



Google Ad Manager

2020 Advanced TV Inventory Report

2020

Advanced TV Inventory Report

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Overview

Advanced TV continues to advance as more people watch TV digitally. Whether live, linear, or video on-demand (VOD), audiences now expect broadcast-quality across all devices: connected TVs (CTV), mobile phones, tablets, and desktop computers. This content can be streamed online, or increasingly through apps, like direct-to-consumer (DTC) live sports apps and emerging free ad-supported streaming TV (FAST) services that continue to blur the line between traditional TV and over-the-top (OTT) viewing experiences. While the COVID-19 pandemic brought widespread disruptions to the ads ecosystem, increased time spent at home accelerated the global adoption of advanced TV, which offered media companies new opportunities to support their businesses through ad-supported content.

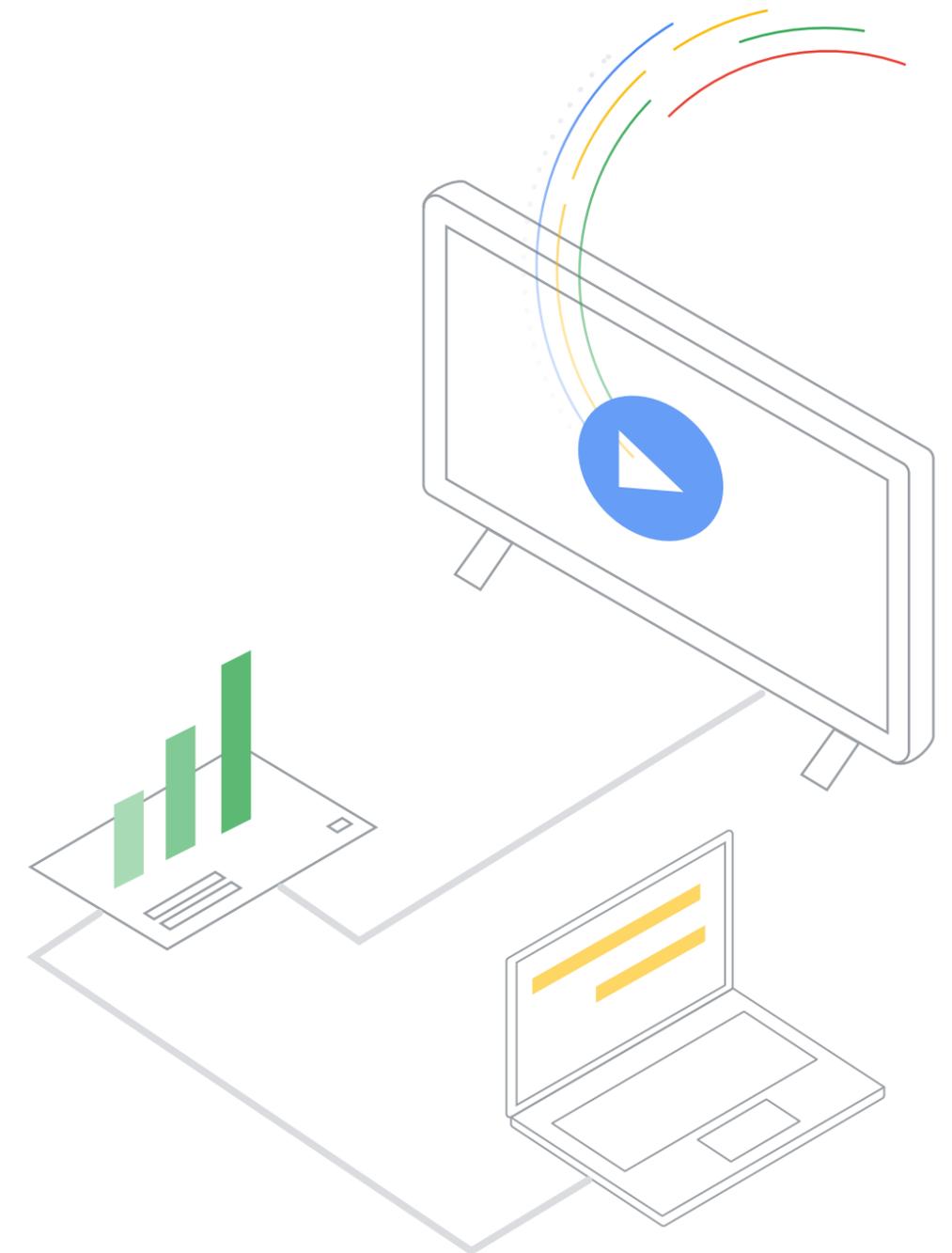
For the second year, we're publishing the Google Ad Manager advanced TV inventory report to share the latest monetization trends. To uncover these insights, we analyzed data from 35 global TV partners on the Ad Manager platform. To ensure we only evaluated TV content on our platform, we focused on ad impressions

within podded commercial breaks, which occur in long-form or episodic programming. For our COVID-19 analysis, we compared Q2 2020 with Q2 2019 and Q3 2020 data to get a sense of initial impact and recovery. For year-over-year (YOY) insights, we compared Q4 2020 and Q4 2019. Connected TV stats in this report include data from smart TVs, set top boxes, and gaming systems.

The report covers four key topics:

- 1. COVID-19 recovery:** How did last year's events impact advanced TV advertising?
- 2. Viewership insights:** How are viewers watching content in regions around the world?
- 3. Transaction trends:** How are TV partners selling their advanced TV inventory?
- 4. Livestreaming performance:** What impact did 2020 have on live and VOD content?

Now, let's drill into the trends in these areas.



COVID-19 recovery

Connected TV and programmatic transaction types remained resilient during the pandemic

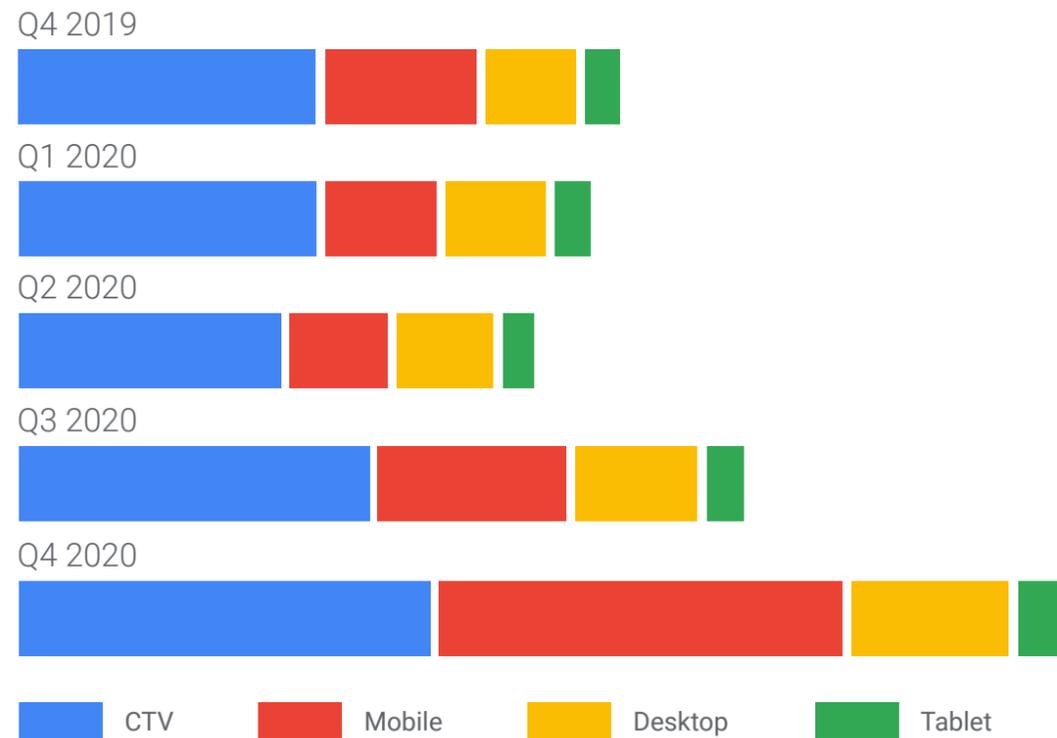
COVID-19 affected every area of our lives and business, and video advertising wasn't exempt. In Q2 2020, connected TV was the only device where ad impressions grew year over year, showing CTV's resilience during the pandemic. Programmatic also proved paramount during COVID-19, declining much less than traditional reservations, as it offered both publishers and advertisers increased flexibility. By Q3, advanced TV ad impressions fully rebounded and continued to accelerate throughout the remainder of the year.



COVID-19 impact and recovery

During Q2 – the height of the 2020 downturn – advanced TV ad impressions collectively declined 18% YOY. The only device type that showed impression growth during the same period was connected TV, which increased 14% YOY. This growth was fueled in part by increased viewership due to the pandemic.

By Q3 advanced TV ad impressions had recovered, increasing >40% from Q2. This growth was largely driven by returning sports and a resulting 70%+ live programming increase from Q2 to Q3.

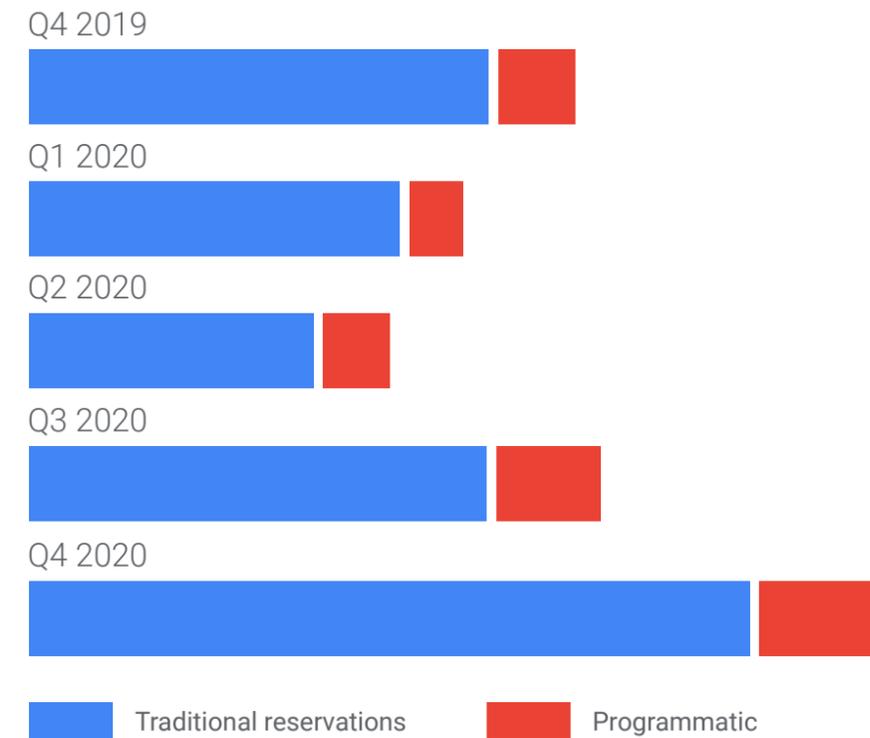


Source: Google Ad Manager Internal Data, Q4'19 - Q4'20

Ad transactions during COVID-19

In Q2, impressions sold via traditional reservations (the vast majority of advanced TV ad deals) dropped by >35% YOY. But in Q3 standard reservations grew by >55% quarter over quarter.

Conversely, in Q2 we observed only a 1% decline in programmatic demand YOY as programmatic offered TV partners increased flexibility to diversify their demand sources. And in Q3 programmatic ad impressions also grew by 55% over Q2.

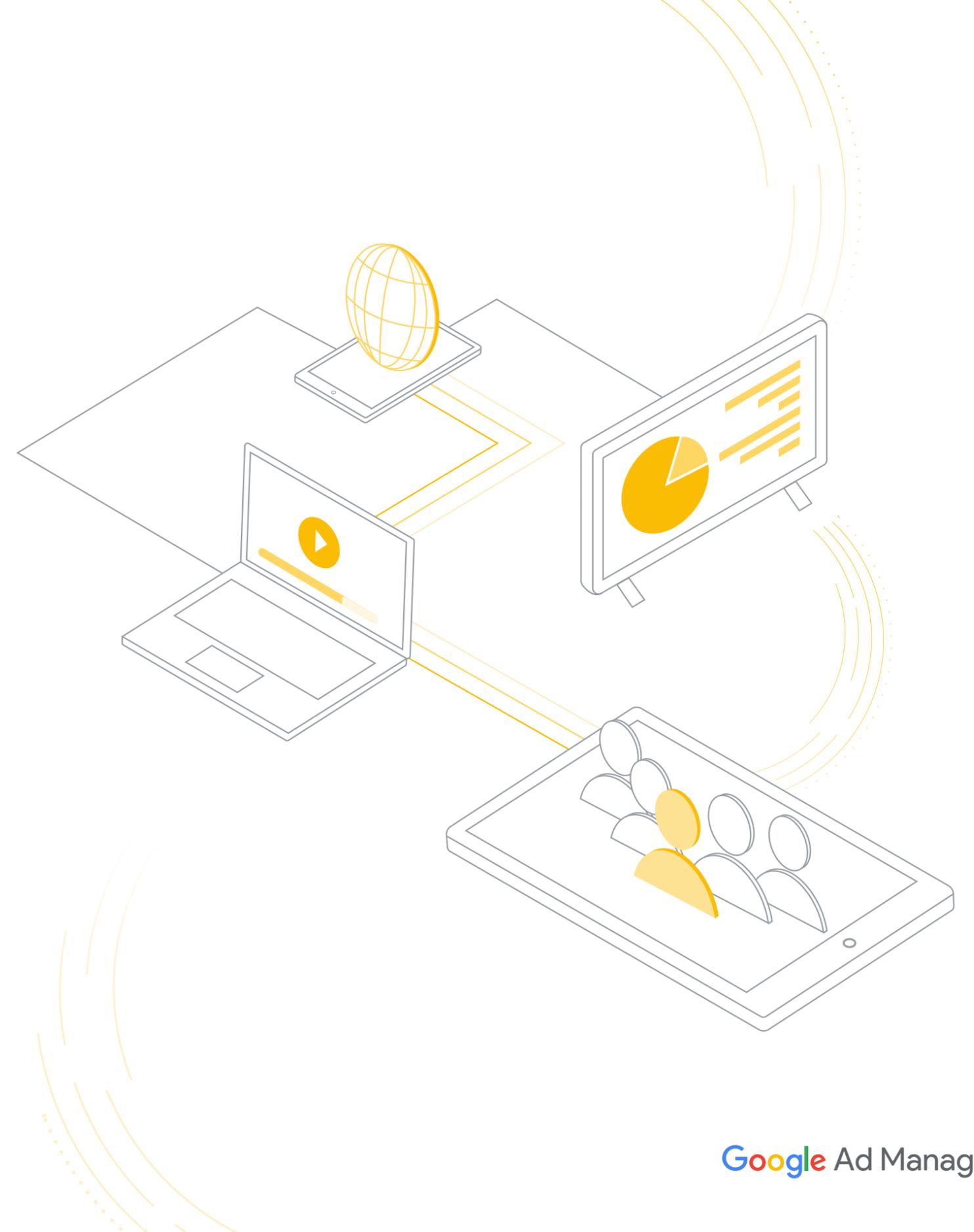


Source: Google Ad Manager Internal Data, Q4'19 - Q4'20

Viewership insights

Viewers watched advanced TV content most on connected TVs and in-app globally

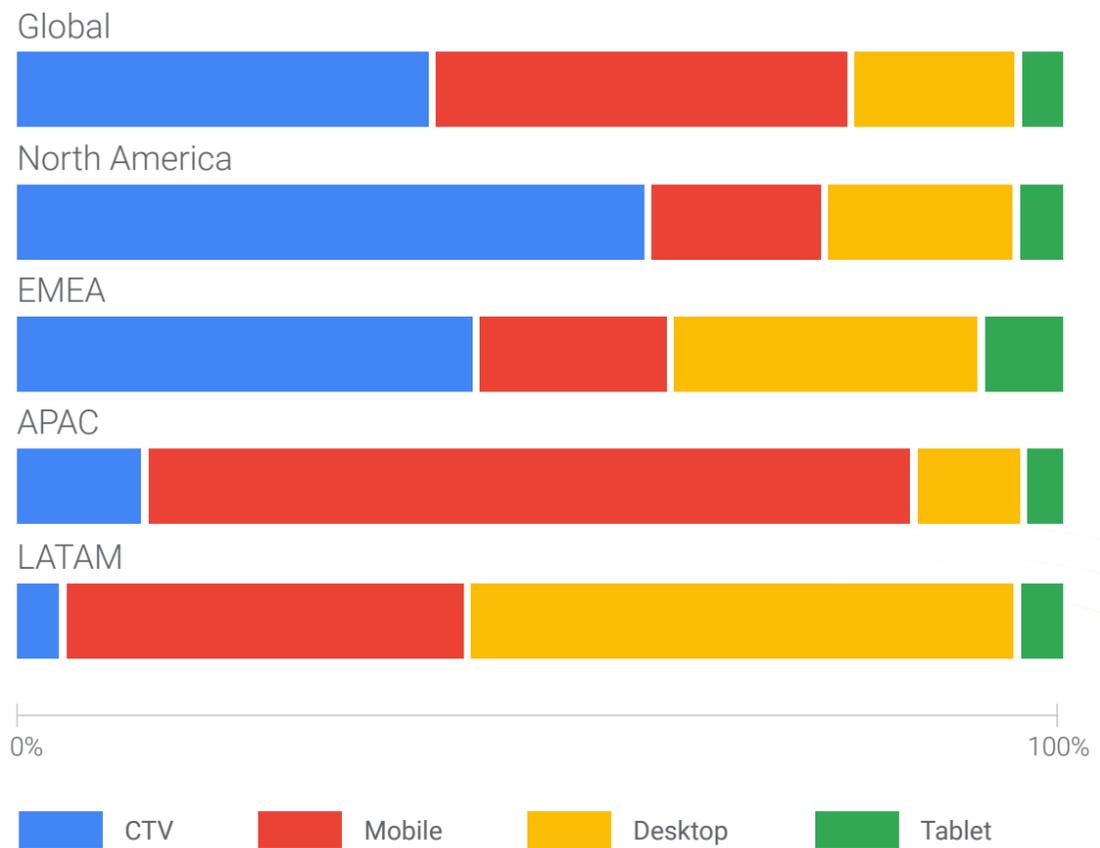
While advanced TV continues to be watched across devices, in 2020 CTV devices represented the largest share of ad impressions globally. Similarly, in-app advanced TV ad impressions outperformed those on the web as viewers consumed more content on OTT streaming apps and CTV devices.



Q4 2020 viewership by device

In Q4 2020, global ad impressions increased by >60% YOY and CTV represented the largest share of ad impressions globally.

Around the world, people continue to consume advanced TV content differently. In both North America and EMEA, connected TVs represent the largest share of viewership. Across APAC and LATAM where CTV doesn't represent the largest share of impressions, it is still the fastest growing device type.

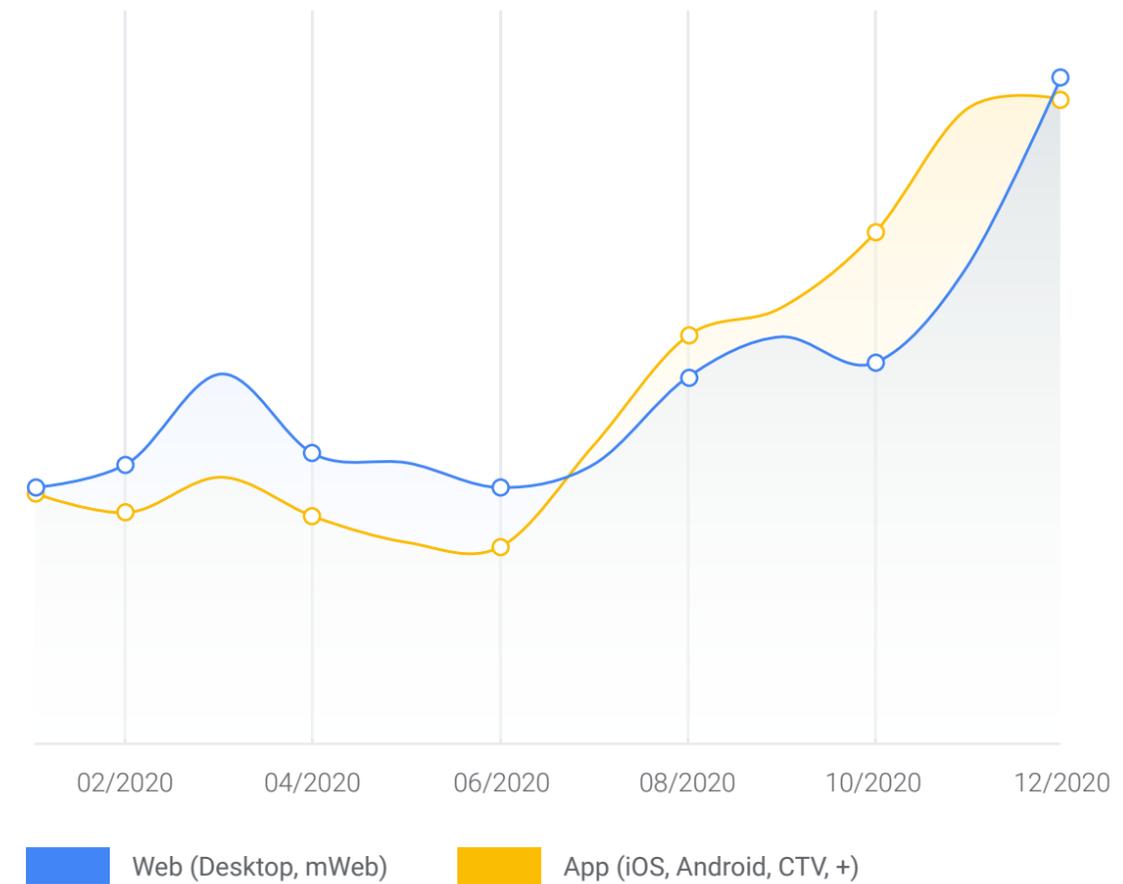


Source: Google Ad Manager Internal Data, Q4 2020

2020 web vs. app impressions

2020 marked the first time we saw in-app advanced TV ad impressions outperform web. This shows that more people are now watching advanced TV content on OTT streaming apps, rather than desktop or mobile web, as they adopt new CTV devices.

Across all device types (including connected TVs), in-app ad impressions grew by >90% YOY, versus 35% growth for web viewership.



Source: Google Ad Manager Internal Data, 2020

Transaction trends

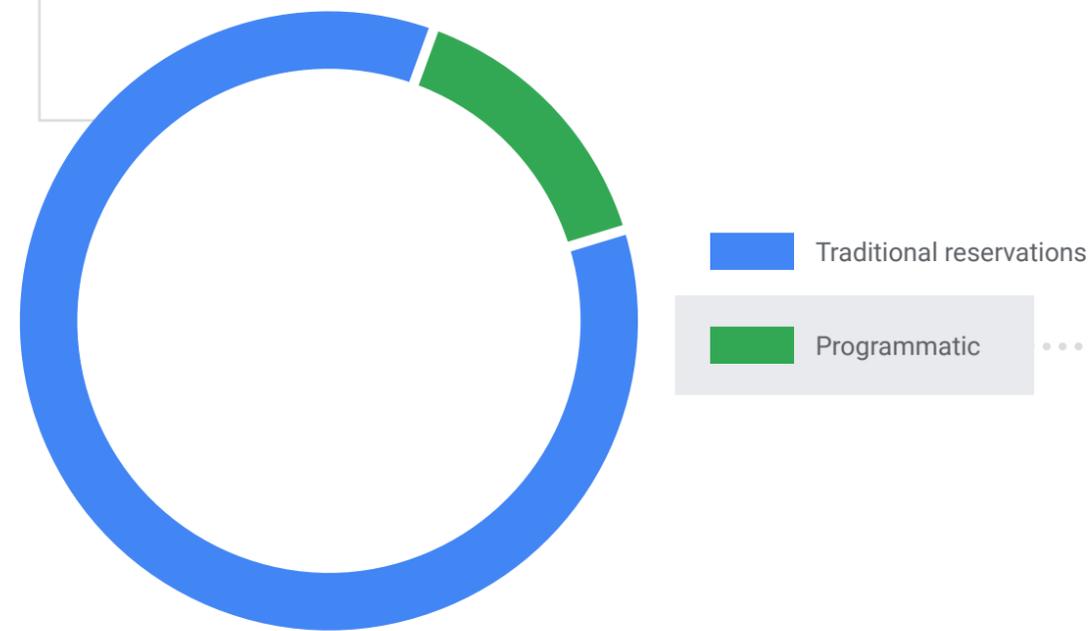
Traditional reservations are still prevalent, but programmatic transactions are growing fastest

While traditional reservations still remain the prevalent transaction type due to the premium nature of advanced TV inventory, programmatic transactions are growing faster than traditional reservations. This growth is likely due to the fact that programmatic technology offers TV companies an opportunity to grow demand and improve operational efficiency, while ensuring advanced TV inventory retains its value.



Q4 2020 impressions by transaction type

Traditional reservations — deals struck directly between TV companies and advertisers — remain the preferred way to transact advanced TV inventory globally, representing more than 80% of all impressions in Q4.

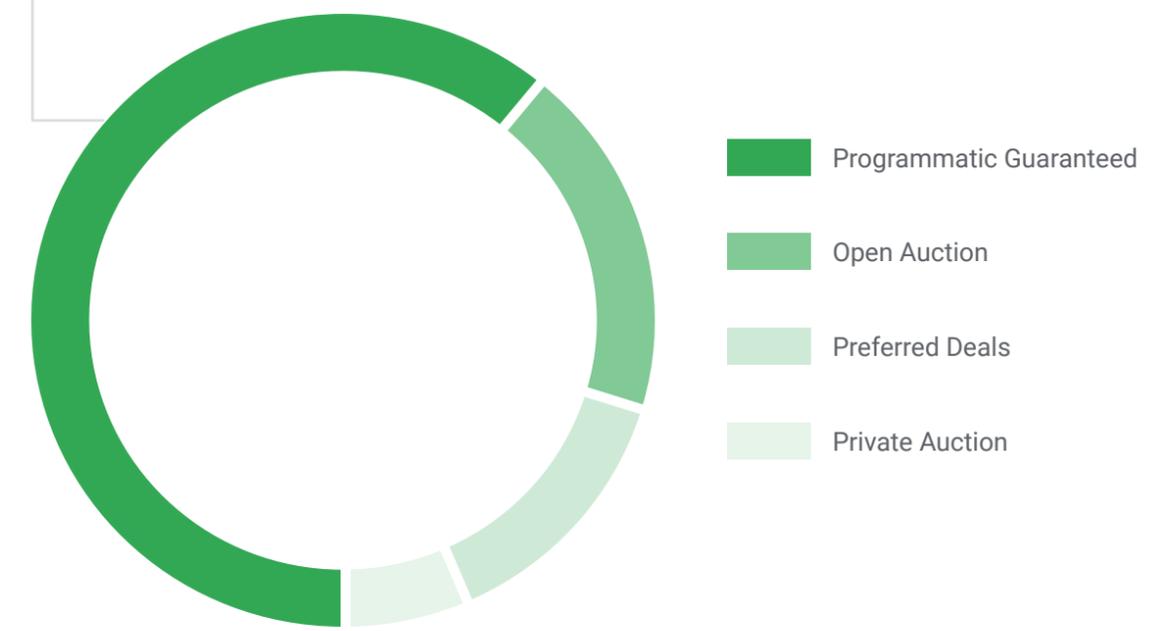


Source: Google Ad Manager Internal Data, Q4 2020

But YOY, the fastest-growing transaction types were programmatic. In Q4, programmatic impressions grew by more than 70%. From the start of the pandemic through the end of 2020, programmatic was essential for advanced TV advertising.

Q4 2020 impressions by programmatic transaction type

Zooming in on ad exchange transaction types, Programmatic Direct one-to-one deals with fixed prices— including both Programmatic Guaranteed (guaranteed volumes) and Preferred deals (non-guaranteed volumes) — continued to lead in 2020.



Source: Google Ad Manager Internal Data, Q4 2020

In Q4, Programmatic Guaranteed and Preferred deals covered >70% of programmatic ad impressions sold in ad exchange, led by 165% YOY growth for Preferred deals and 90% for Programmatic Guaranteed. These results are fueled in part by an increase in advertisers converging their TV and digital budgets, and more Programmatic Direct deals powering TV upfronts.

Livestreaming performance

As sports returned so did livestreaming and viewers preferred to watch the excitement from the big CTV screen

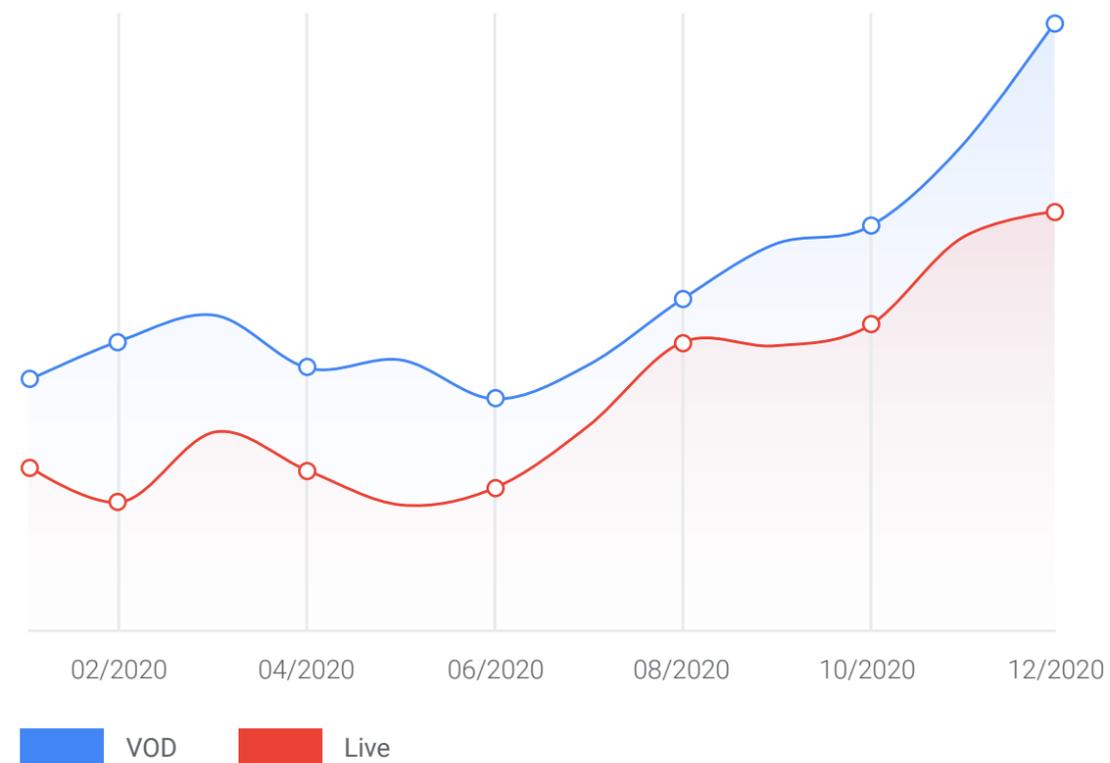
Last year obviously impacted live events. But as live sports began to return, advanced TV served fans who couldn't be there in person. Live impressions grew much faster than VOD in 2020, and viewers who livestreamed the content at home preferred to watch the action on the big CTV screen.



2020 impressions by content type

Although VOD represents the majority of TV ad impressions seen on digital devices (55%), live content viewership is growing. In Q4, ad impressions served to live audiences increased by >85% globally YOY.

Furthermore, we saw the scale of live events increase significantly compared to previous years. 2020 saw 700% growth in the number of hours that our servers supported more than 1 million concurrent live viewers across all our TV partners.

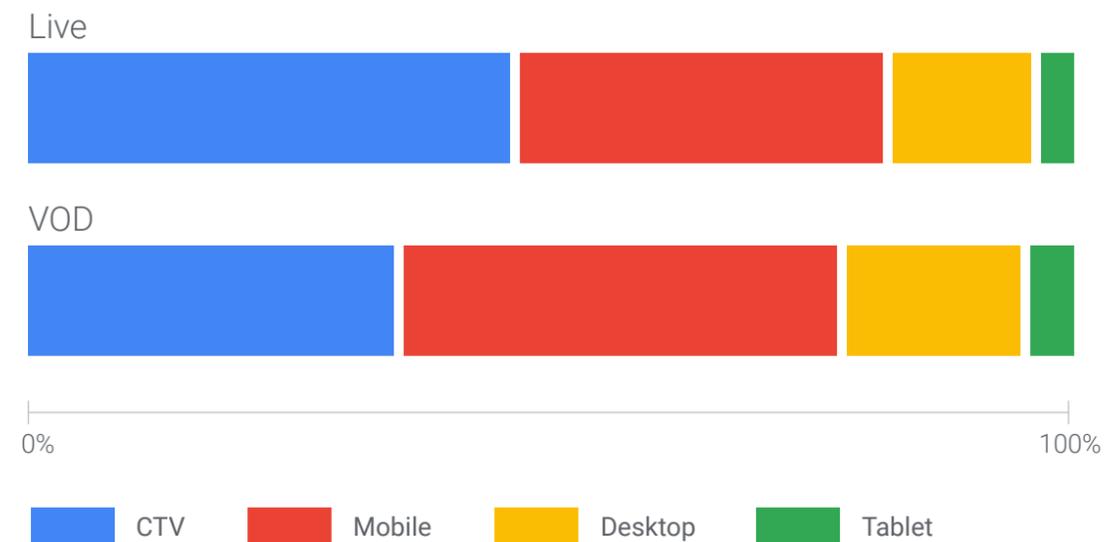


Source: Google Ad Manager Internal Data, 2020

Q4 2020 live vs VOD by device

In Q4, >45% of ads served in live content were seen via CTV, suggesting that people prefer to livestream from their living rooms.

Conversely, >40% of ad impressions in VOD content were watched on mobile devices. We'll keep an eye on this trend to learn whether, and how quickly, CTV (35% of VOD ad impressions) catches up with mobile globally.



Source: Google Ad Manager Internal Data, Q4 2020



Summary

Ad Manager can help you power your advanced TV business

As this report shows, advanced TV continues to gain momentum with CTV leading the way with the largest share of ad impressions globally. For the first time ever, in-app viewership outperformed the web as consumers adopted new emerging OTT apps and CTV devices to watch content. While traditional reservations still lead advanced TV inventory sales, programmatic is advanced TV's fastest growing deal type. And while live events decreased in 2020, they were on the upswing again by Q4—live impressions grew much faster than VOD in 2020, with CTV as the preferred device as people kept up with the excitement on their big screens.

In times of both recovery and growth, Google Ad Manager helps partners reimagine the commercial break with seamless, personalized, and measurable ad experiences, no matter how viewers are watching. Whether you're a TV broadcaster, distributor, or digital-first video publisher, our solutions can help you maximize your revenue while delivering a great viewing experience.

Reach viewers across every screen: When it comes to monetizing live and VOD content, Ad Manager's [Dynamic Ad Insertion](#) can help you deliver a seamless and personalized ad experience across all screens by minimizing buffering and latency and ensuring ads are rendered in the appropriate format for each device. It also reliably supports millions of concurrent viewers to help [power your live events](#). Learn more with this [getting started guide](#).

Increase efficiency and grow CTV revenue: Ad Manager's flexibility means you can sell your video inventory any way you want, whether that's through traditional reservations, Programmatic Guaranteed, Preferred deals, or open auction. [Programmatic Guaranteed](#) can help you modernize your direct deals and shift TV upfront budgets to programmatic with increased automation and efficiency. And our [Smarter Ad Breaks suite](#) will help you build a personalized commercial break while maximizing revenue and yield across every demand source.

Understand what's working best: Data-driven insights are an integral part of optimizing your inventory. Our [new video reporting and measurement tools](#) like Video True Opportunities Reporting, Video Content Explorer, and TV Forecasting can help you better measure your video and OTT performance.

Protect your ad-supported CTV inventory: CTV's increasing popularity makes it a target for bad actors. We've worked hard to build solutions and integrate standards that protect our partners and help them safely grow revenue at scale. Our [best practices guide](#) can help you learn how to better protect your CTV inventory while scaling monetization.

In the next year and beyond, we'll be working closely with our partners and the broader industry to build even more advanced TV monetization solutions that help our partners to strengthen their video businesses for the future. You can stay up to date with our [Ad Manager blog](#).

