

The essential CTV playbook:

Understanding the CTV opportunity and how
the latest in TV technology can amplify
your marketing performance

Table of Contents

- 01 Introduction
- 02 TV Ecosystem
- 03 Guide for Marketers
- 04 Conclusion

Introduction:

The path to automation

Over 80 years ago, in 1941, the first linear TV commercials aired on just 10 stations. Fourteen years later, in 1955, TV advertising spend reached the \$1B mark. From there the landscape evolved with the development of primetime minutes and event sponsorships. In 1994 came digital video advertising, opening up a new screen for marketers to reach audiences. While the digital ads ecosystem evolved quickly, linear TV remained separate and largely unchanged – until the introduction of CTV in 2007 created a bridge between the two video spaces.

Over the last decade there's been a major change to how TV advertising is bought and sold. Previously, scheduling ad buys on TV was planned a year in advance and offered little room for updates or adjustments — pivoting was difficult, if not impossible. While annual planning remains critical for TV today, the introduction of programmatic technology has allowed for more experimentation and adaptation. Automation in TV buying means that today's marketers can launch campaigns to reach streamers on connected TV (CTV) devices in just a few hours, and even optimize their strategy throughout the campaign.

This major change to TV ad buying also opens up a big opportunity for marketers. It's crucial to adapt quickly, integrating a strong CTV strategy into your marketing plans, in order to come out on top.



Shannon Trainor Stark,
Managing Director,
Platforms Solutions

How the TV ecosystem reflects consumer behavior

The significant changes in the TV ecosystem are a direct reflection of trending consumer interests and behaviors. But what, exactly, has changed? Let's take a closer look.

TV viewership shifts bring CTV to the forefront

People are changing how they engage with TV content, moving from watching on a traditional TV device to streaming from a connected TV device.² This increase in streaming viewers has accelerated over the last few years, especially as viewers spent more time at home during the start of the COVID-19 pandemic in 2020. Studies from 2021 show that 82% of U.S. TV households have at least one Internet-connected TV device or platform, and 40% of U.S. TV homes are reachable *exclusively* via CTV, leaving a potential gap in TV marketing strategies.³



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While linear TV will remain a core element to marketing strategies, CTV viewership is expected to increase 20% between 2021 to 2028.⁴ Currently, building strategies around this viewership shift is critical to effectively reach audiences and prove the impact of a “better together” approach between linear and CTV screens.

Personalization becomes table stakes

In a recent study, 66% of consumers reported that it's important to have a personalized experience with a brand.⁵ This demand for personalization has a huge impact for businesses: 76% of users report that a personalized engagement with a brand prompted consideration of a purchase.⁶



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Personalization helps establish connection, build trust, and reduce advertiser churn rate through a strong foundation of brand loyalty. Marketers can gain more insight into consumer needs and reach customers more effectively with informed insights and customized creatives tailored for key audiences.

² Leichtman Research Group, [39% of Adults Watch Video via a Connected TV Device Daily](#)

³ AdWeek, [If You Want to Navigate the New TV Landscape, Start by Shifting Your Mindset](#)

⁴ Marketing Dive, [CTV continues to grow](#)

⁵ Google / Storyline Strategies, Ad Controls, US, UK, CA, AU, MX, BR, FR, DE, IN, JP, n=1,000 per market, A18-55 with Internet access, March 2022

⁶ McKinsey, [The value of getting personalization right—or wrong—is multiplying](#)

But personalization on the linear screen remains limited. We don't know which audience member is seeing a given ad spot, or whether they've already been exposed to a particular brand's messaging. CTV's access to audience data through the smart TV device can inform a strategy to more effectively personalize the ad experience. This means marketers can serve more relevant messaging to key audiences, or update messaging for a user's second or third brand interaction. The flexibility of CTV opens up opportunities for greater creativity around personalization, offering an enhanced ad experience for users while increasing bottom-line impact for brands.

Prioritizing consumer privacy

Today's consumers demand more insight into how their personal information is gathered and deployed by brands. They also have high standards for online privacy. Research has shown that 91% of consumers in surveyed countries say that it's important for brands to be transparent about the data they collect about their customers. In that same study, 89% of users globally say they would trust brands who invest in privacy-safe technologies.⁷ Keeping user privacy at the core of any marketing strategy is key for building trust and loyalty.

In response to these changing behaviors, the [Interactive Advertising Bureau](#) (IAB) released privacy standards to ensure consumers have control over their data. Advertisers can use the Identifier For Advertisers (IFA), regarded as the standard for privacy in CTV, which is an anonymized device identifier and can be reset by the consumer. The IFA offers users transparency and control during their CTV ad experience, by giving them the option to opt out and the right for their data to be deleted. Beyond that, the IFA is difficult to spoof, has low invalid traffic, is a persistent identifier – the device ID is tied to the device, and information access and discovery is managed through standardized procedures.⁸

⁷ Google / Storyline Strategies, Ad Controls, US, UK, CA, AU, MX, BR, FR, DE, IN, JP, n=1,000 per market, A18-55 with Internet access, March 2022

⁸ IAB Tech Lab [Guidelines For Identifier For Advertising On OTT Platforms](#)

CTV demand increases access to TV inventory

The role of CTV in the video space continues to grow. In 2021, for the first time ever, CTV impressions surpassed those in mobile, and made up 46% of all video impressions.⁹ As more TV inventory becomes digitally accessible, CTV will only continue to gain further prominence in the industry.

Due to growing demand from marketers for digitally accessible TV inventory, which rose 35% in the 2022 upfronts, broadcasters are turning to CTV and digital-first strategies across their portfolio to futureproof inventory access for an audience-based world.¹⁰

“Disney Advertising, for instance, has **doubled** down on delivering access to large, leaned-in audiences around live events and sports through the power of programmatic automation across all screens,” according to Matt Barnes, VP of programmatic sales at Disney Advertising. And, by diversifying its inventory mix across linear, streaming and digital, Disney can deliver the highest reach at the lowest frequency across key demos, faster.

As a result of more unified digital and linear strategy in the industry, buying platforms are creating inventory planning tools to help advertisers strike the most optimal mix of linear TV and digital media in their plans before launching campaigns. With this unified approach from publishers and tech partners, marketers can maintain the same premium inventory parameters on their TV buys, and book them through digital pipes.

⁹ Innovid, [Global CTV Impressions Outpace Mobile, Accounting for Nearly Half of Video Impressions](#)

¹⁰ eMarketer, [Streaming services are likely to win bigger share of upfront ad spending](#)

Guide for the modern marketer: Connect, Innovate, and Experiment

Acknowledging and re-strategizing for this sea change in the TV industry is critical, yet challenging. Evolving with and adapting to these changes introduces new opportunities for businesses to thrive. In the past, during similar moments of transformation, we've seen the marketers who evolve with their industry achieve 18% revenue increases and 2x market share growth.¹¹ What is common among these industry leaders? They focus their investments on three distinct areas of impact: connect, innovate, experiment.

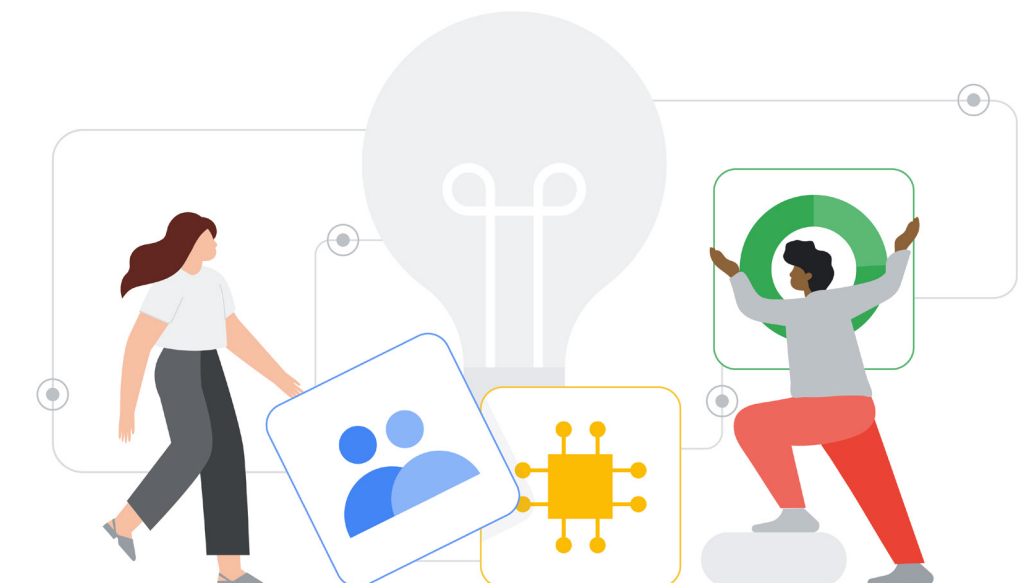
18%

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Marketing leaders are using [Display & Video 360](#), part of [Google Marketing Platform](#), to help them in these key investment areas. With Display & Video 360 they are connecting their teams and resources in a single platform, using a solution that drives innovation and adopting a testing structure to understand what works for their business. These strategies are essential when it comes to taking advantage of the CTV opportunity that lies ahead.

Connect

Good connections tighten up strategy, eliminate silos, and increase efficiency. By connecting their teams, data, and technology, marketers can create a solid foundation that's greater than the sum of its parts.



¹¹BCG, [The Fast Track to Digital Marketing Maturity](#)

Teams

Good team organization helps maximize everyone's unique value. Disparate teams create inevitable gaps and redundancies, leading to challenges during tight timelines with several programs running simultaneously. BCG found that marketers that focused on scaling solutions across an organization vs working in a silo saw 15-20% revenue growth than those that did not.¹²



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Display & Video 360 acts as a single buying door to coordinate across teams and refer to throughout the campaign. Planning teams utilize the platform to forecast their buys to understand the ideal allocation across media types. Strategy teams discover and negotiate the proper inventory for their campaign goals. Buying teams setup, traffic and optimize campaigns. Analytics teams report out on performance and insights for future campaigns. Each of the teams can work more fluidly together with a single point of truth.

By unifying teams to operate in a single demand-side platform like Display & Video 360, disparate teams can operate more efficiently, organizing around a single source of truth to plan and activate together. As an additional benefit, a single demand-side platform can automate elements of the workflow – tasks such as trafficking, tagging, billing, and reporting – to save valuable time and resources.

¹²BCG, [The Keys to Scaling Digital Value](#)

Data

Companies that link all of their first-party data sources can generate double the incremental revenue from a single ad placement, communication, or outreach, and 1.5 times the improvement in cost efficiency over companies with limited data integration, according to BCG.¹³ To make more informed decisions, marketers should connect all available data – safely pairing their first-party data with Google’s seasoned campaign insights and any customized third-party data sets for a smarter strategy. With all these insights combined, machine learning can better understand audience interests, behaviors, and intent while providing actionable insights to help reach them with relevant messaging.

Display & Video 360 offers a variety of tools to help marketers reach more qualified users on CTV, like [audience expansion](#) and [first-party audience targeting](#) (US-only). Through Display & Video 360, marketers can easily onboard and target their first-party data or extend the reach of these audiences by identifying similar characteristics to their first-party data set, reaching more high-quality consumers and strengthening their connection with those loyal to the brand. They can maximize the value of first-party data, and hone in on key audiences – all while respecting consumer privacy.

Beyond audience targeting, Display & Video 360 also provides users with the ability to discover new publishers and inventory, accurately forecast the reach and expected performance of relevant campaigns, and drive more efficient budget allocation decisions with Reach Planner in Display & Video 360. The [TV section within Reach Planner](#) incorporates historical TV from data providers and digital data into a single reach curve to show the deduplicated reach of an entire plan. By generating this single reach curve, the tool shows the deduplicated reach of an entire plan, connecting data sets to offer a more holistic picture to drive more informed decision-making.

Technology

By consolidating the technology they use to purchase media, marketers can eliminate redundancies and maximize efficiency. Buying media inventory directly with multiple publishers or broadcasters means the media buys operate independently, in a silo. This creates redundancies, and marketers may reach a user more times than necessary, creating a suboptimal experience for the user and wasted media dollars for marketers.

By unifying direct media buys through a single buying door like Display & Video 360, [Uber Eats](#) reached 10% more unique users and streamlined buying. Marketers can unify CTV inventory alongside digital media in a single platform, optimizing frequency and maximizing reach to make the most of every dollar.

¹³BCG, [Responsible Marketing with First Party Data](#)

With access to the top streaming ad-supported publishers including Hulu, Disney, Tubi, Peacock, and YouTube, a unified tech approach with Display & Video 360 means advertisers have access to 93% of all ad-supported CTV households in the US.¹⁴ In addition to that tremendous reach, frequency management across YouTube and other CTV apps means brands can see a [5% reach per dollar increase](#) on average.

93%

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Once you've set a strong, connected foundation, it's time to explore innovation opportunities.

Innovate

Innovation drives brands forward. Linear TV has historically been hard to measure, while digital marketing can be more precise. Through CTV, advertisers can benefit from digital precision on the TV screen with the ability to find, reach, and measure audiences. These opportunities for innovation pave the way for marketers to improve churn rate, tell an engaging brand story, and enhance measurement.



Shift to more durable first-party data

One of the central challenges for today's marketers is maintaining campaign performance while also respecting user privacy. Third-party cookies have helped marketers understand user behavior after engaging with digital media, but regulation, consumer concerns, and browser changes mean data based on third-party cookies are becoming less reliable and less privacy focused. That's why the industry has moved away from its reliance on third-party data, and increasingly marketers have moved towards a more durable solution with first-party data. We've seen that companies that link all their first party data sources can generate double the incremental revenue from a single ad placement, communication, or outreach, and achieve a 1.5x improvement in cost efficiency over companies with limited data integration.¹⁵

Using [first-party data](#) is a reliable and privacy-preserving option on the CTV screen within Display & Video 360. Durable audience solutions build consumer trust for personalized reach and reduce audience churn. Marketers take a thoughtful approach to knowing their customers and can maximize the connections they've built through programmatic tools. Display & Video 360 lets marketers seamlessly apply their first-party data to their CTV buys to reach known customers and then find audiences with similar characteristics through audience expansion.

[Google Audiences](#) are another durable audience solution, built by Google with consumer privacy at the forefront. These audiences are available for free at a large scale, meaning marketers don't have to sacrifice performance for durability.

Consumer goods company [Reckitt](#) discovered this first-hand in an effort to reach consumers looking to boost their immune systems. Display & Video 360 analyzed their selected keywords and automatically created tailored audiences designed to maximize the brand's reach on CTV. By applying Google Audiences, custom in-market and custom affinity, Reckitt achieved **18% more viewers** (11M) across their CTV mix.

Find & engage your audiences

Innovate on your creative approach and take control of when and where you reach audiences. TV screens have the unique ability to engage an entire living room – full screen and sound on – and as an industry we've barely scratched the surface of how to maximize that experience. Think back to the introduction of mobile ads. Initially, marketers simply shrunk their desktop banners to fit the mobile screen. It wasn't until years later that ads tapped into the mobile experience, offering directions to a brand's nearest location and click-to-call functions within their creative.

¹⁵BCG, [Responsible Marketing with First-Party Data](#)

Marketers should consider this living room experience when planning creative, messaging, and distribution. We've gathered a few tips on that below:

- 1. Adopt sequential messaging.** TV engages audiences for longer stretches of time, opening up the opportunity for brand storytelling with memorable messaging. Sequential messaging means marketers can build on their engagements with consumers, strengthening loyalty and driving consideration.
- 2. Complement your linear plan with digital TV.** Maximize a better together approach with TV focused tools. Identify the optimal budget allocation between linear and digital channels with [TV in Display & Video 360 Reach Planner](#), mentioned above, to seamlessly forecast reach and TRPs directly in Display & Video 360.
- 3. Tap into eye-catching, advanced creatives.** As TV has the unique ability to own a room, creative decisions can make all the difference. In 2021, advanced creatives (such as Overlay Ads) earned an additional 47 seconds of watch time than standard video.¹⁶ Overlay Ads were 4x more memorable and resulted in 72% more savings.¹⁷ Advertisers can seamlessly set up advanced creative across YouTube, including [Brand Extension](#) which lets viewers interact with ads on CTV screens and sends push notifications to phones for further engagement. Advertisers can also develop custom creatives with a third party then run them across Display & Video 360 publishers.

This personalization and creative innovation doesn't have to be a cumbersome process. Google's [Ads Creative Studio](#) allows advertisers to develop display and video ads, including CTV, customized for different audiences, locations, languages, or contexts. Rather than creating hundreds of different creatives, advertisers can automate the process and seamlessly connect the creative across Google Marketing Platform.

Identify the most impactful success metrics

We have always measured TV success on its ability to reach users. In that sense, it's been highly successful. But TV screens also capture attention more effectively thanks to the full screens, high volume, and the fact that they often engage multiple viewers in the same room. Reach alone fails to consider the array of touchpoints a consumer has with their TV screen.

From a digital perspective, we can look beyond reach at more sophisticated metrics with stronger business impact:

- We can understand user **attention** based on sound volume and time on screen. Measuring and optimizing these attention metrics has been shown to increase performance by up to 79%.¹⁸
- With multiple viewers at any given time, **co-viewing metrics** can offer a more accurate look at how many people a message truly reaches.¹⁹

¹⁶ [Advanced Television, Report: Connected TV video impressions surpass mobile](#)

¹⁷ [GumGum, Breaking Through: Moving Beyond the Commercial Break on CTV](#)

¹⁸ [Kantar report in Crimtan article: What is 'attention time'?](#)

¹⁹ [Nielsen, Co-Viewing on OTT Devices: Similarities and Differences](#)

- Interconnectivity between TV screens and phones means marketers can encourage and **measure engagement** with TV messages. Solutions such as YouTube's Brand Extension lets viewers engage with ads on CTV screens and can send messages to mobile devices for further brand engagement.
- Alongside digital, advertisers can track **attribution** for cross-device conversions. This means that if someone sees an ad on a CTV screen and makes a purchase on their phone, marketers can measure that journey across screens.
- Google has combined automation with customization to offer additional innovative solutions such as **custom bidding**, helping marketers inform their strategy with relevant data points to more effectively reach the right audiences.

There are many paths to innovation, but they all begin in the same place: experimentation.

Experiment

Before implementing any new strategy, experimentation is critical. In fact, a Harvard Business Review study found that advertisers who ran 15 experiments in a given year saw 30% higher performance than those who ran none.²⁰ For an emerging channel such as CTV, experiments are a low-risk, high-reward opportunity to test in a space that's ripe for innovation. Marketers can test potential strategies through custom A/B structures or by working with a third-party CTV measurement partner.



²⁰ Harvard Business Review, [Marketers Underuse Ad Experiments. That's a Big Mistake.](#)

Experiment structures can vary depending on your goals. For example, an incrementality experiment analyzes the impact on a test group while the control group receives no media exposure. Optimization experiments, or A/B testing, apply two different strategies to the separate groups and compare performance. Marketers can also run a pre-/post-analysis, which simply means applying the new feature and monitoring any changes. Any of these experimentation options offers more insight and trust into a new concept for a media strategy.

Google is ready to work with you on your own experimentation strategy, which can include testing new audiences and environments that do not rely on third-party data. Within Display & Video 360, marketers can seamlessly run tests to customize their experiments and monitor performance. In the Experimentation tab of Display & Video 360, advertisers can easily select test and control groups (by line item or insertion orders) to include in the experiment, specify goals, select a baseline, and activate. With [Ads Data Hub](#), advertisers can set up sophisticated geo-experimentations or build custom analyses.

Investing in experimentation makes a difference: campaigns that begin with experiments achieve 2.5x greater impact than those that don't.²¹ Depending on your goal, third-party partners can seamlessly measure across all video screens, including linear, and offer trusted metrics to identify key performance improvements.

**2.5x**

Campaigns that begin with experiments achieve 2.5x greater impact than those that don't.²¹

²¹ Google, [Inside Google Marketing: Agility is the new growth](#)

Conclusion

With CTV viewership on the rise, modern marketers are developing strategies that combine multiple screens for greater success. Including CTV alongside linear TV and other digital media in upcoming campaigns means more privacy-forward, personalized advertising — which is not only a growing consumer expectation, but also a strong driver for purchase consideration. By forging deeper connections across their teams, data, and tech, marketers can establish a strong foundation for innovation and experimentation, generating more nuanced customer segments, highly-tailored messaging, confidence in the strength of their campaign, and learnings to build upon for future success.

It's clear that the TV landscape is ripe for innovation and new ideas. We designed Display & Video 360 with the full breadth of marketer priorities in mind, from reaching the right users to privacy-safe, first-party data strategies. And as the industry evolves, Display & Video 360 continues to adapt to help marketers extend their reach with relevant, impactful messaging. To thrive in today's TV landscape, we encourage marketers to connect, innovate, and experiment their way to exceptional growth.