



IAB EUROPE'S BITESIZE GUIDE TO CONNECTED TV

Introduction

This guide was originally written by experts from IAB Europe's Brand Advertising Committee in 2020 to assist media planners and buyers, whether from linear or digital backgrounds, in navigating the evolving opportunities of Connected TV (CTV) advertising. Since the CTV landscape in Europe continues to evolve, the Committee has provided updates to the Guide over the last few years to ensure it continues to provide clarity to the often confusing advanced TV market and align all industry players on clear and concise pan-European definitions. This edition is a bitesize guide that offers updates on the European CTV landscape with key considerations and best practices to ensure that advanced TV environments are being optimised.

Evolution of TV Consumption

Gone are the days when viewers needed expensive bundled cable or satellite packages to access their favourite TV shows. Today, consumers have flexible options, such as less expensive "skinny" bundles or even entirely opting for streaming services like Netflix, Amazon, Disney, NowTV, and Hulu. This shift has created a "TV everywhere" culture, allowing people to watch TV live or on-demand, whenever and wherever they want.

While consumers enjoy these new benefits, they also bring challenges for media agencies and advertisers. Audiences have become more fragmented, reducing the once-reliable mass reach of traditional TV. As a result, marketers must rethink their strategies to effectively reach their target audiences. This evolution demands new approaches to planning, targeting, purchasing, and measuring TV advertising campaigns.

CTV Landscape in Europe

CTV advertising in Europe is at the intersection of two major trends:

1. Digital Advertising Growth:

The European digital advertising market [grew by 11.1% in 2023, reaching €96.9 billion](#). This growth outpaced the US market and was largely concentrated in five markets: the UK, Germany, France, Spain, and Italy. These five countries account for 69% of the total spend, but 13 other European markets, particularly in Central and Eastern Europe, have seen double-digit growth. CTV was a standout with a 23.5% growth rate, surpassing other video formats and reflecting its growing importance in the digital landscape.

1. Shift in Traditional TV Advertising:

Traditional TV once dominated media advertising spend because of its audience reach and branding power. However, with audiences now consuming a wider range of video content, the traditional TV ad ecosystem is evolving. The combination of digital maturity and TV's branding power offers a new opportunity for advertisers to explore.

Growth and Adoption of CTV

The adoption of CTV across Europe has accelerated as more households switch from traditional linear broadcast to digital consumption. This transition is supported by the increasing use of smart TVs and streaming devices. According to [research](#) from IAB Europe and DoubleVerify, half of advertisers now consider CTV a cost-efficient alternative to linear TV, and 51% are drawn to its ability to expand audience reach. Publishers, too, are prioritising CTV, aiming to grow their inventory and partner with new advertisers.

Changing Definitions in the TV Ecosystem

The definition of TV is evolving as more audio-visual services—ranging from traditional broadcasters to OTT (Over-The-Top) services and native digital aggregators—compete for content, viewers, and audience data. Innovations like Free Ad-Supported Streaming Television (FAST) services and the rise of smart TVs, where channels are increasingly presented as apps, are blurring the lines between traditional and digital media. This shift is expected to drive further adoption of CTV, with smart TVs enabling addressable TV messaging through additional information brought by Internet Services Providers (ISPs) or technologies like Automatic Content Recognition (ACR).

Key Considerations in CTV Advertising

When planning Connected TV (CTV) advertising, it's essential to navigate a range of critical considerations to maximise the effectiveness of campaigns. CTV offers a blend of traditional television's reach with digital advertising's precision, but with this opportunity comes complexity. As the medium grows, advertisers face challenges in data usage, targeting, standardisation, and measurement. Addressing these issues ensures advertisers can harness the full potential of CTV to deliver more effective, engaging, and relevant messages to their audiences while safeguarding brand safety, enhancing viewer experience, and ensuring ad spend efficiency. Understanding and implementing best practices for CTV are key to realising successful campaigns and staying competitive in an evolving media landscape. Here are 10 key considerations from members of IAB Europe's Brand Advertising Committee:

1. Using Data to Find Your Audience

Data is crucial in targeting specific audiences in the CTV environment, allowing advertisers to reach viewers with personalised, relevant content. Addressability enables advertisers to deliver tailored ads to households based on viewer profiles, helping to extend reach efficiently. Key considerations for using data include:

- **Audience segmentation:** Leveraging audience segmentation data helps to identify and target light TV viewers who may be harder to reach through traditional methods.
- **Subscriber or user data:** Many viewers are willing to share limited data in exchange for free content, providing brands with valuable insights for targeted advertising.
- **Geo-targeting and device-specific targeting:** By working with publishers or through demand-side platforms (DSPs), advertisers can target specific devices, regions, dayparts, and even households.
- **First-party data integration:** Collaborating with publishers to enable device IDs can enhance targeting, using data management platforms (DMPs) or first-party data for refined audience targeting.

2. Standardisation in CTV

Standardisation is essential to scale CTV advertising effectively. Ensuring consistency across CTV platforms enables better control over ad placement, frequency, and measurement. Key areas of standardisation include:

- **Ad formats and delivery:** The IAB Tech Lab's VAST 4.2 and OpenRTB 2.6 standards are critical for ensuring uniform ad delivery, tracking, and targeting across CTV devices.
- **Dynamic ad insertion:** Addressable TV advertising relies on technologies such as Dynamic Ad Insertion (DAI), which need to follow consistent standards to prevent fraud and ensure smooth ad delivery.
- **Ad podding:** OpenRTB 2.6 has introduced ad podding, a crucial advancement in programmatic CTV, allowing for multiple ads to be shown in one ad break, mimicking linear TV ad formats.
- **Sustainability:** Ad podding can reduce carbon footprints by eliminating duplicative ad requests in the programmatic ecosystem, contributing to environmental sustainability goals.

3. Viewability, Invalid Traffic (IVT), and Fraud Prevention

As the demand for CTV grows, so does the risk of fraudulent activity and concerns over ad viewability. Buyers should focus on:

- **Certification and authentication:** Many platforms are developing solutions to verify human audiences and eliminate fraudulent traffic.
- **Ad insertion risks:** Outsourced ad insertion technology may increase the risk of fraudulent ad views. In-house ad stitching can help reduce this risk.
- **Alternative viewability metrics:** Traditional third-party viewability tools, like VPAID, are often incompatible with CTV environments. Instead, DSPs provide insights through alternative metrics, such as ad completion rates (View Through Rates—VTRs).

4. Brand Safety

Ensuring that ads appear in safe and suitable environments is paramount. Although CTV generally offers a brand-safe environment similar to traditional TV, challenges remain due to fragmentation. Considerations include:

- **Transparency and verification tools:** To maintain brand safety, advertisers should utilise verification tools to ensure that ads are displayed in premium and fraud-free environments.
- **Unified standards:** Industry leaders are working to create unified standards to improve transparency and safety across the CTV supply chain.
- **Ad misplacement:** Programmatic buying, while offering efficiency, can lead to risks of ads being placed in unsuitable environments. Working with trusted partners and using advanced verification tools can mitigate this.

5. Creativity in CTV Ads

CTV opens new opportunities for creative advertising, enabling more personalised and dynamic content, bringing digital capabilities to the big screen. Key creative opportunities include:

- **Personalisation:** CTV allows dynamic creative execution, powered by AI, such as changing end-frames or voiceovers based on household characteristics. Over-65s, for instance, might receive a different travel ad than a family with young children.
- **Interactive formats:** Incorporating interactive features like QR codes, shoppable ads, and SKOverlay formats will play a crucial role in boosting viewer engagement and increasing return on investment. Features like QR codes can be embedded in CTV ads to drive direct response, allowing viewers to engage with ads in new ways by, for example, scanning codes to be taken to a product page or nearest store, or enabling virtual try-ons via Augmented Reality (AR). When using a QR code, the viewer can save the ads in his mobile wallet for instance and consume it at a later stage which drastically reduces the interruption and increases user experience.
- **Non-linear ad formats:** Non-intrusive ads, such as reduced-stream, overlay or L-banner formats, offer alternatives to mid-rolls and other interruptive formats, improving the viewer experience.
- **AI and Automation:** Incorporating AI-powered tools for audience targeting, creative optimisation, and personalised ad delivery can improve relevance and efficiency. Tools can personalise ad content by assessing factors such as viewing habits, genre preferences, and household demographics.

6. Scalability of CTV Campaigns

One of the key challenges in CTV advertising is achieving scale, particularly across Europe's fragmented media landscape. Despite this, smart TV adoption continues to rise, offering increasingly significant reach. Buyers should consider:

- **Complement to linear TV:** CTV can act as an extension to traditional TV, reaching underexposed audiences and improving total campaign reach.
- **Cross-device strategies:** Ensuring minimal overlap between CTV and linear campaigns can maximise reach and frequency while maintaining cost efficiency.
- **Assessing partners:** Ensure that your CTV partner can provide sufficient reach and track exposed versus unexposed audiences for optimal campaign effectiveness.

7. Ad Podding and Sustainability

Ad podding—grouping multiple ads in one break like traditional TV—offers advertisers flexibility, efficiency, and an improved viewer experience. Podding is a critical driver for:

- **Reduced carbon footprint:** Ad podding helps minimise unnecessary ad requests, significantly reducing carbon emissions in the programmatic process.
- **Better user experience:** Ad podding ensures ad sequencing and avoids repetitive ads, which can frustrate viewers.
- **More transparency equals more control:** Ad podding offers clearer insights into where and how ads are placed, giving media buyers more control over their ad delivery. This transparency helps optimise campaigns by allowing advertisers to better manage frequency, avoid repetitive ads, and secure premium placements, leading to better overall results.
- **Maximising revenue:** Media sale houses can optimise the overall pod rather than each ad spot one by one (this allows to accept for instance spots of different sizes to maximise each second)

8. Measurement

Measurement remains one of the biggest challenges in CTV, with the lack of a universal standard. The main challenges measurement firms face are:

- **Lack of a persistent identifier.** Unlike the stable identifiers available for computer, mobile, and tablets, CTV devices do not have a persistent identifier, making it difficult to match to a source of demographic information
- **Calibration & adjustment** - Consumption behaviour in CTV is different than it is for the web. There are higher instances of shared accounts, co-viewing, and multi accounts, which mean that part of the measurement needs to reflect standards for linear TV measurement than digital.

Advertisers must therefore carefully select measurement strategies that align with their campaign goals. **With the advent of CTV, there is a trend to complement brand lift with purchase intent as well.** This implies dealing with attribution even more. Considerations include:

- **Traditional measurement companies:** Firms like Nielsen, Kantar, and Comscore are developing solutions, but costs and limited scale can make these tools prohibitive for smaller campaigns.
- **Audience delivery metrics:** With lower reach compared to linear TV, advertisers need to explore advanced analytics and partnerships to measure incremental reach and campaign effectiveness.
- **Custom approaches:** Advanced approaches like passive exposure tracking, mobile metering, or live recruitment surveys can be tailored to specific markets or campaign objectives.

9. Cross-Platform Integration

As consumers frequently move between devices, advertisers must ensure a cohesive experience across all platforms. CTV is often consumed alongside other devices like smartphones, tablets, or desktops, and buyers should aim for a seamless multi-channel strategy. Key considerations include:

- **Unified messaging:** Ensuring consistency in messaging across CTV, mobile, desktop, and traditional TV ads helps reinforce brand recall and drive conversions.
- **Omnichannel strategy:** By integrating CTV with other digital channels, advertisers can optimise **reach and frequency**, ensuring that their ads are seen by the right audience, regardless of the device they're using. Doing so viewers will be ensured not to be under/over exposed.

10. Legal and Compliance Considerations

As with all data-driven advertising, compliance with regulations is a key:

- **GDPR and privacy laws:** CTV buyers need to ensure they're collecting and using viewer data in compliance with European data protection regulations.
- **Consent management:** Working with trusted data providers who ensure transparent consent collection is vital for CTV campaigns, particularly as more personalisation is introduced into CTV advertising.

By addressing these key considerations, buyers can ensure that their CTV campaigns are not only effective but also efficient, scalable, and compliant with industry standards.

Conclusion

The CTV landscape presents both new opportunities and challenges for media buyers. As traditional and digital worlds converge, understanding how to effectively navigate CTV's complexities—such as targeting, measurement, and scalability—is crucial. This guide equips media planners with the tools to maximise the potential of CTV advertising, offering practical strategies to optimise reach, improve user experiences, and enhance campaign performance. By staying informed and adopting best practices, advertisers can leverage the power of CTV to engage diverse audiences, drive meaningful results, and stay competitive in the rapidly changing media ecosystem.

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