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It's All in the Delivery
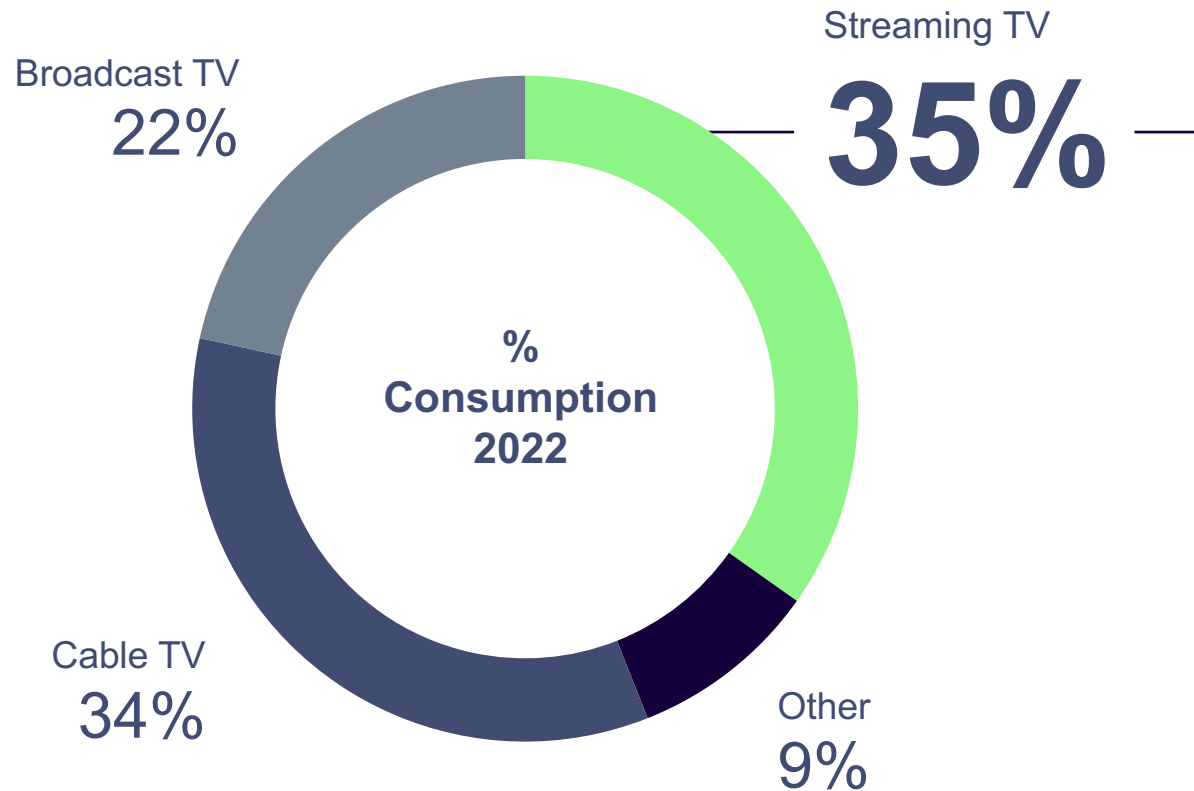
How repeating ads affect CTV viewers, brands & platforms

# For the first time ever, streaming has taken over cable and broadcast

Broadcast TV
22%

Streaming TV
35%

% Consumption 2022

Cable TV
34%

Other
9%

Total Day
Persons 2+

Source: Nielsen; The Gauge: Total TV and Streaming Snapshot July 2022

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Streaming has challenges in programmatically delivering a TV-like ad experience

Linear TV without repeating ads

Shoe Ad
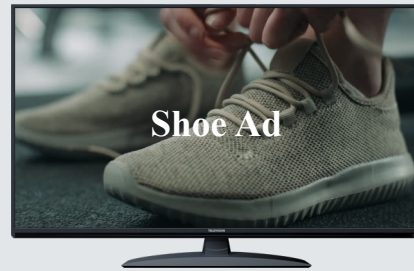
Streaming TV with repeating ads

Restaurant Ad

Restaurant Ad

Restaurant Ad

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Our Question

What impact, if any, do repeating ads on streaming TV have on brands, platforms, and viewers?

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Quantifying the impact of repeating ads

1
TEST AD EXPOSURE

4
TEST AD EXPOSURES

6
TEST AD EXPOSURES

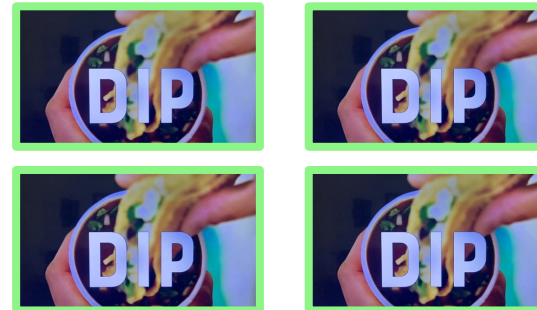**AD DELIVERY**

Same total ad load for everyone; however, varying frequencies of exposure to test ad in sequential ad breaks

BRANDS

Applebee's

new balance

PLATFORM

Streaming TV

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Methodology

Repeating Connected TV Ads

RECRUITMENT

Weekly streaming viewers recruited from representative online panel

Sample size: 1,246*

STREAMING MEDIA EXPERIENCE

Participants watched TV show of their choice on their home Connected TV

Participants randomized to brand, as well as 1, 4 or 6 test ad exposures

MEASUREMENT

Participants took survey to provide feedback on viewing experience, as well as answer questions on brand KPIs

*Viewers answered questions for both test and control brands

What **brands** need to know about repeating ads

Oversaturation on streaming is the norm

87%

Of viewers say they see too much of the same ad
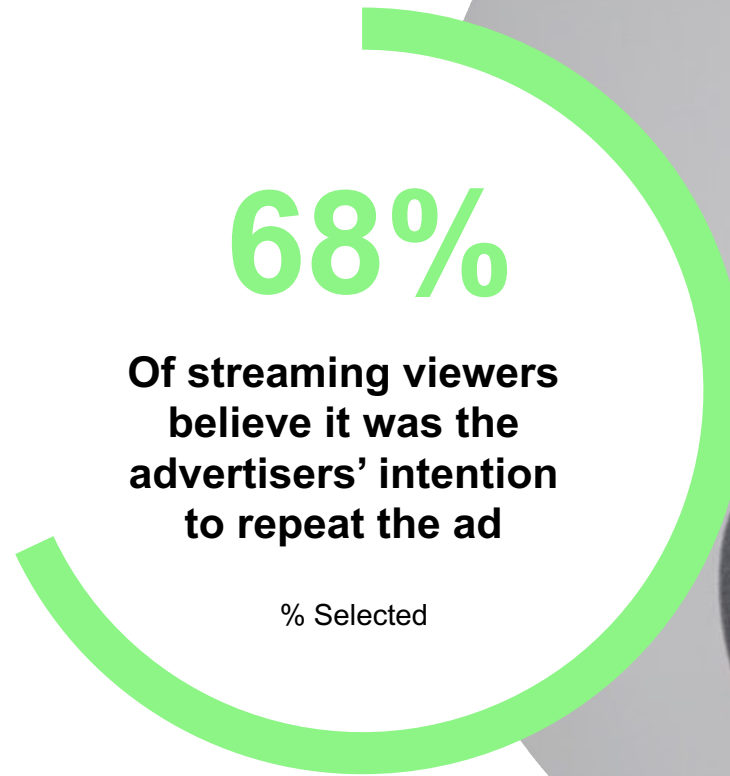
% Always/Often/Sometimes

Sample Size: N= 623
Q: Thinking more generally about your experiences in viewing TV content on streaming services
(e.g., Netflix, Hulu, Peacock, etc.), how often do you see too much of the same ad?

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Viewers think overexposure is intentional

83%

Believe that repeating ads is intentional*

Net Score

68%

Of streaming viewers believe it was the advertisers' intention to repeat the ad

% Selected

Sample Size: N= 104
Question: Why do you think the ad played so many times throughout the TV episode?
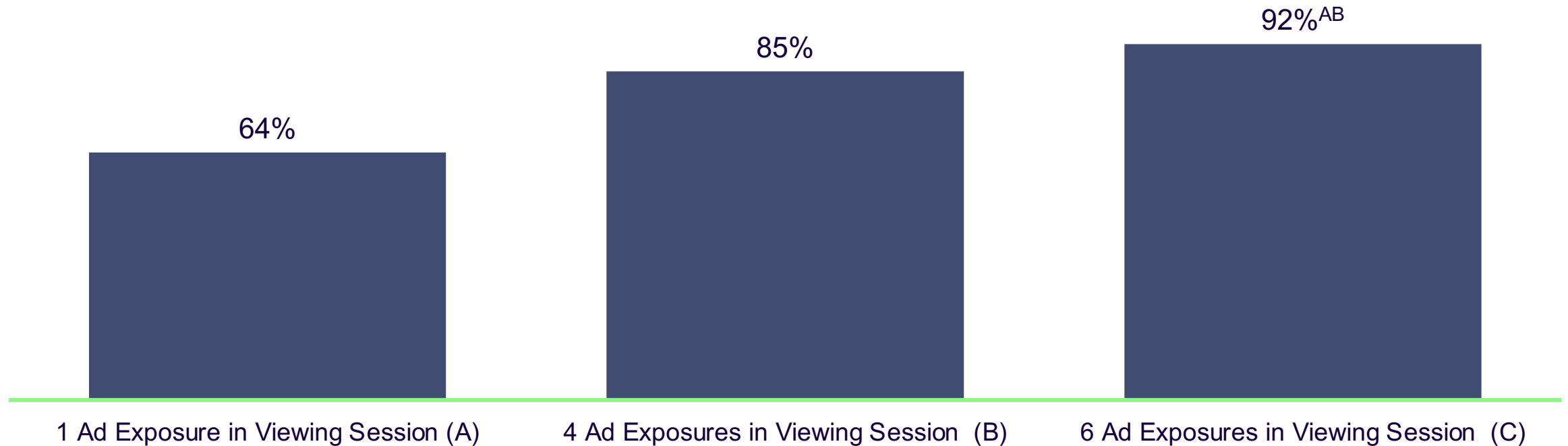*Net score of "the advertiser intended it to be this way" and "the streaming service intended it to be this way"

Yes, repeating ads make brands stand out

Unaided Ad Recall – First Mention
% Aware

PEAK AWARENESS
Nearly everyone recalls the advertising brand

64% — 1 Ad Exposure in Viewing Session (A)

85% — 4 Ad Exposures in Viewing Session (B)

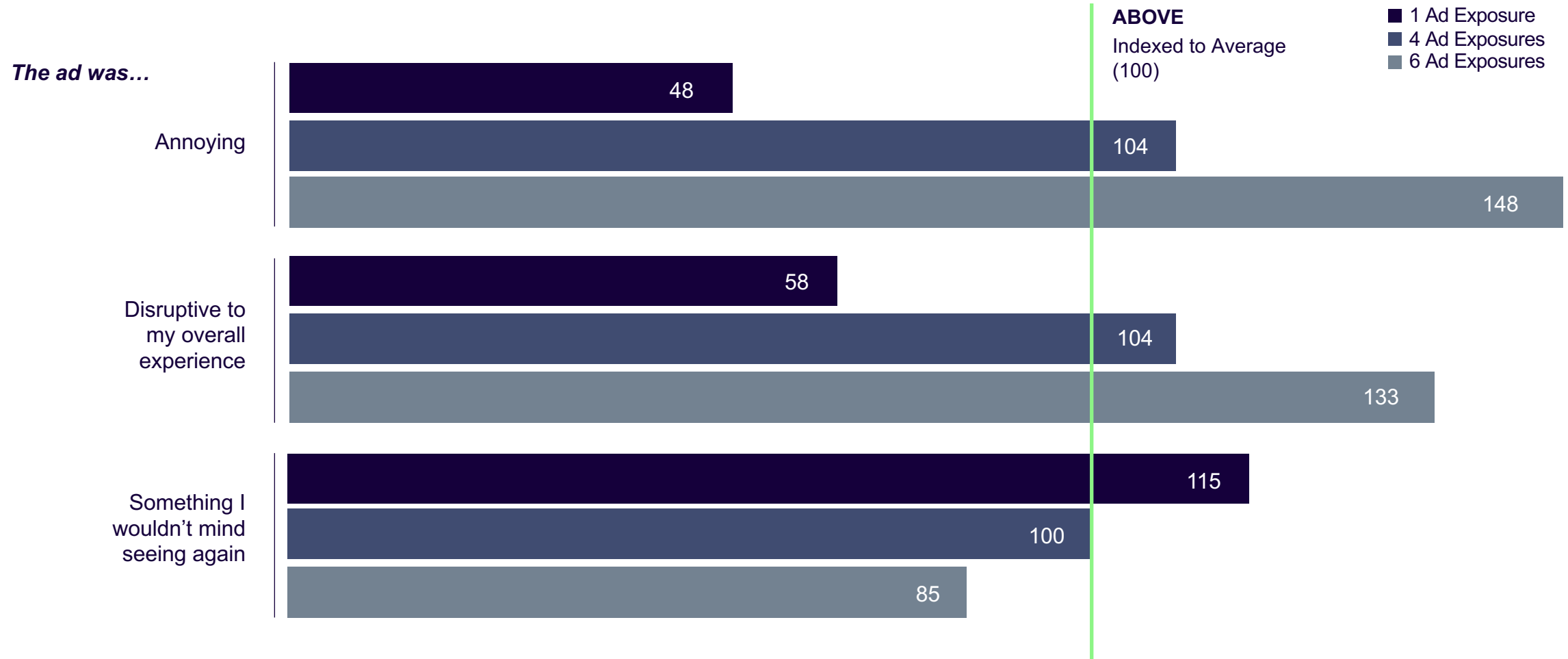92%[AB] — 6 Ad Exposures in Viewing Session (C)

Total Audience: 1 Ad Exposure Exposed N= 214; 4 Ad Exposures Exposed N=199; 6 Ad Exposures Exposed N=210
A/B/C = statistical difference between A/B/C at ≥90% confidence

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But ad overexposures aren't standing out for the right reasons

Ad Perceptions Based on # of Exposures Indexed to Average

ABOVE
Indexed to Average (100)

- ■ 1 Ad Exposure
- ■ 4 Ad Exposures
- ■ 6 Ad Exposures

The ad was…

Annoying
- 48
- 104
- 148

Disruptive to my overall experience
- 58
- 104
- 133

Something I wouldn't mind seeing again
- 115
- 100
- 85

Total Audience: 1 Ad Exposure Exposed N= 214; 4 Ad Exposures Exposed N=199; 6 Ad Exposures Exposed N=210
A/B/C = statistical difference between A/B/C at ≥90% confidence

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Meanwhile, interest in brands wanes with repeating ad exposures

Brand Attributes
% Strongly Agree

■ 1 Ad Exposures in Viewing Session (A)
■ 4 Ad Exposures in Viewing Session (B)
■ 6 Ad Exposures in Viewing Session (C)

LOSS OF INTEREST
Viewers' perceptions of the brand hampered

LOSS OF INTEREST
Viewers' perceptions of the brand hampered

25%^{BC}

16%

17%

21%^{BC}

15%

16%

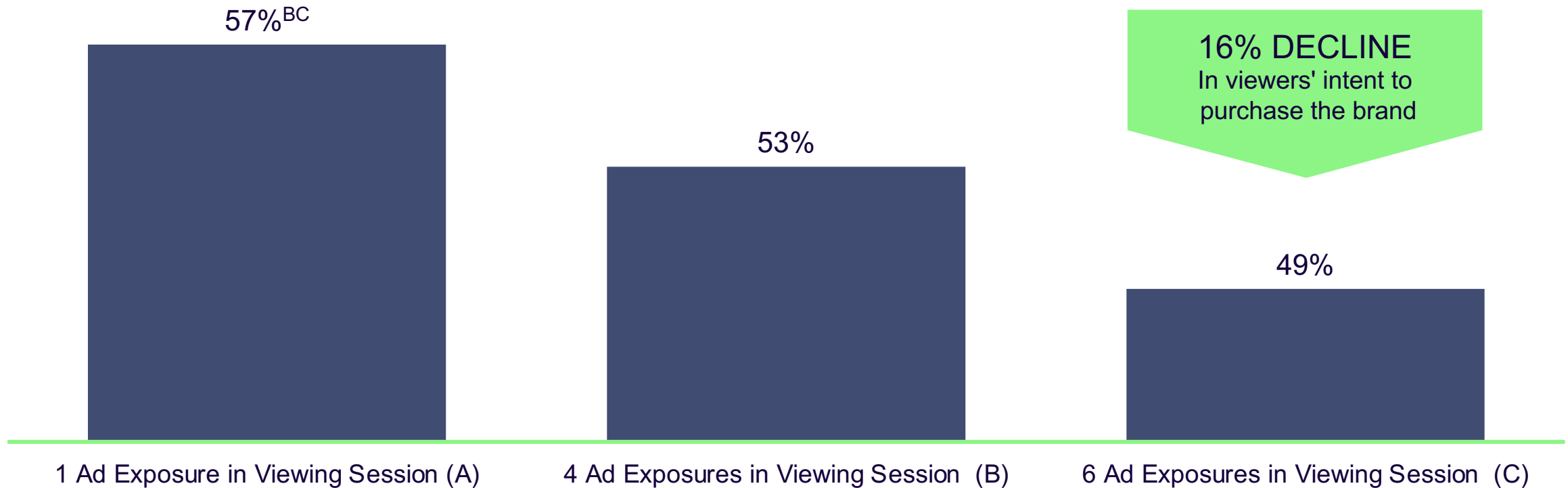Is a brand that knows how to connect with me

Is a brand that excites me

Total Audience: 1 Ad Exposure Exposed N= 214; 4 Ad Exposures Exposed N=199; 6 Ad Exposures Exposed N=210
A/B/C = statistical difference between A/B/C at ≥90% confidence

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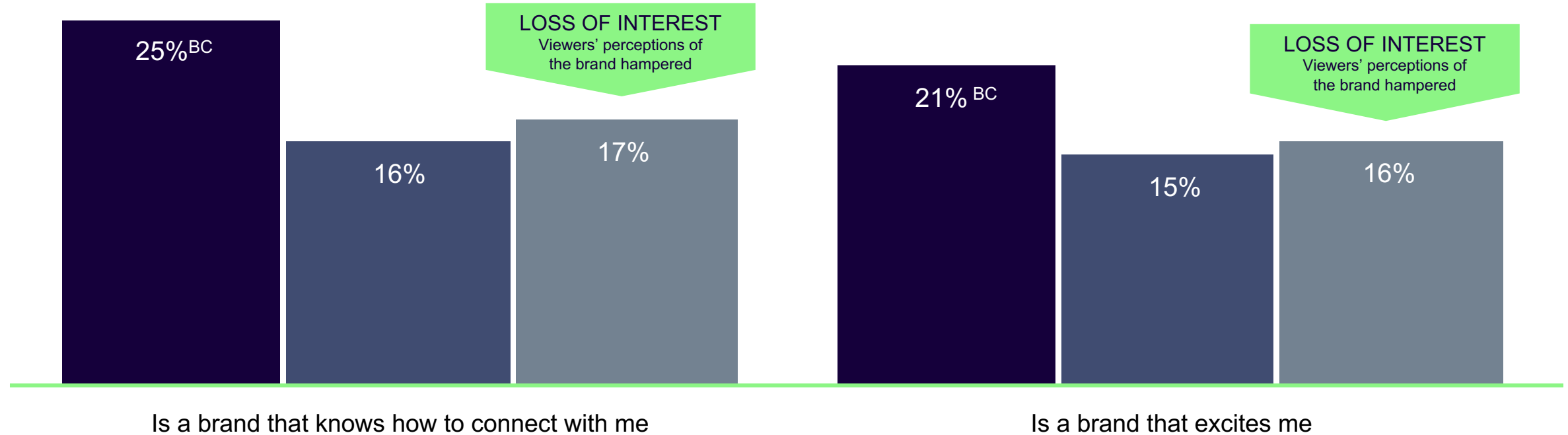
Repeating ads erode purchase intent

Purchase Intent

% Very/Somewhat Likely

57%BC

53%

16% DECLINE
In viewers' intent to
purchase the brand

49%

1 Ad Exposure in Viewing Session (A)   4 Ad Exposures in Viewing Session (B)   6 Ad Exposures in Viewing Session (C)

Exposed Percentage Only
Total Audience: 1 Ad Exposure Exposed N= 214; 4 Ad Exposures Exposed N=199; 6 Ad Exposures Exposed N=210
A/B/C = statistical difference between A/B/C at ≥90% confidence

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Viewers are acutely aware of the disruption created by repeating ads

Viewer experiences with repeating ads within viewing session

> *"It mostly felt disruptive due to the number of times it played."*

> *"The ad itself is fine, having to watch it four times was the annoyance."*

> *"It was repeated many times throughout the episode."*

> *"Every single commercial break featured the same [ad] commercial, and it made the experience of watching this episode a very bad one!"*

> *"Too repetitive and made me not want to keep seeing it."*

Q: What impact, if any, did the ad have on your viewing experience?
Open-end survey responses

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MOST BLAME BRANDS
When they see repeating ads on streaming TV

36% ARE LESS OPEN
To seeing the ad again

BRANDS ARE PAYING FOR 16% DECLINE
In intent to purchase the brand

ADVERTISERS
Should avoid repeating ads

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What **platforms** need to know about repeating ads

Streaming platforms are also held accountable for repeating ads

44%

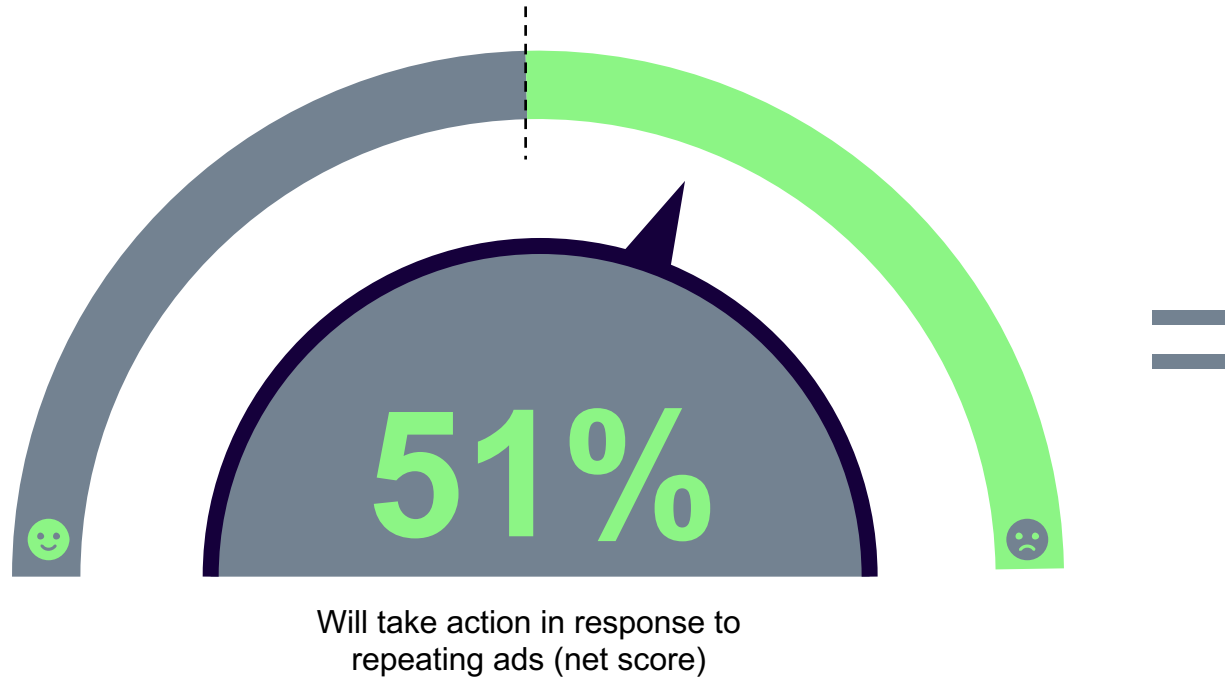Of CTV viewers believe that streaming services intended to repeat the ad

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Too many ad exposures has consequences

Specific actions viewers will take
% Very/Somewhat Likely

51%

Will take action in response to repeating ads (net score)

=

Streaming viewers will…

Try to find another streaming service that offers the same show/movie
43%

Have a less favorable opinion of the streaming service
35%

Recommend against the streaming service
27%

Stop watching the streaming service
20%

Terminate their subscription with the streaming service
19%

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If viewers had it their way, most would want all their ads upfront

Ad formats preferred by streaming viewers

% Selected

60%
A long ad break before the show started, with the rest of the TV show uninterrupted by ads

34%
Shorter ad breaks during the TV show

Sample Size: N = 623
Q: If you had control over the way that ads appear in TV shows, what would be your preference?

NEARLY HALF BLAME PLATFORMS

When they see repeating ads on streaming TV

51% WILL TAKE ACTION

Against the platform if they had a similar viewing experience in real life

MOST WANT LESS INTERRUPTIONS

From ads during their viewing experience

PLATFORMS
Should avoid repeating ads

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Industry calls-to-action

1 Broadcasters/Publishers

2 Advertisers

Provide a better ad experience for viewers by ensuring your ad server is built for the complexities and nuances of streaming and is equipped to make real-time frequency capping decisions from all demand sources (e.g., programmatic, direct, etc.).

Be inquisitive–whether buying direct or programmatically, ask your publisher and programmatic partners how your ads are served so that you can ensure that they are delivered in the best way possible. Work with partners that use ad servers purpose-built for streaming that are capable of decisioning based on the rules you've put in place (frequency capping, competitive separation, etc.).

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Thank you

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