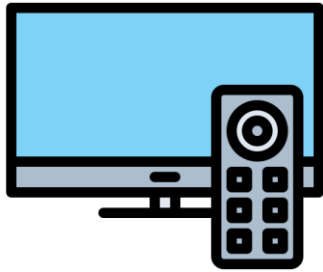


Among HHs reached only through streaming or a combination of streaming plus linear TV (22% as indicated in lefthand chart), 55% of streaming reach is incremental



Source: Effectv, *The TV Viewership Report- Multiscreen Audience Insights for Campaign Success*, 2H 2022. Comcast Aggregated Viewership Data combined with Ad Exposure Data from TV + Effectv Streaming campaigns (2H '22).

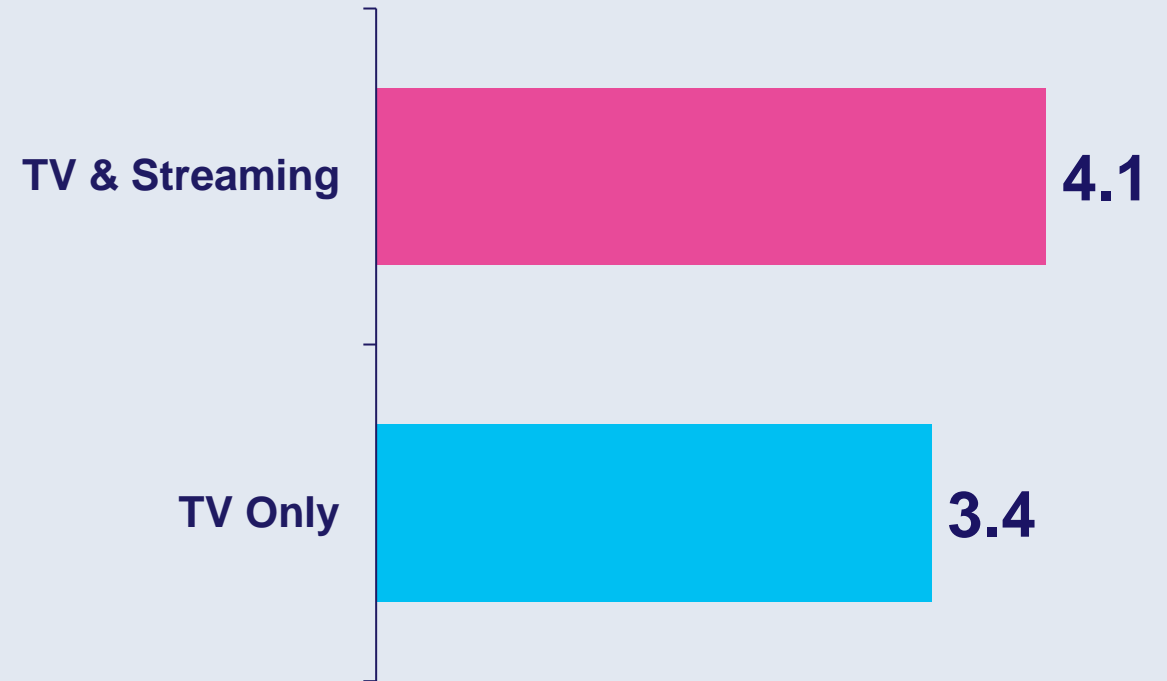
Adding streaming into a video campaign also increases frequency which aids in growing top-of-mind awareness and engagement with consumers



+20%

The increase in frequency between those reached by TV & streaming than TV alone

Average Frequency Before & After Adding Streaming



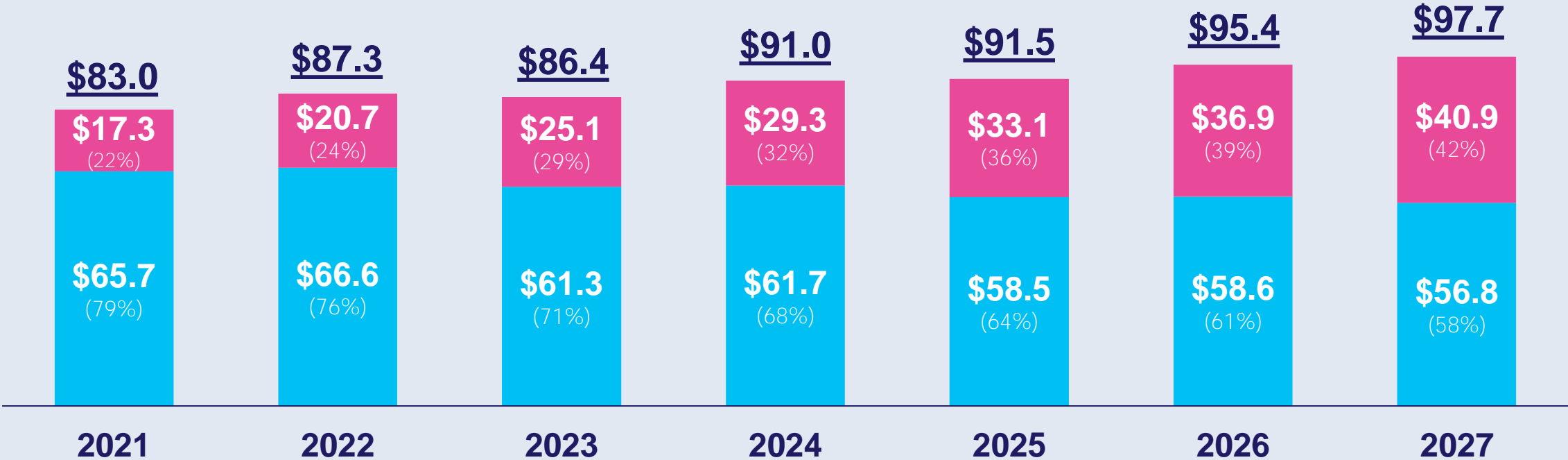
Source: Effectv, *The TV Viewership Report- Multiscreen Audience Insights for Campaign Success*, 2H 2022. Comcast Aggregated Viewership Data combined with Ad Exposure Data from TV + Effectv Streaming campaigns (2H '22).

Convergent TV collectively represents nearly a \$90 billion advertising opportunity with dollars continuing to shift to Connected TV

U.S. TV and Connected TV (CTV) Ad Spending

\$ in Billions

■ Linear TV ■ CTV



Source: eMarketer, *US TV and Connected TV (CTV) Ad Spending, 2021-2027*, April 2023. Note: TV includes broadcast TV (network, syndication and spot) and cable TV, excludes digital. CTV includes digital advertising that appears on CTV devices, includes display ads that appear on home screens and in-stream video ads that appear on CTVs from platforms like Hulu, Roku and YouTube, excludes network-sold inventory from linear and addressable TV.

Key Marketer Takeaways

- ▶ Although CTV has nearly reach full household penetration there continues to be growth opportunities for the platform as consumers replace older TV sets in their home with the latest technologically-advanced smart TVs
- ▶ With streaming achieving a significant amount of viewing and ad-supported services proliferating, holistic cross-platform TV plans that include both linear and ad-supported streaming can optimize reach and frequency against target audiences to drive business KPIs

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Through Upfront season, marketers are making important decisions about their video investment strategy.

We're here to help.

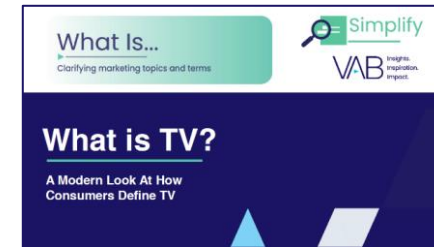
Visit our [Upfront Planning Resource Center](#) for a curated a list of resources filled with the data, analysis and insights needed to make informed investment decisions.



Left to Your Own Devices
The Latest on Multiplatform Media Consumption



Setting the Stage
15 Streaming Trends That Will Impact Marketing Plans in 2023



What is TV?
A Modern Look At How Consumers Define TV



The FAST and the Curious
4-part series answering common questions about Free Ad-Supported Streaming TV



The Odyssey of Content Discovery
How TV Advertising Builds Streaming Audiences and Creates Engagement Opportunities



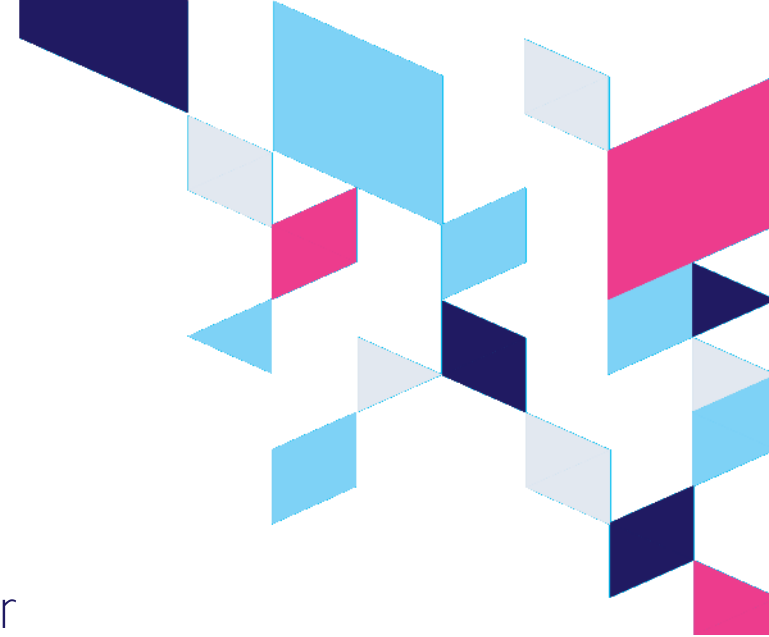
Staying Ahead of the Churn
Why migrating audiences means new ad opportunities for brands

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