

STATE OF CONNECTED TV/OTT: AD SUPPLY TRENDS REPORT

2019

pixalate



TABLE OF CONTENTS

TABLE OF CONTENTS

Executive summary & key takeaways	3
Growth by region	4
App store growth	10
Top Roku apps	14
Device & OS intelligence	16
SSPs	21

ABOUT PIXALATE

Pixalate, a **global ad fraud intelligence and marketing compliance platform**, works with brands and platforms to prevent invalid traffic and improve ad inventory quality. We offer the only system of coordinated solutions across display, app, video, and OTT/CTV for better detection and elimination of ad fraud.

Pixalate is an **MRC-accredited service for the detection and filtration of sophisticated invalid traffic (SIVT)** across desktop and mobile web, mobile in-app, and OTT/CTV advertising.

www.pixalate.com

EXECUTIVE SUMMARY & KEY TAKEAWAYS

EXECUTIVE SUMMARY

As Connected TV (CTV) and Over-the-Top (OTT) advertising spend continues to skyrocket — per [eMarketer](#), it will reach **nearly \$9 billion in the U.S. in 2020**, up 28% year-over-year — the supporting app, device, and technology ecosystems expand in sync.

The rapidly evolving landscape of internet-enabled TV (“OTT/CTV”), including devices such as Amazon Firestick or Roku, brings with it an exponentially confusing web of platforms, apps, devices, and consumers for advertisers to navigate.

But there remains a **trust deficit**, fueled by ad fraud scams such as Pixelate’s discovery of “[DiCaprio](#),” which saw premium Roku apps spoofed and would-be Roku advertisers duped.

This report takes a data-driven look at the **current state of the OTT/CTV programmatic supply chain** to help **bring transparency to buyers and sellers**.

330% global growth in programmatic OTT/CTV ad transactions in 2019

232% increase in OTT/CTV apps that support programmatic ads over last 18 months

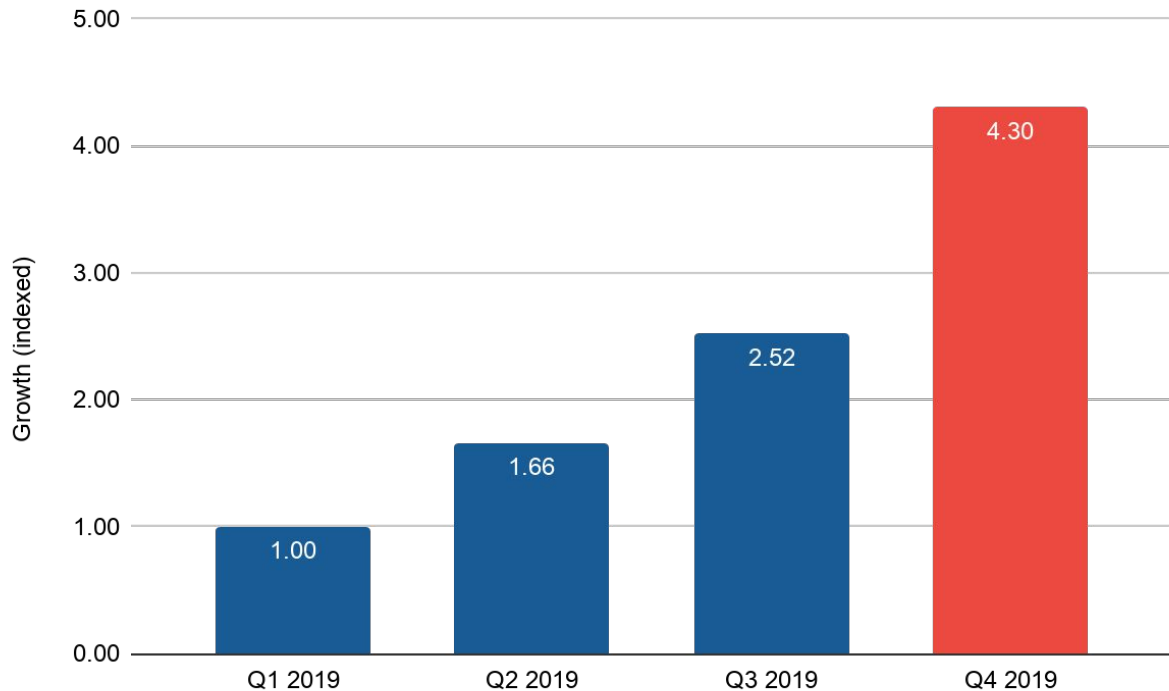
63% rise in programmatic ad market share for **Amazon devices** in 2019

The background is a solid red color with a fine, white grid pattern. Overlaid on this are several white geometric shapes: a circle in the upper left, a large inverted triangle in the center, a large circle on the right, and a vertical rectangle on the left. Faint white lines connect small dots, forming network-like structures across the background.

OTT/CTV GROWTH BY REGION

GLOBAL OTT/CTV AD VOLUME RISES 330%

programmatic video OTT/CTV ad impression volume; global; Q1 - Q4 2019; excludes IVT; as measured by Picalate



4.3x
programmatic OTT/CTV inventory
volume growth in 2019,
or 330%

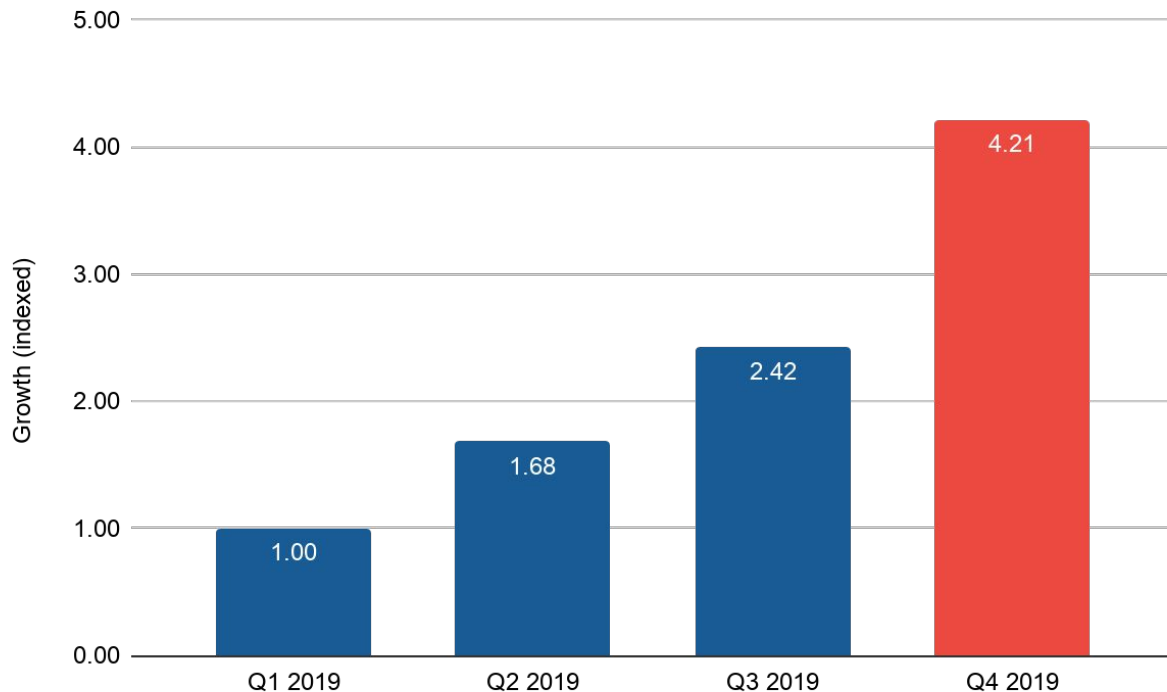
NORTH AMERICA: OTT/CTV AD VOLUME LEAPS 320%

programmatic video OTT/CTV ad impression volume; NA; Q1 - Q4 2019; excludes IVT; as measured by Picalate



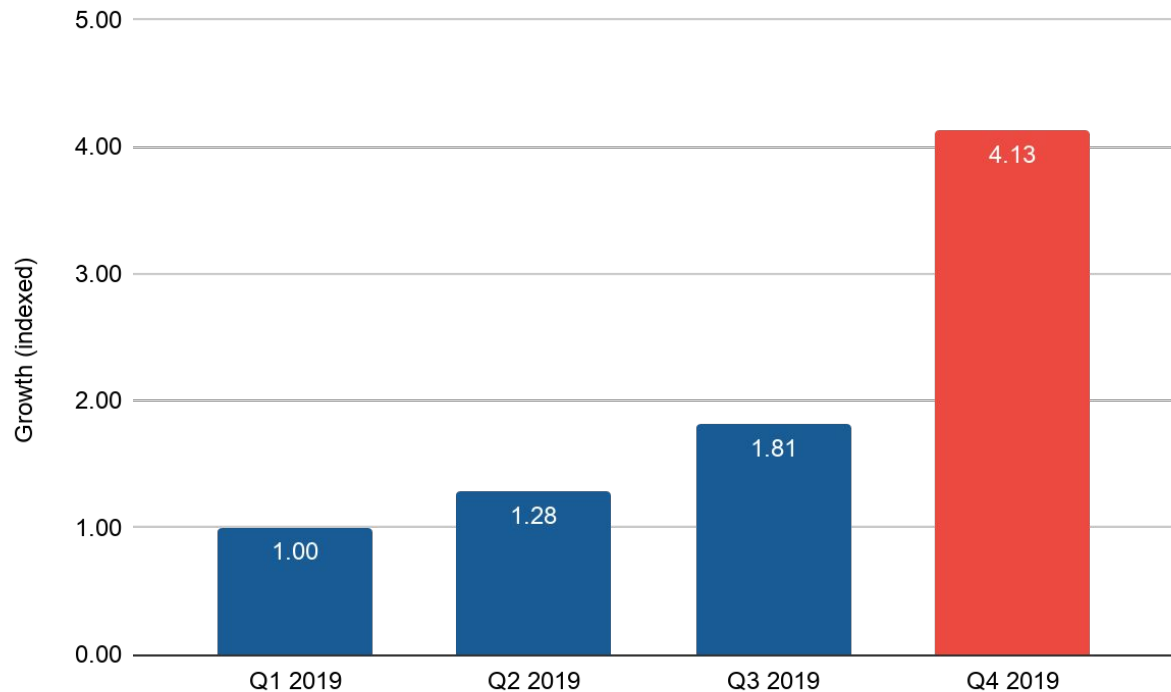
4.2x

growth in North America (NA),
including a **74% rise**
in Q4 alone



EMEA: OTT/CTV AD VOLUME SKYROCKETS IN Q4

programmatic video OTT/CTV ad impression volume; EMEA; Q1 - Q4 2019; excludes IVT; as measured by Picalate



OTT/CTV growth in 2019, powered by a **surging Q4**, which saw a **128% increase** compared to Q3

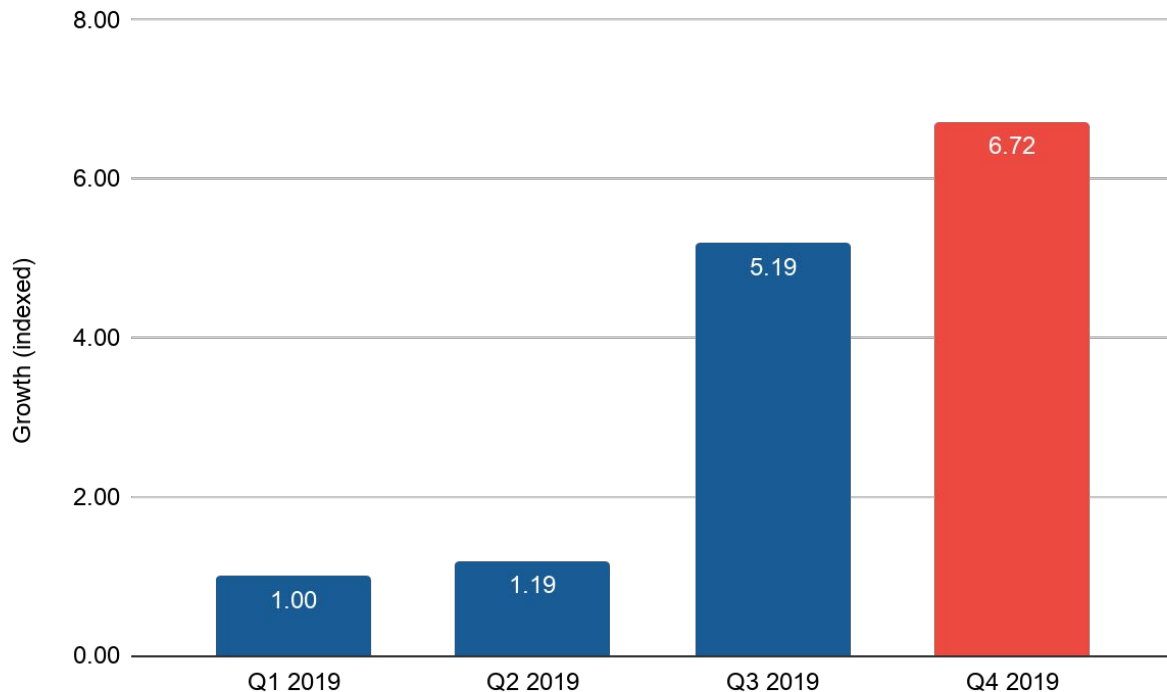
APAC: FASTEST-GROWING OTT/CTV REGION

programmatic video OTT/CTV ad impression volume; APAC; Q1 - Q4 2019; excludes IVT; as measured by Picalate



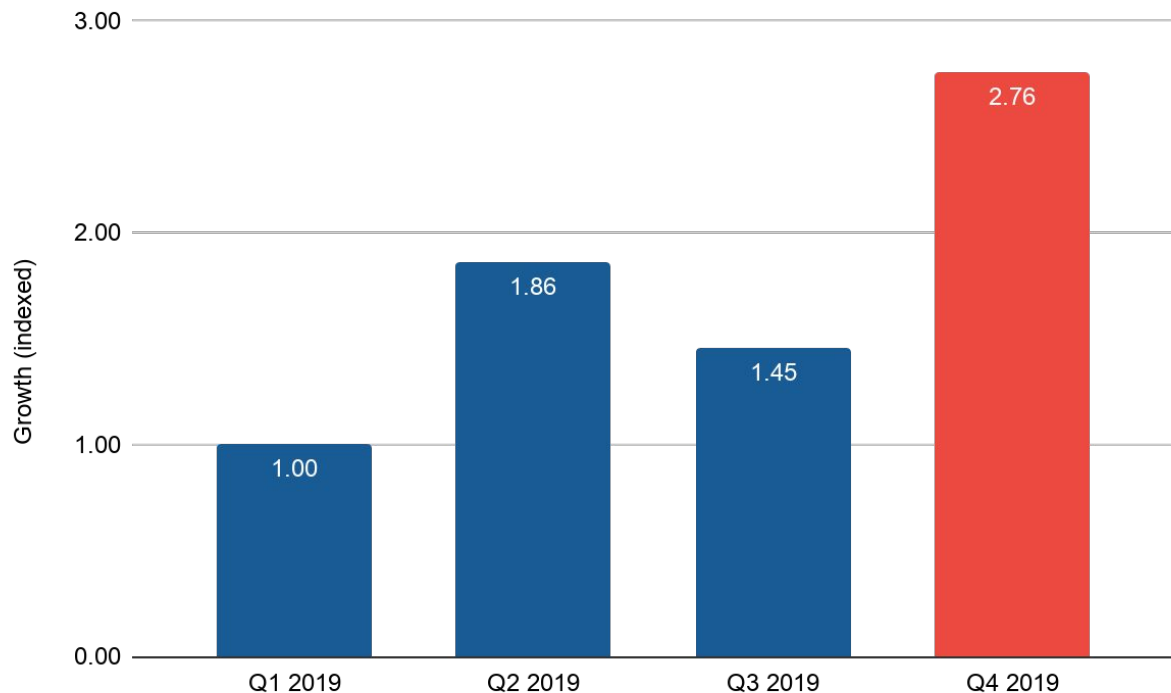
6.7x

OTT/CTV growth in APAC,
making it 2019's
fastest-growing region
after a slow start in H1



LATAM: 176% RISE IN OTT/CTV AD VOLUME

programmatic video OTT/CTV ad impression volume; LATAM; Q1 - Q4 2019; excludes IVT; as measured by Pixalate



2.8x

rise in OTT/CTV ad volume, making **LATAM** the slowest-growing region of 2019, despite a fast start

The background is a solid red color with a fine, white grid pattern. Overlaid on this are several white geometric shapes: a circle in the upper left, a large circle in the lower right, a vertical rectangle on the left, and a large, stylized 'X' shape in the center. Faint white lines connect small dots, forming network-like structures in the corners.

OTT/CTV APP GROWTH

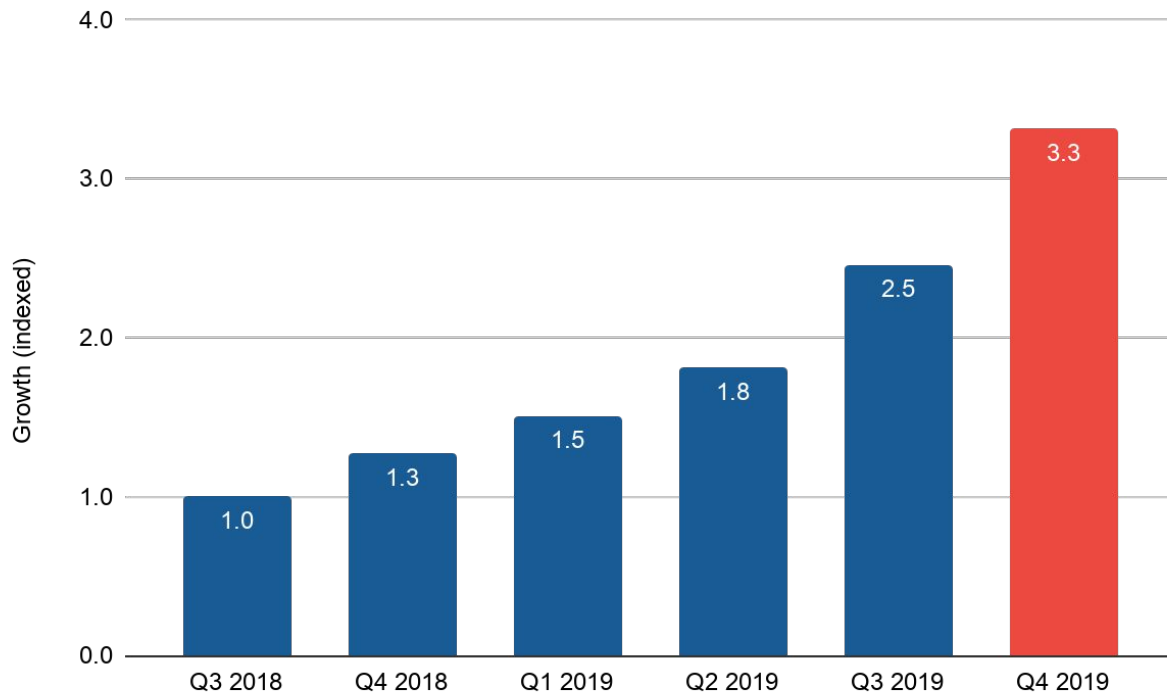
pixalate

232% GROWTH IN OTT/CTV APPS IN LAST 18 MONTHS

of OTT/CTV apps that support programmatic video advertising; global; Q3 2018 - Q2 2019; as measured by Pivalate

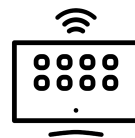
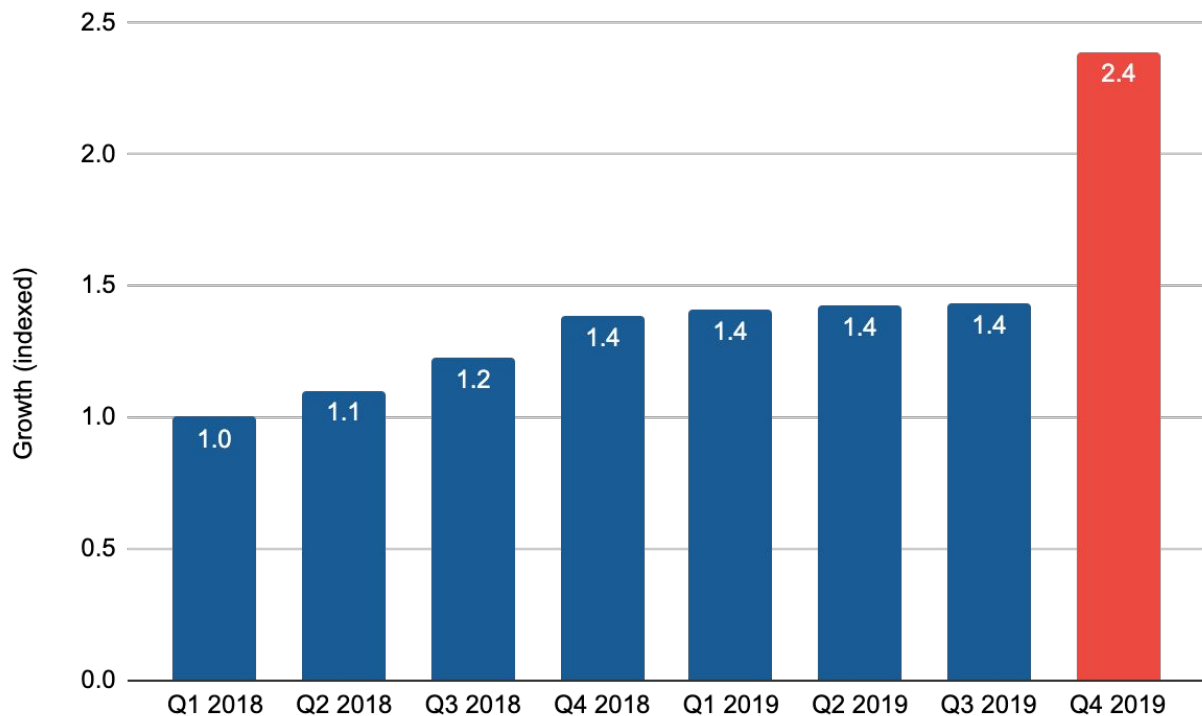
 **3.3x**

global rise over last 18 months in # of **OTT/CTV apps** that support **programmatic video**



OF APPS IN ROKU STORE UP 139% SINCE 2018

apps in the Roku channel store; global; Q1 2018 - Q4 2019



2.4x

growth in **Roku apps**, both with and w/out ads, since the start of 2018 ...

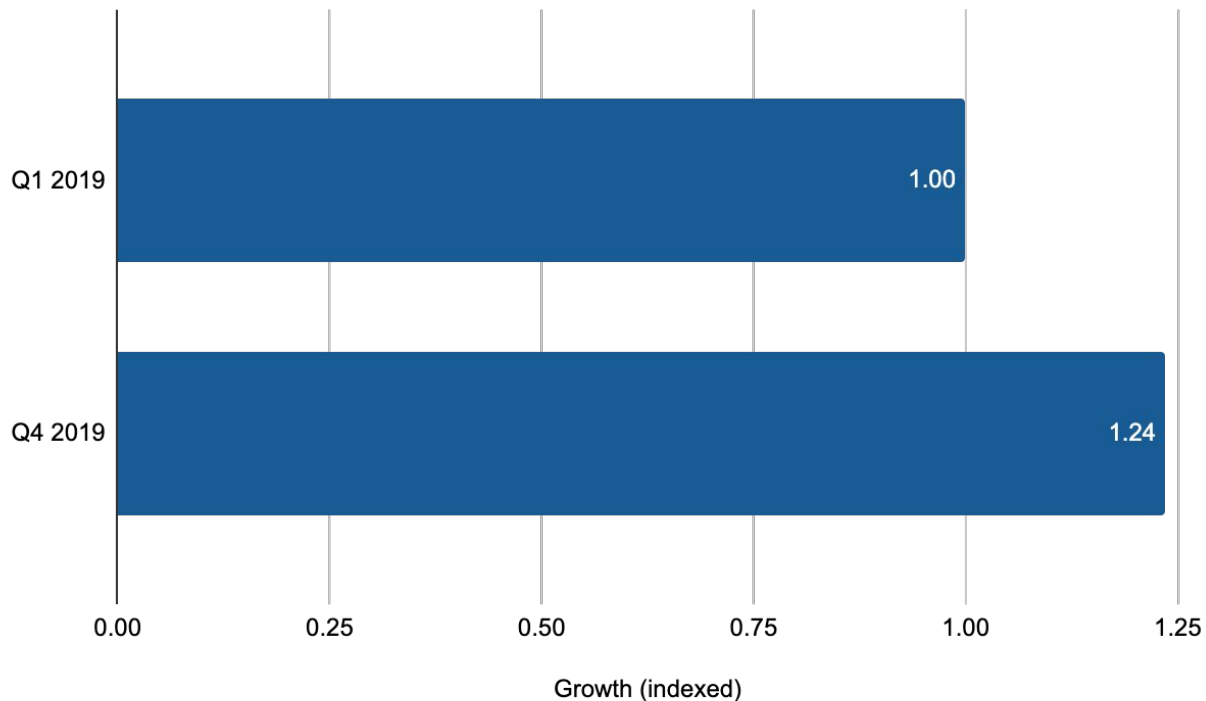
... including a **67% jump** in Q4 2019 alone

24% JUMP IN ROKU APPS WITH PROGRAMMATIC ADS

apps in the Roku channel store that support programmatic advertising; global; Q1 2019 - Q4 2019; as measured by Pixalate

24%

rise in # of Roku apps that support programmatic advertising in 2019



PROGRAMMATIC ADVERTISING: TOP ROKU APPS

HULU, SLING TOP 2 ROKU APPS IN 2019

top 10 Roku apps based on 2019 programmatic ad volume; global; as measured by Pixelate

See the top 20 Roku apps from 2019:
pixel.at/top-roku-apps-2019

App Icon	Developer	App Name
	Hulu LLC	Hulu
	Sling TV L.L.C.	Sling TV
	Pluto Inc.	Pluto TV - It's Free TV
	FilmRise	FilmRise
	Tubi, Inc	Tubi TV
	Philo	Philo
	Newsy	Newsy
	Crackle, Inc.	Crackle
	CBS News	CBS News
	Future Today Inc.	Fawesome.tv

The background is a solid red color with a subtle, intricate pattern of white dots and thin white lines connecting them, resembling a network or constellation. Overlaid on this are several large, faint white geometric shapes: a circle on the left, a large diamond in the center, and another circle on the right. The main text is centered and rendered in a clean, white, sans-serif font.

MARKET INTEL: OTT/CTV DEVICES & OPERATING SYSTEMS

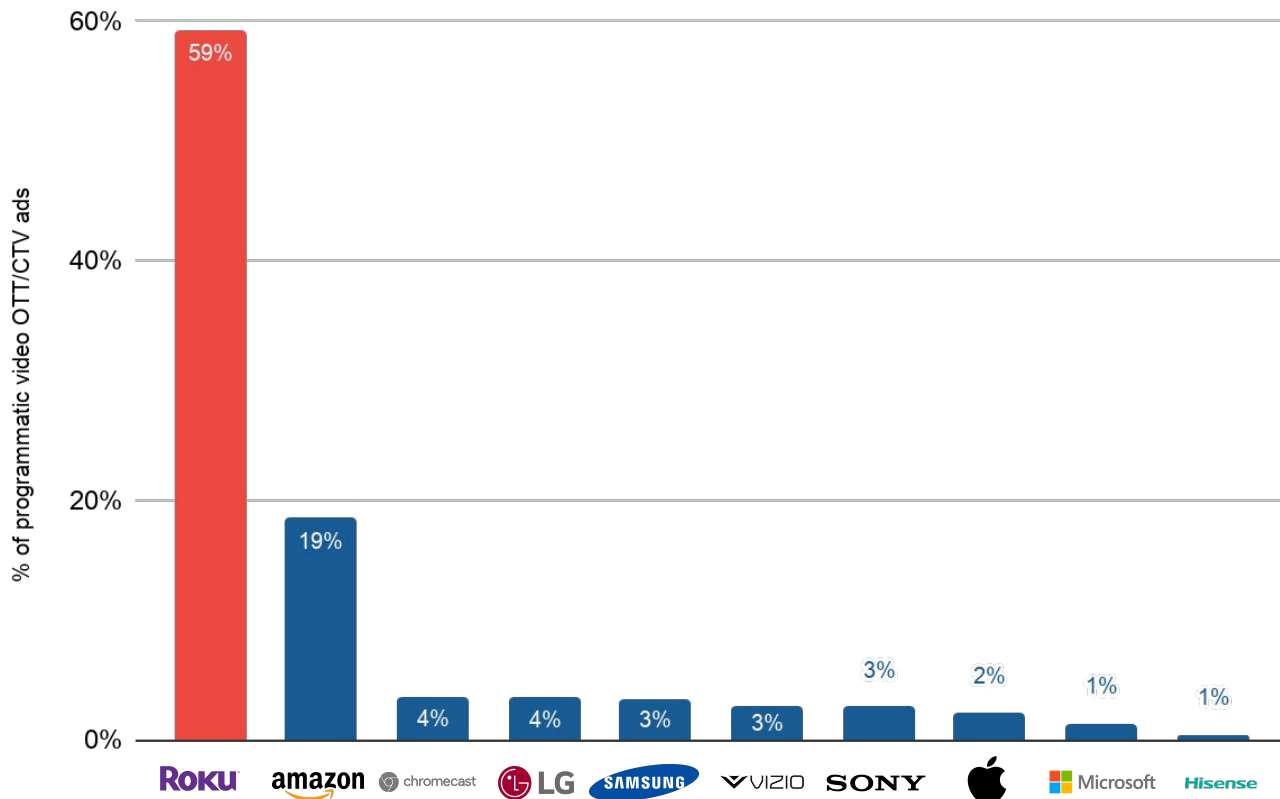
ROKU COMMANDS 59% PROGRAMMATIC AD MARKET SHARE

share of voice of programmatic video OTT/CTV ad impressions among top 10 devices in term of global SOV; Q4 2019; as measured by Pixalate

59%

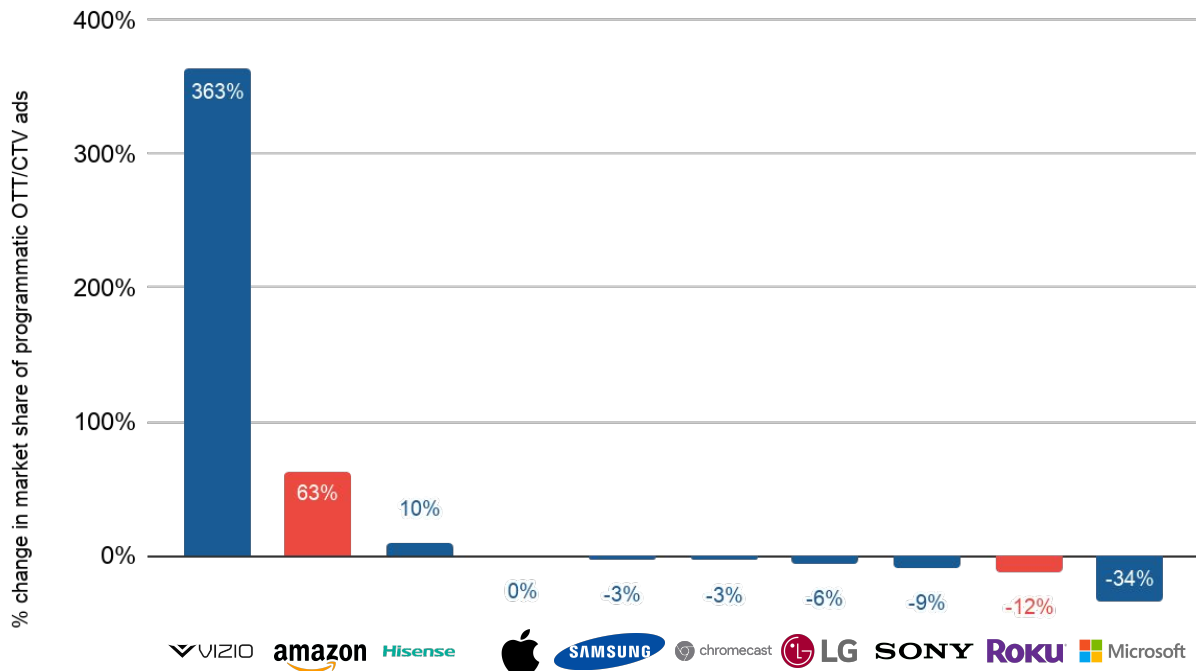
of programmatic
OTT/CTV video ads
go to Roku devices,
3x more than any
other device type

Market share based on share of voice of programmatic video OTT/CTV ad impressions served to devices, based on device manufacturer, as measured by Pixalate



63% AD MARKET SHARE RISE FOR AMAZON DEVICES

Q1 vs. Q4 2019 change in share of voice of programmatic video OTT/CTV ad impressions; top 10 devices in term of SOV shown; global; as measured by Picalate



63% 

increase in **Amazon** device ad market share from Q1 to Q4 2019

-12% 

2019 ad market share change for **Roku** devices

Market share based on share of voice of programmatic video OTT/CTV ad impressions served to devices, based on device manufacturer, as measured by Picalate

OS: ANDROID TAKES 2ND IN OTT/CTV AD MARKET SHARE

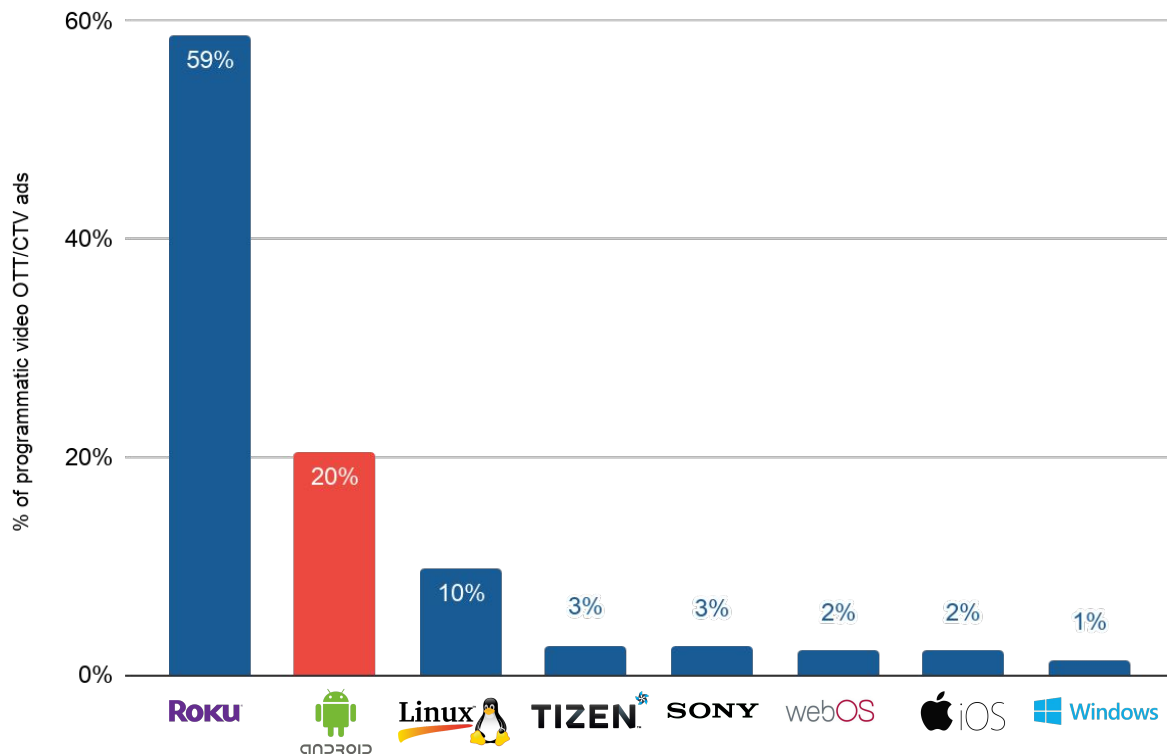
share of voice of programmatic video OTT/CTV ad impressions among top 8 operating systems based on global SOV; Q4 2019; as measured by Pixalate

20%

Android operating system's ad market share in Q4, second to **Roku** (59%)

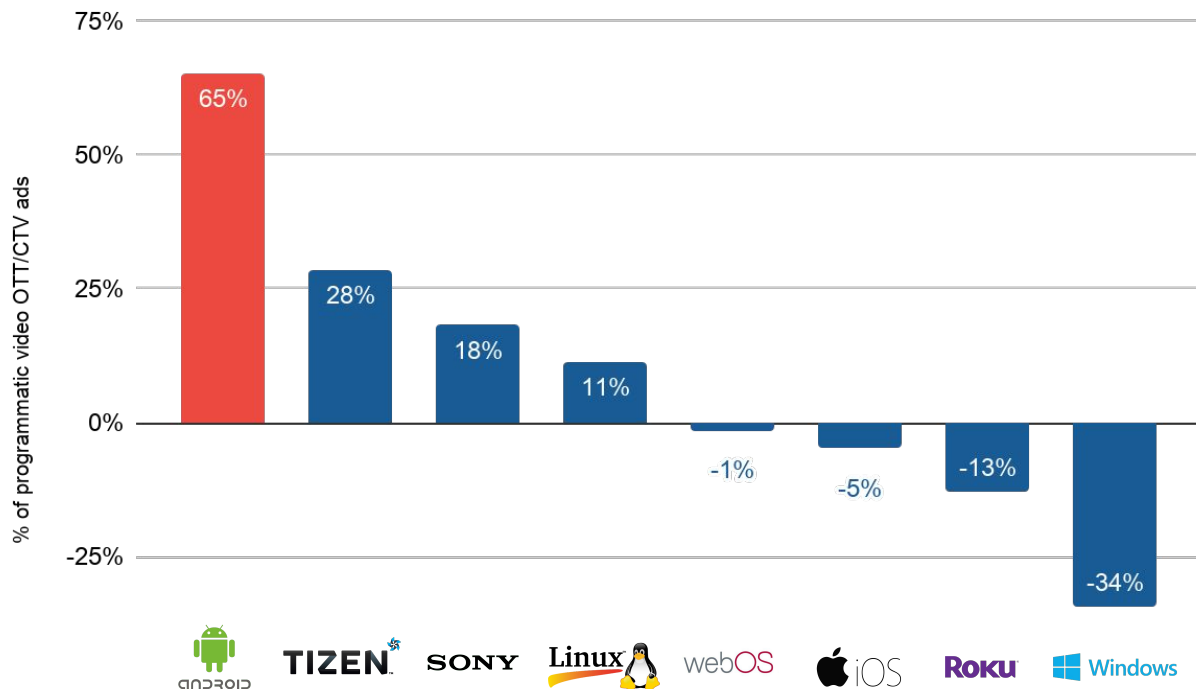
Amazon devices are powered by **Android**
Vizio is an example powered by **Linux**

Market share based on share of voice of programmatic video OTT/CTV ad impressions served to devices, based on device operating system, as measured by Pixalate



ANDROID OS GAINS 65% OTT/CTV AD MARKET SHARE

Q1 vs. Q4 2019 change in share of voice of programmatic video OTT/CTV ad impressions; top 8 operating systems in term of SOV shown; global; as measured by Pixalate



65%

increase in **Android OS** ad market share in 2019; **Windows** (-35%) was the **biggest faller**

Market share based on share of voice of programmatic video OTT/CTV ad impressions served to devices, based on device operating system, as measured by Pixalate



SUPPLY CHAIN INTEL: TOP SSPs FOR OTT/CTV



TOP SSPs FOR OTT/CTV SUPPLY

top SSPs (in alphabetical order) based on programmatic OTT/CTV ad impression volume; global; Q4 2019



METHODOLOGY & DISCLAIMER

METHODOLOGY

Pixalate's data science and analyst team analyzed billions of programmatic advertising impressions across over 75 million OTT/CTV devices, utilizing proprietary analytics tools to compile this research. The research contained herein represents data collected by Pixalate from January 1, 2018 through December 31, 2019 ("Q1 2018 - Q4 2019").

Geography is based off of the User Pool (IP) and not the region of the domain or app. Except for Page 12 (Roku app store growth, which includes apps that are support by both programmatic and non-programmatic ads), the research contained in this report is based on programmatic video advertisements on Connected TV (CTV) and Over-The-Top (OTT) devices, excluding invalid traffic.

DISCLAIMER

The content of this research reflects Pixalate's opinions with respect to the factors that Pixalate believes can be useful to the digital media industry. Any proprietary data shared is grounded in Pixalate's proprietary technology and analytics, which Pixalate is continuously evaluating and updating. Any references to outside sources should not be construed as endorsements. Pixalate's opinions are just that, opinions, which means that they are neither facts nor guarantees.



THANK YOU

info@pixalate.com

pixalate.com

pixalate