



REPORT

HOW TO CRACK THE CONNECTED TV CODE

Your 2025 CTV
Performance Playbook

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Executive Summary

Purpose

This playbook is your battle plan for conquering Connected TV—without falling into the common traps of overpriced inventory, inaccurate data, or flawed attribution.

The Problem

CTV is exploding in viewership, but it remains frustratingly expensive and maddeningly difficult to measure. Hyper-targeting sounds sexy but drives up costs. And the fragmented streaming landscape makes buying and attribution feel like solving a Rubik's cube blindfolded.

The Solution

Marketing leaders must rethink how they buy, target, and measure CTV. That starts with:

- Prioritizing efficiency** by cutting out costly middlemen and leaning into technology.
- Embracing broader audience strategies** instead of chasing hyper-targeting.
- Using multiple attribution models** that connect streaming ads to real business outcomes.
- Thinking holistically** about your TV investment by breaking down the walls between linear and Connected TV.

Evidence

- ✓ In 2024, the average CTV provider authorized 30 supply-side platforms (SSPs) to sell inventory. But resellers charge 39% higher prices than direct sellers, driving up already-high CPMs.
- ✓ 58% of US ad buyers are focusing more on first-party data acquisition and partnerships this year.
- ✓ In a survey of 300 marketers, CTV was listed as the third most difficult channel to measure, beat only by traditional linear TV and print.
- ✓ Planning holistically is the best way to achieve reach. Linear TV still accounted for almost 6X more ad viewing time than CTV on TV screens in 2024.

HOW TO CRACK THE CONNECTED TV CODE

**FOLLOW THE EYEBALLS.
THEY'RE WATCHING CTV.**

HOW TO CRACK THE CONNECTED TV CODE

Follow the eyeballs. They're watching CTV.

It's 9pm on a Tuesday. Millions of Americans settle into their couches, remote in hand. But they don't just flip through cable channels. They scroll streaming menus, deciding whether it's a *Severance* night, a *Yellowstone* binge session, or time to catch up on *The Pitt*.

Streaming TV is steadily claiming the living room, now accounting for [40% of total TV viewing time](#). By 2026, CTV will capture about [20% of adults' daily media time](#)—nearly double its share in 2020.





Yet advertisers' wallets haven't quite caught up with viewers' eyeballs. CTV is projected to capture just [8.1% of total ad spend](#) in 2026. And linear TV still dominates TV ad loads. In Q2 2024, cable and broadcast made up nearly [90% of time spent](#) watching TV ads.

To be fair, it's not like marketers are binging *Mad Men* instead of media planning. GroupM says streaming TV ad revenue will [surge 12.9% in 2025](#). eMarketer predicts nine streaming services will each generate over a billion dollars in ad revenue by 2026. And 61% of marketers say they plan to up their CTV investment over the next few years.

But scaling effectively in this channel has proven messier than many advertisers expected. A fragmented streaming landscape, inconsistent measurement practices, and premium pricing have all created barriers to entry and expansion. While consumers have enthusiastically embraced streaming, the ad industry is struggling to catch up.

Make no mistake. The stakes couldn't be higher.

CTV isn't just another line item on your media plan. It's rapidly becoming the battleground where modern audiences are won or lost. The only question is whether your brand will be there when viewers press "play" or whether they'll be watching your competitors instead.

At Marketing Architects, we took our time entering the streaming market as a TV agency. We wanted to know we'd tested and explored enough to find what worked... and what didn't. With this report, you can skip past that expensive trial-and-error phase with four key lessons we learned. Think of it as your streaming success playbook.



Catherine Walstad, Chief Media Officer at Marketing Architects

THE TRUE COST OF CTV

IS THE PRICE ACTUALLY RIGHT?

Is the price actually right?

Remember *The Price is Right*? In the CTV world, most marketers would bomb out in the first round.

When streaming TV debuted, it promised a more accessible entry point to TV advertising. Finally, smaller and mid-sized brands could gain TV's visibility and prestige without breaking the bank.

Or so we thought.

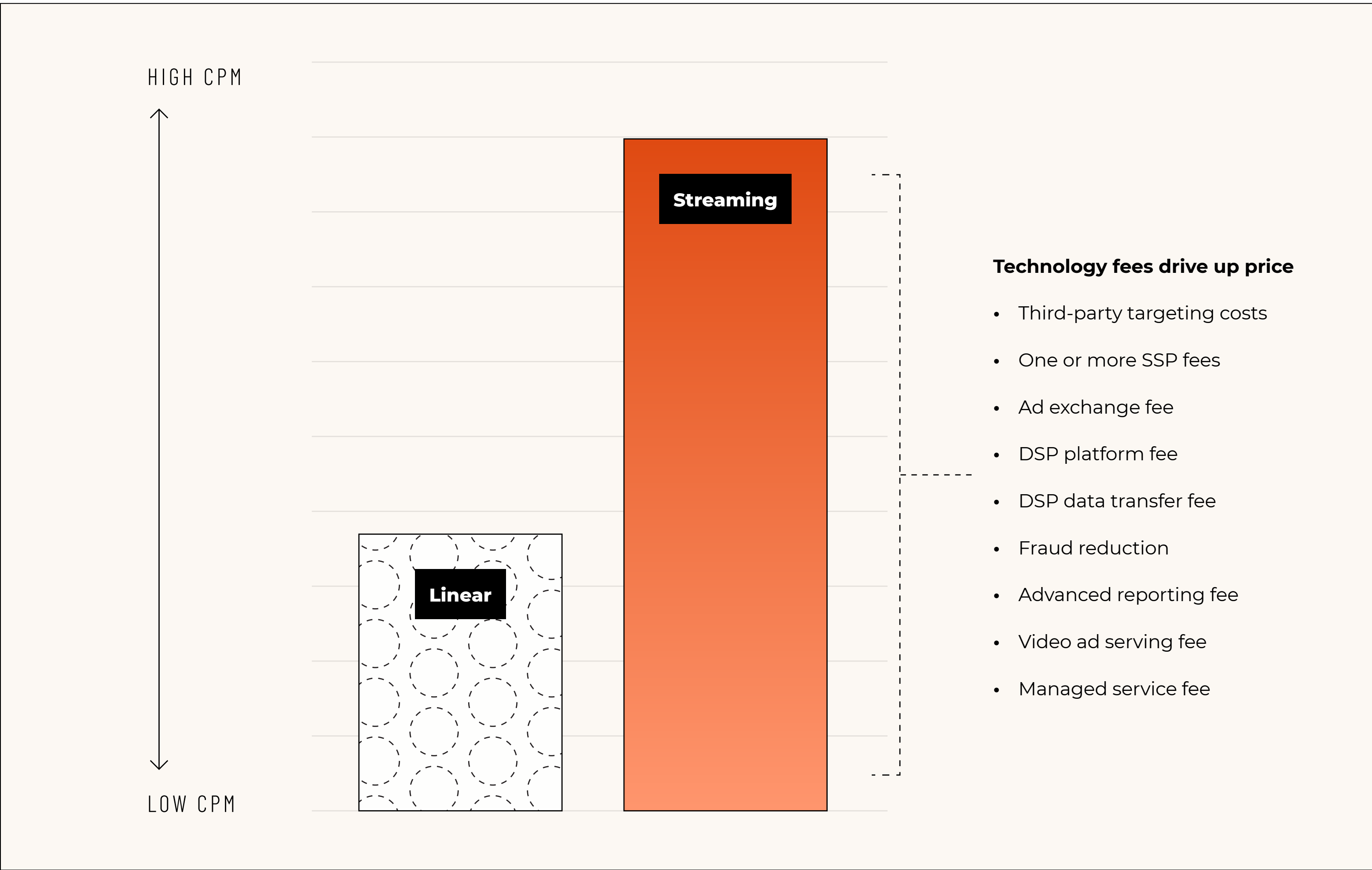
CTV instead became big brands' playground for reach extension and presence with cord-cutters. Meanwhile, performance marketers struggled to drive business results, thanks to the channel's high costs.

While CTV campaigns can operate with smaller budgets than linear TV, CPMs (Cost Per Thousand Impressions) are notably higher on streaming than what's achievable with linear TV. 'Premium' inventory on platforms like Hulu, Max, and Netflix commands especially high prices. When Netflix finally opened their door to advertisers in 2022, they shocked the industry with [\\$65 CPMs](#).



Technology fees are built into streaming media CPMs

Technology fees are intertwined with the base cost of streaming media inventory



But the streaming marketplace is growing up. In 2024, Amazon Prime Video’s auto-enrolled ad-supported plan flooded the market with new inventory, increasing supply and driving down costs. [Industry forecasts](#) now predict that by Q2 2025, only Netflix and Max will have average CPMs above \$30.

This price correction is inviting a new wave of advertisers, including small and mid-sized businesses. Roku predicts [20,000 new advertisers](#) will start investing in streaming TV in 2025, many launching their first-ever TV campaigns via CTV.

Yet even with this price drop, CTV impressions still carry a premium relative to linear TV. And these already-high CPMs face further inflation from middlemen and tech fees.

Last year, [the average CTV platform](#) authorized 30 supply-side platforms (SSPs) to sell inventory. These middlemen are often part of the process simply due to the complexity and [fragmentation of the landscape](#). At the time, the media CPM floor for direct sellers was \$14. For resellers, that price was 39% higher, at \$19.50. It feels a bit like buying a concert ticket and watching the price double after “convenience fees.” [Transparency](#) also remains an issue, with resellers often packaging less desirable placements alongside premium spots without advertisers’ knowledge.

Another cost to manage is over-frequency. [45% of marketers cite frequency capping](#) as the top feature they want from ad-supported streaming platforms. And [81% of consumers](#) say they've been irritated by seeing the same streaming ad too many times. Without intentional strategy it's easy for viewers to see the same ad more often than intended, leading to annoyance and wasted spend.

Relief is on the horizon. Competition between ad-hungry streaming platforms is creating downward price pressure. The explosion of FAST (Free Ad-Supported TV) channels and new services means more inventory and options. And for the first time, marketers may have leverage to negotiate rates or take their budgets elsewhere without sacrificing reach.

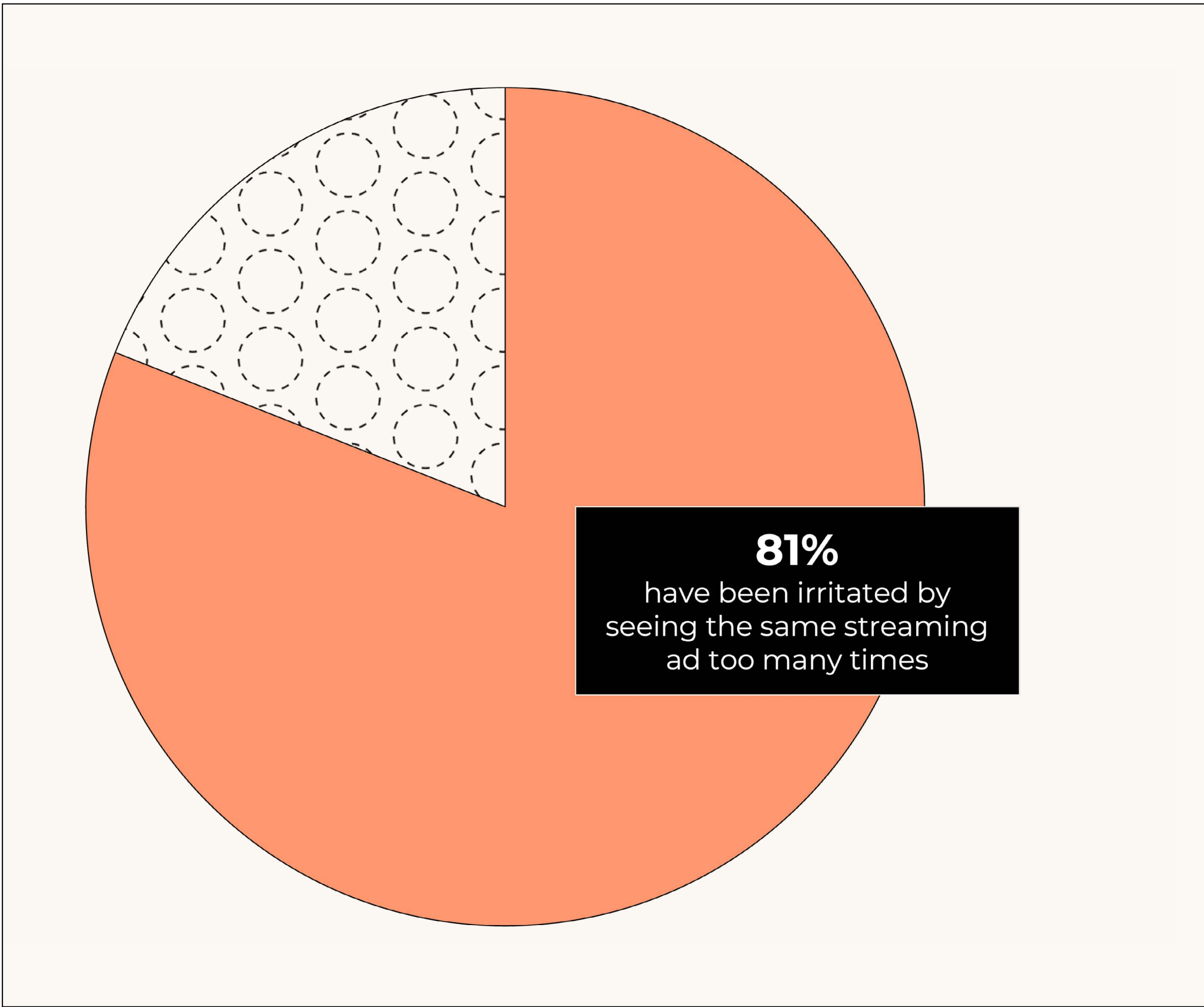
Until then, performance marketers must be strategic.

- **Don't be a platform snob.** Restricting your CTV buy to one or two premium publishers unnecessarily drives up costs. While Netflix and Disney+ carry prestige, they also command high CPMs. Your audience consumes content across dozens of platforms that often deliver comparable or better results for less.
- **Embrace technology.** To buy efficiently across multiple platforms, embrace technology solutions. Rather than going direct to multiple publishers, use a demand-side platform (DSP) to access broader inventory at competitive rates. These tools can help you find the most efficient paths to your audience and manage cross-platform frequency.
- **Find a guide who knows the territory.** Work with agencies or tech platforms that have established relationships and have stress-tested different buying approaches from programmatic open exchanges to upfront commitments to direct publisher deals. They've already made the expensive mistakes and learned which paths lead to value.

CTV's cost dynamics in 2025 are finally tilting in the buyer's favor. With [double-digit growth](#) in spend projected and more inventory entering the fray, marketers can achieve efficient reach and strong ROI. But only if they're smart about how they buy.

Streaming ad fatigue

Consumers report seeing the same CTV ads too often



Ad Age

CTV TARGETING MYTHS

**PRECISION ISN'T THE SAME
AS ACCURACY.**

Precision isn't the same as accuracy.

Ever play ring toss at a carnival? Let's say you have, and that you possess incredible aim. The rings always lands exactly where you intend.

But now you're blindfolded. You don't know which direction to turn. Bystanders shout out conflicting instructions, and you aren't sure who to trust. Even with perfect technique, you'll miss if you're facing the wrong direction.

This is today's CTV targeting reality. Many advertisers think they're tossing rings with 20/20 vision and killer aim, but they're actually blindfolded.

Some argue higher CPMs are worthwhile in streaming because you can target narrowly to reach only the most qualified audiences. In fact, 52% of marketers cite advanced audience targeting as CTV's key advantage over linear. But CTV targeting isn't simply paid social on a bigger scale. More targeting filters don't guarantee better results, especially when the targeting data itself is flawed.



Most CTV targeting relies on household IP addresses and third-party data matching. But a single household IP address can't distinguish between the fitness enthusiast father, teenage gamer, and his retired grandparent all watching the same TV.

Even worse, third-party data segments are often outdated or inaccurate. One study from Truthset found that across 15 data brokers, around [half the data used for CTV targeting](#) is wrong. And as privacy changes accelerate the shift away from third-party cookies, data gaps are only widening.

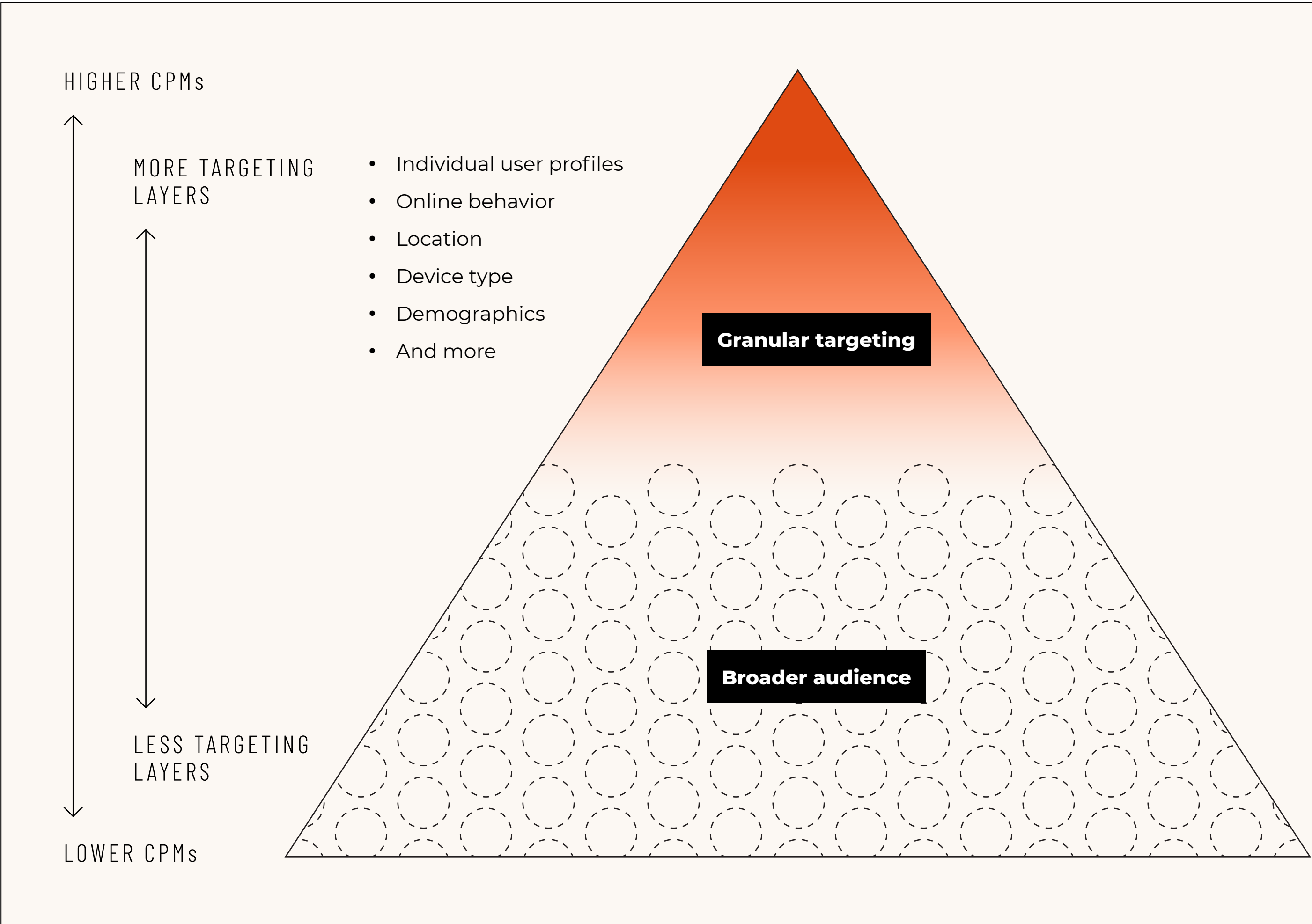
For CTV, third-party targeting is also exceptionally expensive. Every layer of targeting adds to your already-high CPM. This means that advertisers pay premium rates for hyper-targeting on CTV only to miss their mark or exclude valuable audiences.

No wonder marketers are rethinking how they define and reach CTV audiences. First-party data has become a north star. According to the IAB, [58% of US ad buyers](#) are focusing more on first-party data acquisition and partnerships this year. This strategy is well-suited to CTV, where publishers and advertisers can collaborate to build look-alike audiences based on existing customers.

Another exciting development is the partnership between retailers and CTV platforms. Retail media networks, with their rich shopper data, are teaming up with streamers, giving brands new targeting fuel such as purchase-based audiences. [Over half of brands and agencies](#) cite data-driven targeting and personalization in CTV as a top opportunity when combined with retail media data.

Streaming CPMs increase with each targeting layer

CPMs in relation to targeting layers, compared across granular targeting versus broad audience reach





At the same time, technology is filling the gaps left by unreliable third-party data. Rather than buying predefined audience segments, advertisers can let machine learning optimize who sees their ads based on their likelihood to engage. For example, Marketing Architects' [Smart Targeting](#) tool bypasses third-party user profiles entirely, buying media inventory based on factors identified by machine learning to be most predictive of viewer engagement. By analyzing website and bid stream data, the technology finds pockets of inventory where ideal customers are likely watching, without costly third-party data or suffering incorrect IP matches.

The result is a beautiful paradox. By being less obsessed with pinpoint precision, marketers achieve greater accuracy. And more relevance with less waste. To improve CTV targeting efficacy, marketers should:

- **Make first-party data the star of the show.** That customer information you've been collecting deserves its spotlight moment. Match it with CTV platforms in privacy-safe ways that respect user boundaries while delivering your message to known customers and prospects.
- **Let machines do the thinking.** Allow automated optimization tools to find viewers most likely to respond. Machine learning can detect patterns that humans might miss by analyzing thousands of impressions.
- **Ruthlessly edit your audience strategy.** Abandon any sort of set-it-and-forget-it approach to targeting. Track which audience segments or inventory sources deliver actual business outcomes, then refine. If a certain third-party segment underperforms, exclude it. Let performance sculpt your targeting strategy over time.

The targeting landscape in CTV is undergoing a revolution that favors the adaptable. The old playbook of layering targeting parameters is giving way to smarter, more flexible approaches that focus on outcomes rather than audience definitions.

MEASURING CTV'S TRUE IMPACT

**PROVE PERFORMANCE
BEYOND A DOUBT.**

Prove performance beyond a doubt.

Linear and Connected TV are two of the top three hardest marketing channels to measure, according to a survey of 300 marketers.

As CTV graduates from experimental channel to performance-driver, marketers are rightly demanding the same rigor in measurement that they expect from digital campaigns. But tracking CTV's impact hasn't been straightforward. [Cross-platform measurement](#), or deduplicating audiences and tracking performance across linear TV, CTV, and other digital channels, is a persistent pain point. Many marketers



fell for a myth: that CTV’s digital DNA meant automatic measurability and transparency. We all quickly learned that while CTV does offer more granular data, it isn’t the same as pure digital campaigns.

For example, IP matching faces a major challenge with CTV. The IP address being targeted on a TV might not be the same as the IP address responding to an ad, often a phone, tablet or computer. The current solution is device graphs which identify relationships between internet-connected devices. This seems logical, but in practice, IP matching is up against an incredible [lack of standardization](#), with graphs varying wildly from company to company.

Public places like universities, businesses, coffee shops, and hotels have many internet-connected devices where CTV ads are played, causing device graphs to be less reflective of who is actually watching. There are also multiple types of IP addresses. An advertiser’s CTV logs might have a newer or older version of IP to which website tracking pixels can’t match.

We’ve seen cases where different device graphs increased results by a factor of 10. That’s a massive difference. Depending on which graph you’re using, the same campaign could be viewed as an incredible success or a dramatic failure.

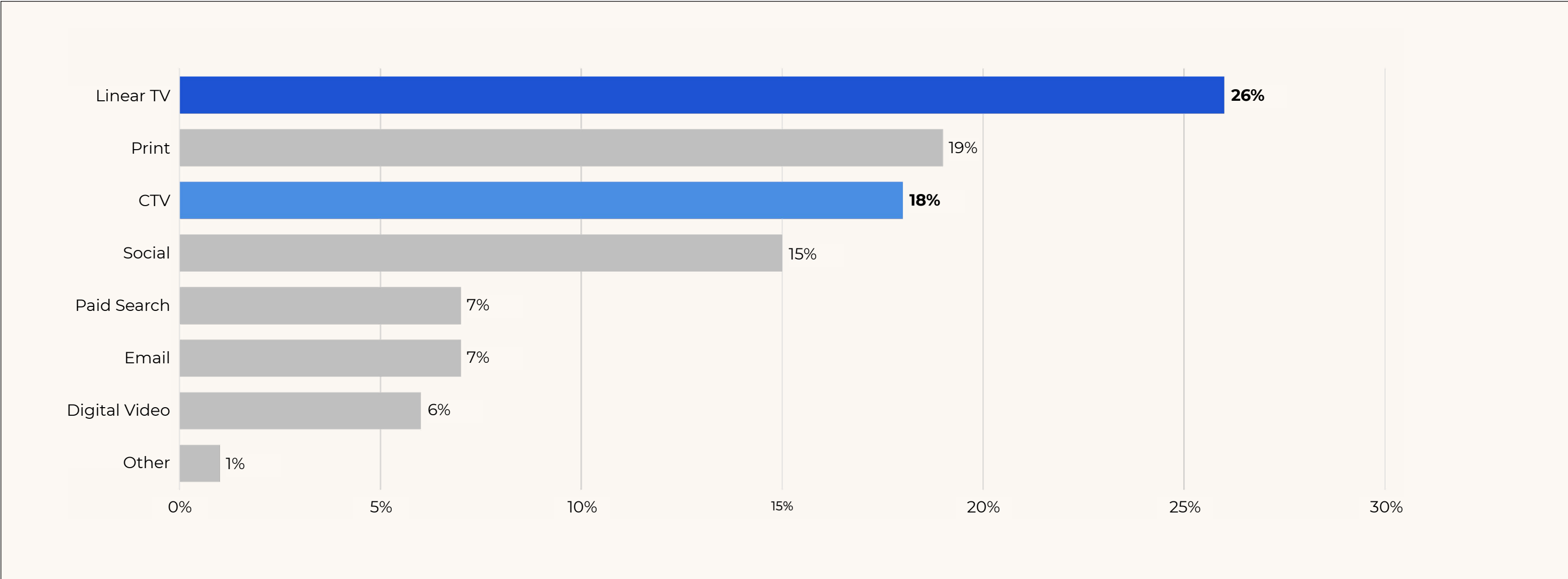
[The fragmentation of the TV ecosystem](#), with countless streaming apps, devices, and proprietary platforms, also means there is no universal currency that covers all CTV the way Nielsen GRPs did for linear. Each publisher uses their own methodology for tracking streaming impressions. So a marketer trying to review their campaign’s reach on Hulu vs Pluto TV could be comparing apples to oranges.

Finally, many premium CTV platforms are still [walled gardens](#), limiting data sharing due to privacy or competitive reasons. Netflix even initially launched ads without [third-party verification tags](#). So it’s not true that CTV provides perfect, user-level tracking out-of-the-box. One must implement the right measurement solutions and sometimes negotiate access to data.

Naturally, advertisers worry about overcounting reach or missing it entirely. [Cross-platform measurement](#) is a top priority for 64% of US ad buyers in 2025, and nearly half of marketers (47%) cite attribution/measurement as a leading investment focus this year. Because without better measurement, it’s hard to justify shifting bigger budgets into CTV.

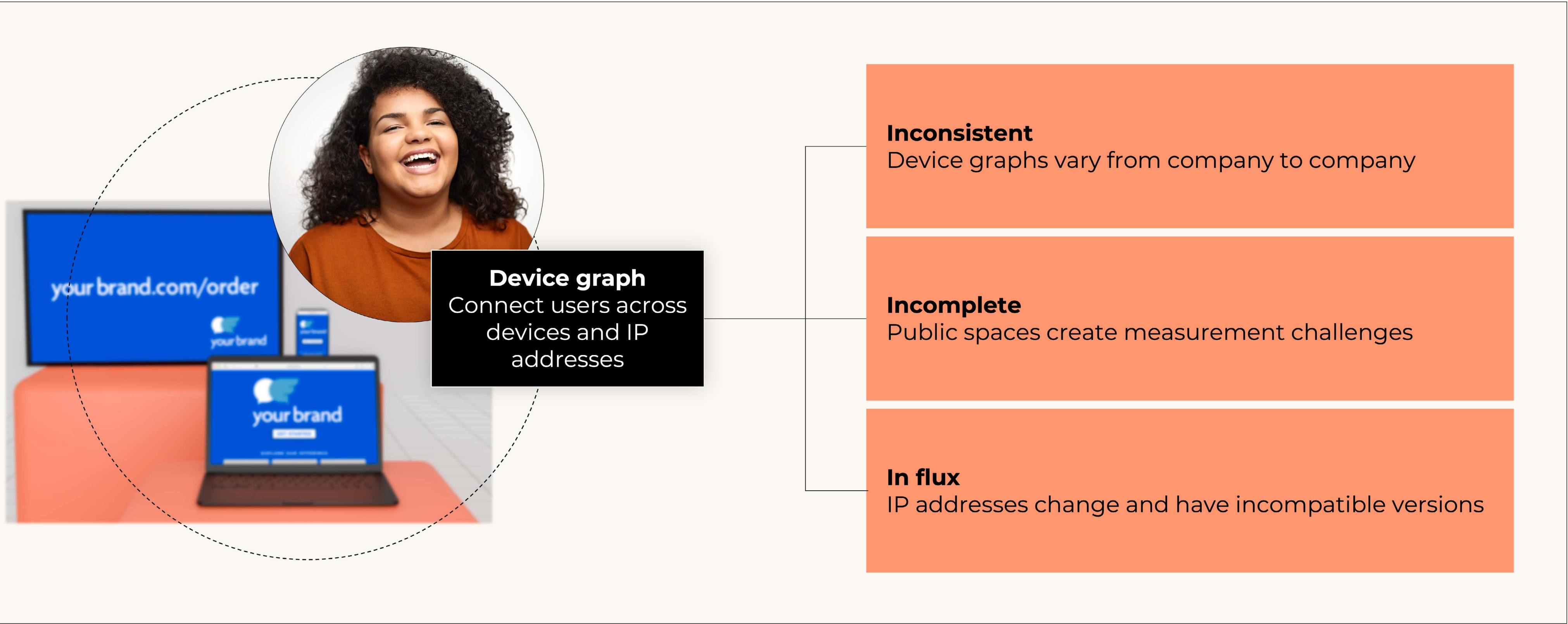
What is the hardest marketing channel to measure?

Both linear and Connected TV are listed among the hardest channels to measure.



Marketing Architects Research

IP matching and device graphs



On the flip side, another myth is that CTV can't be measured. That's also false. Marketers can track a range of meaningful CTV metrics including video completion rates, website visits driven, app installs, and incremental reach. The tools are there, but they must be intentionally applied. And you definitely can't use just one model.

Savvy brands are using a portfolio of measurement approaches, including IP matching, incrementality testing, and even media mix modeling (MMM) to understand CTV's full impact. In a 2024 survey, marketers indicated they were focused on revisiting [marketing mix models](#) and tactics to improve reach and frequency. This suggests a blend of short-term attribution and long-term modeling is key to cracking CTV measurement.

The good news? The ecosystem is actively developing solutions. Industry bodies and tech firms are collaborating to establish more transparent and unified measurement frameworks. Partnerships are forming to bridge data silos. Some streaming platforms now allow third-party measurement vendors like iSpot, VideoAmp, or Comscore to tag campaigns, and clean room environments enable matching exposure data with outcomes in a privacy-safe way.

To ensure transparency and effectiveness of CTV campaigns:

- **Use multiple models.** If direct attribution is your goal, design purposeful experiments. Enable pixel tracking or device graph matching to identify site visitors following CTV ad exposure. At the same time, run incrementality tests to measure sales lift by comparing households exposed to your CTV ads against unexposed control groups.
- **Test Marketing Mix Modeling (MMM).** For longer sales cycles or impact that doesn't show up immediately in clicks, feed your CTV impression and cost data into MMM to quantify its contribution alongside other channels. Modern MMM tools are becoming more granular and faster, making them increasingly actionable for media planners.
- **Insist on verification and brand safety.** The Wild West of streaming needs its sheriffs. Ensure your CTV buys are accredited or verified by trusted third parties whenever possible. Invalid traffic and fraud aren't just problems in display advertising. Use platforms with built-in fraud detection or partner with vendors who can audit your supply chain.

By embracing this multi-pronged measurement approach, you'll piece together a clear, data-backed picture of CTV performance. Yes, it requires insights from multiple sources, but the payoff is accountability that was impossible just a few years ago.

In 2025, the marketers winning the streaming wars aren't those with the biggest budgets. They're the ones who walk into budget meetings armed with hard evidence of how CTV drove incremental reach and revenue. And when the CFO asks "Should we double down on CTV next year?" they don't answer with anecdotes or gut feelings. They respond with data that makes the case for them.



COMBINING LINEAR AND CONNECTED TV

IT'S TIME TO BREAK DOWN SILOS.

It's time to break down silos.

As CTV cements its place in the media mix, one critical question emerges. Should CTV and traditional linear TV work together?

The outdated mindset treated “TV” as one monolithic channel—a single line item on the media plan where you dumped your video budget and hoped for the best. Today’s reality is far more nuanced, with linear and streaming representing two distinct yet complementary forms of TV advertising.

Despite CTV’s meteoric rise, linear TV still delivers unmatched reach, especially for older demographics and live events. In 2024, linear TV accounted for almost [6X more ad viewing time than CTV](#) on TV screens. Major televised moments like sports championships, network premieres, and awards shows still gather audiences at a scale streaming typically can’t match.

But each year, linear’s reach erodes as cord-cutting accelerates. So a pure-linear strategy inevitably leaves audience gaps.

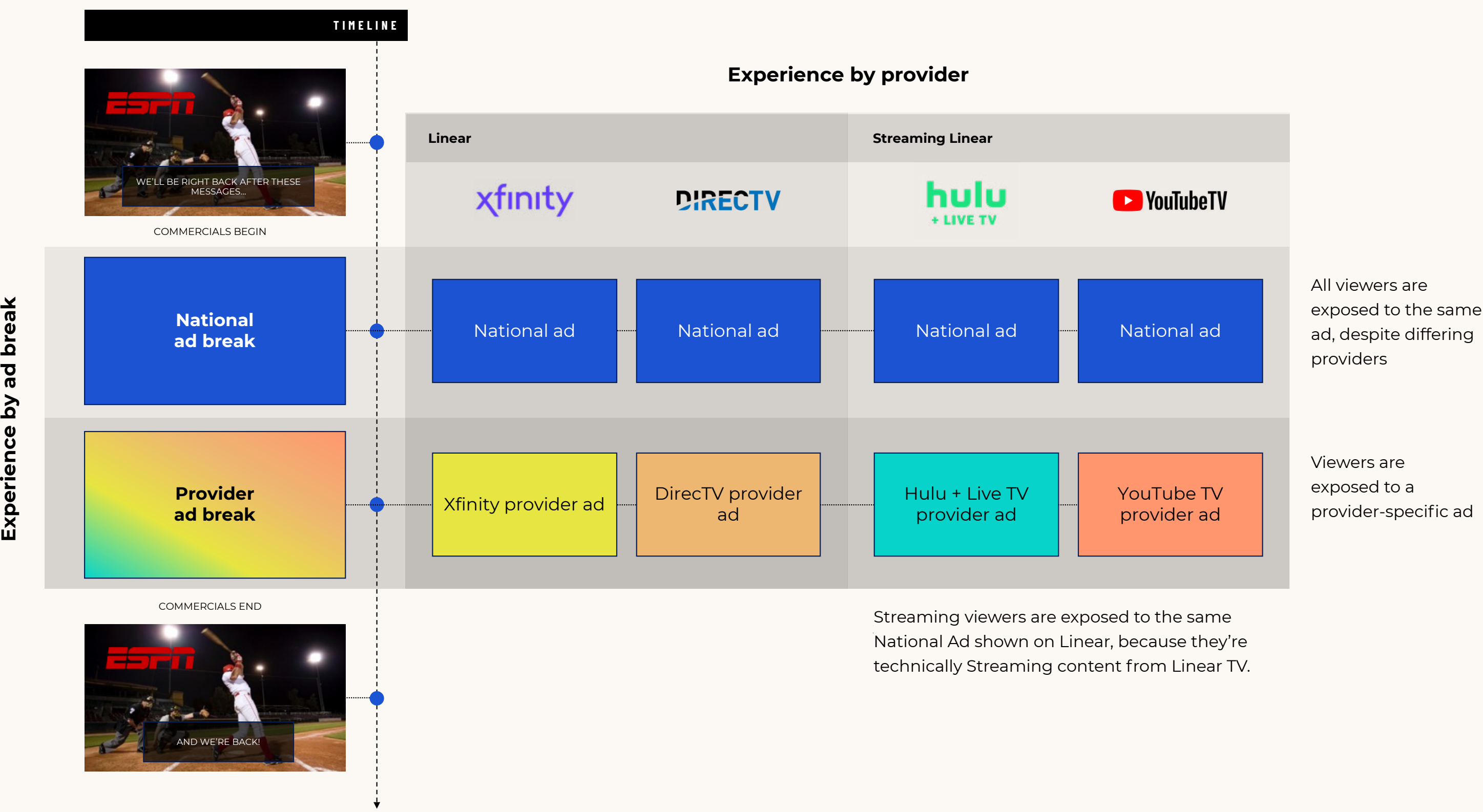
The solution isn’t choosing sides. It’s embracing both. Linear TV provides an efficient way to build top-funnel awareness among large audiences. CTV excels at incremental reach and precision. Together, they’re a powerful duo.

And realistically, they’re not so different. Traditional TV is becoming more addressable through set-top box VOD ads and smart TV ACR technology, while streaming platforms increasingly offer live programming that resembles linear viewing experiences. It’s little wonder 74% of TV households



How national linear ad time works

Networks: ESPN National; Example of providers that carry ESPN: Xfinity, DirecTV, Hulu Live, YouTube TV



watch both streaming and linear programming each month according to Nielsen. And the top consumer definition for TV is simply “anything I can watch on my TV set” according to data from MRI-Simmons.

Plus, live linear viewing is blurring the lines between linear and streaming on a technical front. Let’s say you’re a basketball fan. But you only subscribe to streaming services. When March Madness comes around, you keep up by tuning into Hulu Live TV. You see the same exact programming—and national ad breaks—as linear viewers. Yes, even the commercials are the same. Which is why even advertisers who buy only linear media can reach streaming viewers. Nearly a third of everything streamed is linear content.

Combining CTV and linear TV advertising means you can get in front of your audience regardless of how they’re watching TV. Even better, you can reach your audience wherever it’s most cost-effective.

A unified approach also allows for sequential messaging. For example, a brand might run a general branding ad on linear TV, then follow up with a more personalized, action-oriented ad to the same viewer on CTV. Imagine a car manufacturer running a broad awareness linear spot during an NFL game on Sunday, then serving a follow-up CTV ad to game viewers highlighting a local dealership offer or specific feature, pushing them further down the funnel.

Best practices for linear and Connected TV integration include:

- **Plan as if you’re solving one puzzle, not two separate ones.** Use planning tools to simulate how linear delivers reach compared to CTV’s incremental reach. Find a media agency that provides cross-platform planning estimates. Setting a combined goal prevents over-investing in one channel while neglecting the other.
- **Coordinate buying and measurement.** Use integrated buying platforms or a single agency for both linear and CTV to streamline execution. When the same team optimizes both channels, they can shift dollars fluidly between them. Unified measurement prevents double-counting of audiences. Ensure your post-campaign analysis reports combined reach, incremental reach of CTV, and overlapped reach.
- **Build creative synergy.** Create a strategy that spans linear and streaming. Maintain consistent brand identity and messaging for recognition, but tailor calls-to-action to each environment. Take advantage of CTV’s interactive capabilities such as clickable ads or on-screen QR codes.

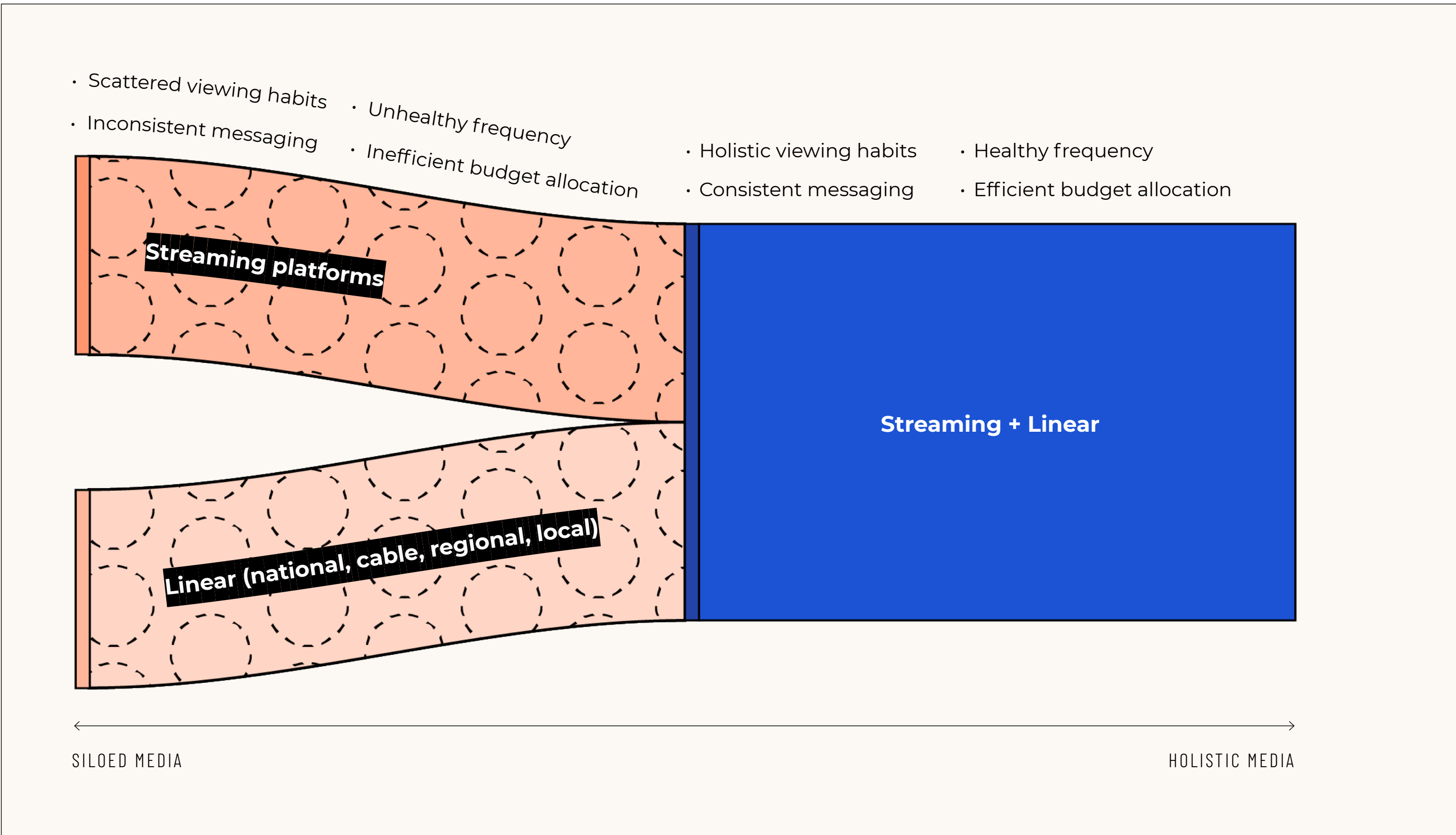
CTV isn’t here to replace linear TV just yet. It’s a powerful complement that fills critical gaps in your media strategy. While linear might struggle to reach cord-cutters, younger viewers, and binge-watchers, CTV welcomes them with open arms. Plus, there’s still hope for its evolving targeting and measurement capabilities.

Today, leading agencies and ad tech platforms offer holistic buying solutions that distribute impressions across both environments based on reach/frequency goals and performance metrics, optimizing the entire TV investment rather than siloed budgets. And 73% of marketers agree that linear and CTV work better together.

The most successful TV advertisers in 2025 won’t choose between linear and CTV. They’ll strategically integrate both to create campaigns greater than the sum of their parts.

Siloed TV approach vs Holistic TV approach

Running both linear and streaming TV with different partners can lead to performance-hindering challenges.



CONCLUSION

ACTION STEPS

CONCLUSION

Action steps

We've moved past debating whether streaming matters. Now, the question is how to make it work harder for your brand.

At its core, CTV combines television's emotional storytelling power with digital's targeting precision. While platforms and technologies evolve, your fundamental mission remains unchanged—connect with the right people, deliver a resonant message, and prove it worked.

What's different now is the toolkit at your disposal and the need for a more sophisticated approach to wield it.

- 1. Invest smarter.** Don't let premium platforms drain your budget. Skip the middlemen and their markups by exploring diverse inventory sources. Your audience watches content across dozens of platforms. Work with partners who have established relationships and can access competitive rates across the fragmented CTV landscape.
- 2. Target intelligently.** Dump outdated targeting that relies solely on third-party segments. Instead, make the most of your first-party data. Embrace contextual targeting that places your ads alongside relevant content. Use solutions like Smart Targeting to find high-intent viewers without premium price tags. And remember that the best CTV campaigns continuously refine audience strategies based on performance data, not just predetermined personas.

3. Measure what matters. Establish clear KPIs from the start and deploy modern measurement techniques that connect impressions to actual business outcomes. Use cross-platform measurement to reveal CTV's incremental reach beyond your other channels. Run attribution studies that tie ad exposures directly to sales. And demand radical transparency from your partners. There's too much at stake to operate in the dark or accept black-box reporting.

4. Tear down TV silos. If your linear and CTV teams aren't even on the same email chains, you've got a problem. It's time to demolish the artificial wall between traditional and streaming TV planning. Create one TV strategy that maximizes total audience reach while minimizing wasteful overlap. Integrate planning, buying, and creative development across all TV platforms for a unified brand voice that builds upon itself rather than creating disconnected experiences.

Audit your current approach against these best practices. Where are the gaps? What steps can you take to address them? Whether finding a specialized TV agency to deploy advanced targeting tools, training your team on cross-media measurement, or restructuring to eliminate linear/digital silos, each improvement strengthens your competitive position.

Your customers are already streaming their favorite shows. Now it's your turn to stream your brand's message effectively and profitably. The difference between merely appearing on CTV and driving real business results comes down to how you execute this playbook.

The remote is in your hands. The next move is yours.

About Marketing Architects

TV advertising is a powerful channel. Done right, it can become an essential growth driver for your business. At Marketing Architects, we use an All-Inclusive approach to TV to help advertisers make the most of their TV investment. Connect with us at marketingarchitects.com to learn more.