



Streaming TV/Video Advertising Is Booming

2023 Trends

- 1 Streaming services are moving from paid subscription models to paid plus AVOD subscription models.¹
- 2 New/younger viewers who are looking for inexpensive services will join the ad-supported tier.¹
- 3 Providers like Amazon Prime are testing into a free ad version now.¹
- 4 Live sports/events will be increasingly offered on streaming services.¹
- 5 Amazon Prime, YouTube and others look to aggregate content from multiple services to become top destinations for OTT video content.¹

Why Invest in Streaming?

Ad spend on streaming is set to surpass linear spend by 2025.²

Streaming will become 68% of TV ad spend — growing to \$69B — by 2027.²

26% **19%** **13%**

SVOD

Cable

Linear

Within streaming, Free Ad-Supported Streaming (FASTs) is expected to account for 42% of spend.²

Terms to Know

Over-the-Top (OTT): The delivery mechanism for TV/video content online, usually through streaming or video on demand in addition to, or “over the top of,” traditional network providers.³

Connected TV (CTV): An internet-connected device used to watch TV/video content online (like a smart TV, gaming console or other internet-connected device). It may be used to stream OTT content, but the two terms are not interchangeable.³

Linear TV: A viewer watches a scheduled TV program when it airs on its original channel. The viewer can watch content through an antenna or pay for cable/satellite.³

Advertising-Based Video on Demand (AVOD): On demand services that are ad-supported at a lower cost for consumers (Hulu, Peacock).³

Subscription Video on Demand (SVOD): Services charging a monthly subscription fee.³

Free Ad-Supported Streaming (FAST): Content delivery model that is free for the user to consume, and the streaming is ad-supported.³

Financial Services Use of Streaming TV/Video Ads

Growing FS Investment

- U.S. banking spend will reach \$100M this year growing to \$144M by 2025.⁴
- Most spend is coming from commercial banking, consumer lending/ mortgages, investments.⁴
- 76% of banking intenders watch ad-supported OTT/CTV while 44% of intenders can't be reached via traditional cable/satellite (27% are cord-cutters and 17% are cord-nevers)⁴

Key Private Bank

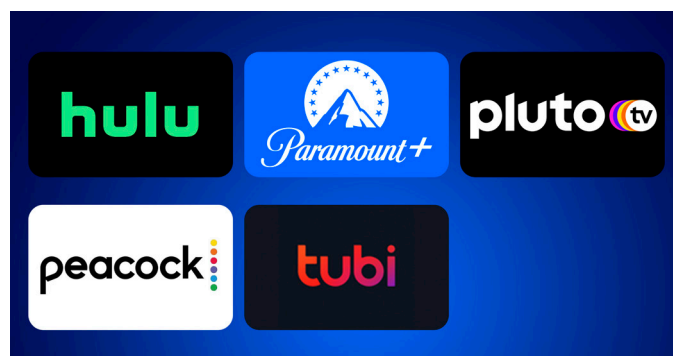


- Goal was to reach High Net Worth prospects⁶
- Digital video placed on Sling, Hulu and YouTube instead of Linear TV⁶
- Cost-effective way to compete with big players⁶
- Better audience targeting and tracking⁶
- Reached segment in more places from connected TVs to mobile devices⁶
- Achieved 4M+ completed views within a few months (96% complete rate)⁶
- Surpassed projected results by 30%+⁶

Why OTT?

- **Advanced targeting:** Dynamic ad insertion by location, dayparts, consumer behaviors and interests⁵
- **Audience receptivity:** Short and engaging ads — unlike Linear TV — result in viewer receptivity and complete views⁵
- **Multiple ad formats (availability varies by platform and geo buy):**
 - **Commercial video ads:** Long-form and scheduled⁵
 - **Pause ads:** Appear when viewer pauses video.⁵
 - **Binge ads:** Served during binge session e.g., “Enjoy one more episode with [product]”⁵
 - **Interactive living room ads:** Engage with viewer who clicks through interactive ad⁵

FS Investment in Streaming Services (#1 or #2 in ad spend)⁷



Survey reflects U.S. OTT spend by seven categories on five platforms 10/21–11/22

¹ <https://mountain.com/blog/2023-ctv-predictions/>

² <https://mountain.com/blog/streaming-ad-spend-will-surpass-linear-by-2025/>

³ <https://www.oracle.com/cx/advertising/measurement/ctv-vs-ott/>

⁴ <https://premon.com/expert-insights/capitalizing-on-the-power-of-data-driven-ctv-to-reach-banking-consumers>

⁵ <https://www.webfx.com/digital-advertising/learn/ott-platforms/>

⁶ <https://mower.com/work/key-private-bank-ott-video/>

⁷ Sensor Tower 2022. Pathmatics: The state of OTT advertising in the US.

Need help with OTT ads? Reach out to

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