#MEDIASMART
an affle company

INDIA CTV REPORT 2021

Mapping Connected TV Viewership in India and the Opportunities for Brands

Primary Data Research Partner

VTION

Media Agency Partner

interactive avenues
A REPRISE NETWORK COMPANY

TABLE OF CONTENTS

Introduction 01

What is Connected TV 02

Connected TV and Its Evolution in India 05

Connected TV Has Gained Momentum in the West - And India Follows Suit! 06

How is India Watching Connected TV 09

Key Takeaways From the Survey Findings 15

But, is Connected TV Enough? 16

Why Buy Connected TV Advertising With mediasmart 18

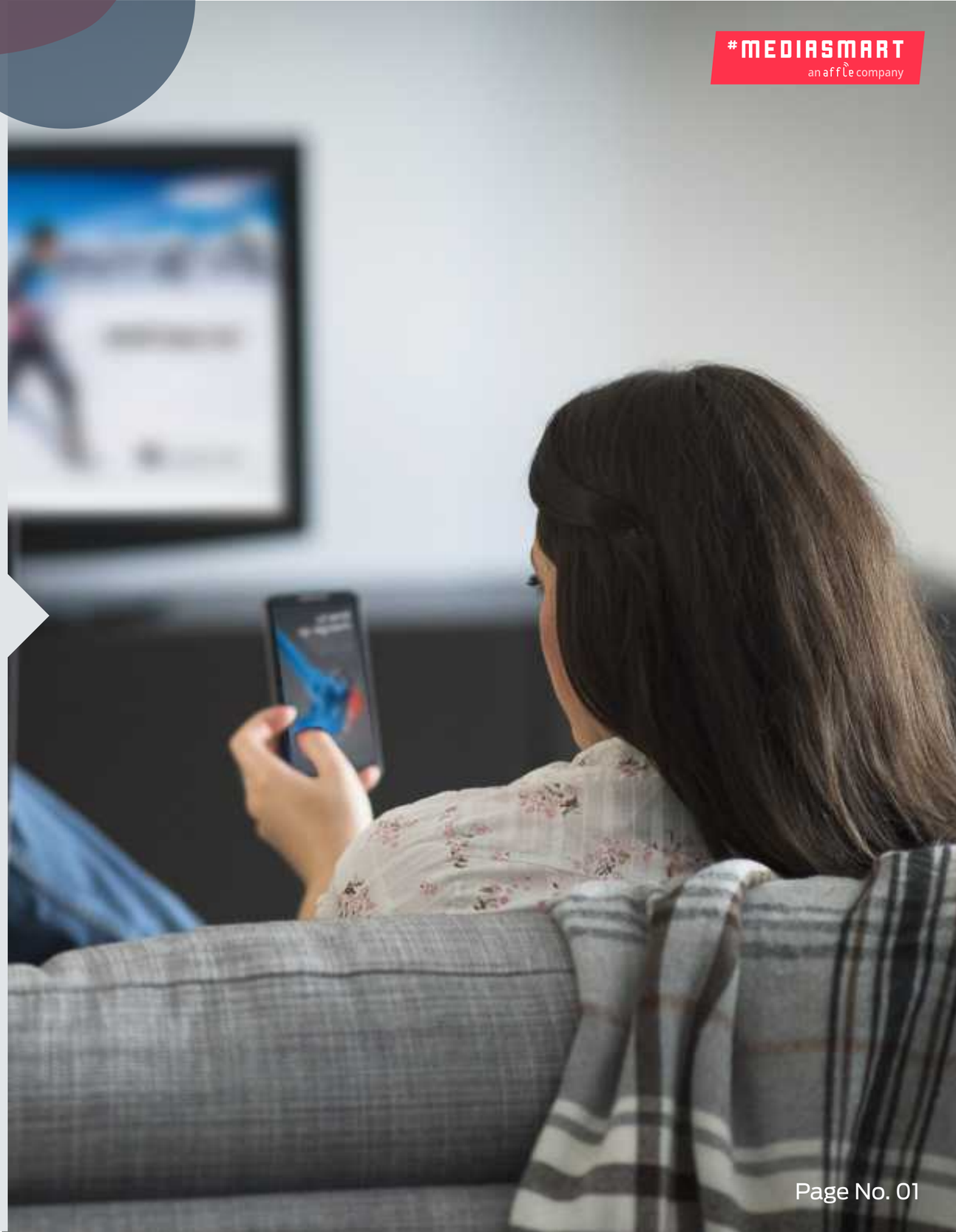
INTRODUCTION

Connected TV (CTV) Makes a Strong Appearance in India as TV Viewing Habits Change

2020 was unprecedented in many ways, but also brought forth what the television and digital advertising industry was long noticing -- more and more people are cutting the cord. The television cord, that is! Video entertainment industry has exploded with the growth of streaming devices, changing how content is viewed across devices. Between Connected TV (CTV) and Over-the-top (OTT) content, today consumers have plenty of options that are an attractive alternative to traditional linear television.

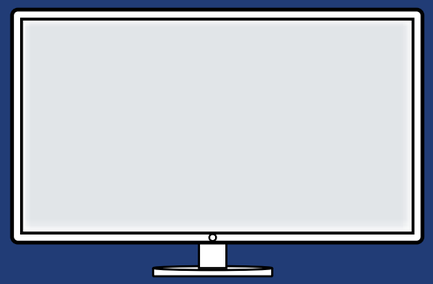
CTV, which was until recently seen as an alternative to linear TV, has emerged from the shadows and into the spotlight on how audiences consume content. The pandemic has further accelerated the shift in viewing habits as more and more people stayed indoors accepting the “new normal” and taking to CTV as a common entertainment source for families to enjoy together. Of course, the increasing internet speeds and better access to internet-enabled devices has also contributed in many ways to the recent growth of CTV.

CTV has already made a significant impact on the digital advertising industry in the western part of the world and India is following suit. What does it mean for consumers, brands, and the digital AdTech ecosystem in India? This report takes a look at the changing viewership habits of consumers in India. With a nationwide survey conducted in partnership with VTION, the report sheds light into who make up the average CTV viewers in India, where they spend most time and how they consume content, to bring together key takeaways for the brands in India for the CTV advertising opportunity.



WHAT IS CTV

CTV is a television that gets its content from the internet vs. the traditional route of cable and/or DTH. The content as it is streamed from the internet is available and consumed on-demand. This content is usually consumed through apps on Smart TVs or through Dongles (like Fire Stick, Roku etc.) and Gaming Consoles (Xbox, Playstation etc) connected to regular TVs, thus enabling them to access internet content.
Platforms like Disney+ Hotstar, Zee5, Netflix etc. are some OTT apps and content from such apps is consumed regularly on CTVs.

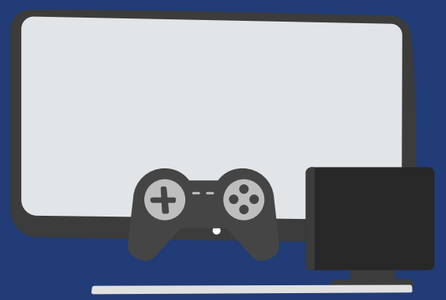


SMART TV

TVs that connect to the internet directly to stream content

DONGLE

Chromecast, Amazon Firestick etc. that stream to a TV



GAME CONSOLES & INTERNET SET TOP BOX

Includes consoles like Xbox and Nintendo, and other internet set top box

HOW ARE OTT AND CTV DIFFERENT FROM EACH OTHER?

CTV and OTT are often used interchangeably, and understandably so. With such a thin line between how both are defined, it is easy to get confused. A simple way of distinguishing this is that OTT content can also be viewed on non-CTV devices. Think of how you are plugged onto Netflix on your mobile device on-the-go: that's basically accessing OTT content on the phone. OTT content is accessed via options such as ad-supported video on demand (AVOD) or subscription services to access video on demand (SVOD). Whereas, CTV offers users a choice to access a wide variety of content (including OTT content) through an internet-connected TV.

CTV

Any television set used to stream video over IP via an onscreen media platform. Most often videos are streamed via apps downloaded from a TV app store.

Different types of CTV - Smart TV, Internet connected devices that stream to a TV, Gaming Consoles

OTT

A reference to streaming TV content, because it's going "over the top" of and circumventing traditional means of video delivery (historically satellite, cable, or telco MVPD service).

Different types of OTT - SVOD, AVOD

HOW DOES YOUR TV BECOME A CTV?

Now that we've identified what is a CTV, it's time to answer the question, "how your TV can also become a CTV."

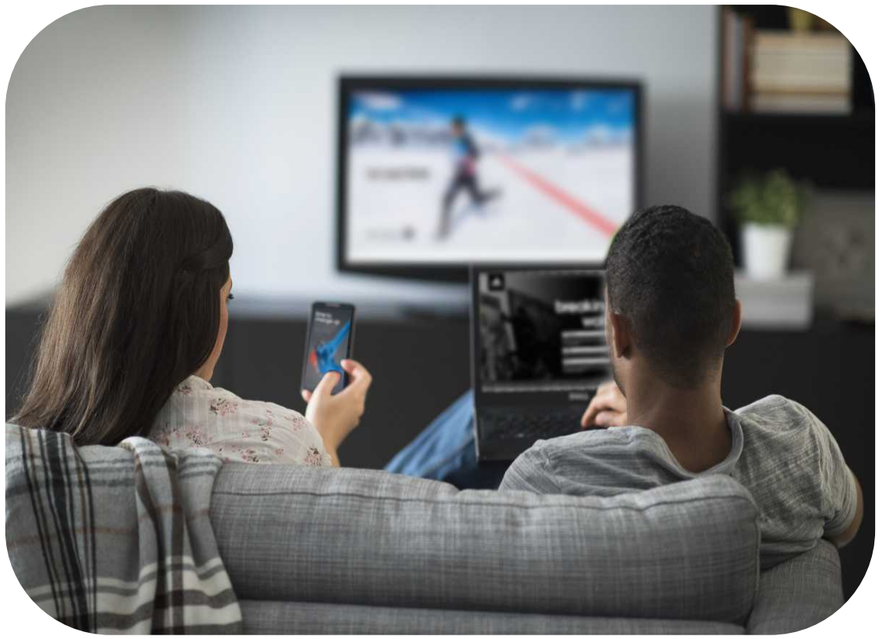
As mentioned earlier, there are different types of CTV - Smart TV, Internet connected devices that stream to a TV, and Gaming Consoles. Whether you are using a Smart TV, an internet set top box, or a dongle (such as a Firestick) all of these devices make your TV a CTV.
In India, the growth of the CTV is linked to the cheap pricing of the Smart TVs. A majority of TVs sold in the market are Smart TVs that easily enable a user to connect to the internet and stream content of their choice or browse the web, without having to connect an additional device.

The other common ways to access internet content on your TV is via a dongle such as Chromecast or Amazon Firestick, both of which provide easy access to connecting to the internet via the WiFi connection. A third popular way to turn your TV into a CTV is by using either a console such as Xbox, Nintendo or Playstation, or an internet set top box that allows you to watch content from multiple services directly through the interface.

Smart TVs
<INR 14,999

Internet Set Top Box
<INR 3,000

Dongle
<INR 3,000



WHY CTV HAS GROWN IN INDIA

Now that we understand what CTV is, let's take a look at how it has evolved in India and the reasons for its growth.

Decrease in price of data plans

- India one of the biggest markets of internet users
- New demographic group opening up to digital-first world
- Cheapest mobile data at $0.09 per GB

Cheap availability of Smart TVs in the market

- Market flooded with affordable, lower-priced brands
- Easiest way to access CTV
- Smart TVs often come with a preloaded set of apps to access internet-based content

Accessible internet content at affordable prices

- Consumers spoilt for choice with internet-based content.
- The world's fastest-growing OTT market

Availability of devices to stream content

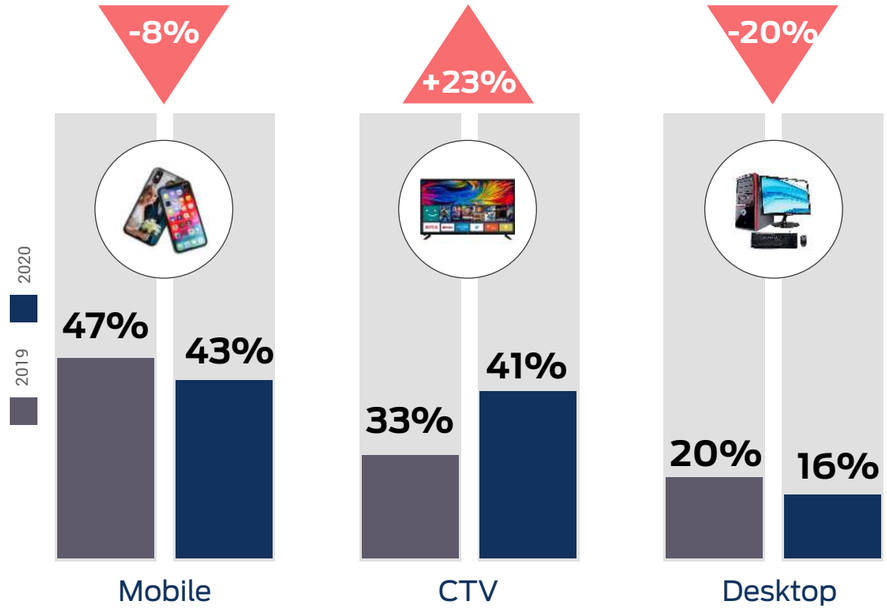
- Dongles and internet set top box adoption make it easier for people to access internet-based content
- Low-fuss setup as they need just an internet connection

CTV HAS GAINED MOMENTUM IN THE WEST - AND INDIA FOLLOWS SUIT!

CTV impressions are gaining momentum in the western part of the world, particularly U.S. Take a look at this chart (from U.S.) showing the % growth YOY of video impressions by consumption and you'll notice CTV is a prominent mover-and-shaker in this category. It is particularly interesting to observe the share of video impressions on CTV were at par with mobile in 2020, which is a significant development for the medium's growth.

If one were to look at the brand impact of CTV in comparison to traditional TV or online video, CTV leads in impact on two critical metrics - ad awareness and purchase intent. It is no surprise, then, that brands are starting to embrace CTV as well, with one in 10 programmatic video ad dollars currently going to the platform [1].

Video Impressions by Consumption in US



Source :- https://www.tvtechnology.com/news/ctv-ad-impressions-grew-55-in-2020-per-report

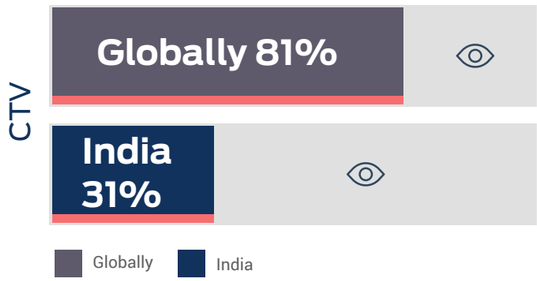
ADOPTION OF CTV VIEWING IN INDIA

CTV viewing in India is on a significant uptick and increased by 31%. Globally, while CTV viewing increased by 81%, India is still a young market with a tremendous potential for CTV adoption by the consumers. In April 2020, 21% of CTV viewing households were cord cutters (households who cut the cord within the past five years), whereas 22% were cord nevers (households with no cable/satellite subscription in the past five years) [2].

Source 1 :- https://www.emarketer.com/content/us-programmatic-digital-display-ad-spending

Source 2 :- https://www.prnewswire.com/news-releases/comscore-releases-2020-state-of-ott-report-ex[...]on-across-ctv-ad-supported-services-and-more-301083020.html

Increase in CTV Viewing India vs Global



Source :- https://economictimes.indiatimes.com/industry/media/entertainment/covid-19-impact-tv-consum[...]on-minutes-in-a -week/articleshow/74951009.cms?from=mdr

TV vs CTV Subscriptions Outlook in India

	2020	2025
Total TV	342	382 (estimated)
CTV	5+	40+ (estimated)

EY estimated I millions of subscriptions

Souce: ey-india-media-and-entertainment-sector-reboots.pdf

WHAT DOES CTV PROVIDE?

INCREMENTAL REACH

CTV's exclusive audiences make it an ideal platform for extending the reach of linear TV campaigns, especially in competitive dayparts.

MORE INTERACTIVITY

The enhanced digital capabilities of CTV can substantially deepen and redefine customer engagement amid cross-screen competition.

MORE TIME

CTV gives advertisers the ability to earn more of the viewer's time, which increases brand awareness and opportunities for conversions.

CTV OPPORTUNITY FOR BRANDS

New-age media for reaching users

Co-viewing TV content & multi-screen audience reach. Creating digital footprint on TV viewers

Data accuracy and multi – attribute measurement on CTV

Unparallel unique reach for premium and Gen Z users

Expert Speak

The world is moving towards immersive watching experiences and CTV is an exciting space to be at. Industry observers are keenly following how India's multi-screen viewing habits are shaping up. If you look at the western digital advertising spends pie, CTV has already cemented its place. It is interesting to watch leading advertisers in the country adopt CTV advertising as a critical new addition to their media mix. CTV advertising is here to stay and with evolutionary solutions provided by mediasmart on Household Sync technology, we are powering brands to engage with relevant consumers across the connected devices.

NIKHIL KUMAR

Sr. Director, Brand & Strategy, India & SEA

HOW IS INDIA WATCHING CTV

CTV viewing in India is still at a nascent stage. Advertisers also don't have much insight into who these audiences are and how they are consuming CTV.

To dive deeper into the viewing habits of the average Indian user, we set out to find out the user preferences of Indians across the country - how they view CTV content, the time spent, their preferred apps, and more.

We partnered with VTION to run a first-party data survey of adults in Metros and Tier-1 cities, across a demographic of male and female respondents. The survey covered people who view internet-based content on their Connected TV, across occupations with an average monthly household income of INR 78000 ($1000).

VTION carried out the survey amongst its panelists and we were able to stitch together a first of its kind research on CTV viewers in India and their habits sliced-and-diced by various demographics. CTV is a fast-growing segment in India and thus behavioural characteristics will help advertisers understand the audience.

SHAILESH VARUDKAR

Chief Business Officer

VTION

Primary Data Research Partner: VTION

GEOGRAPHIC PROFILE OF PARTICIPANTS

Male **80%**

Female **20%**

NCCS

A & B, Male Female 18 years and above
Residing in Metro & Class 1 Towns covering top 15 states

A **74%**

B **26%**

Age

Young Adults(18-24) **62%**

Adults (25-34) **25%**

Married Age (35+) **13%**

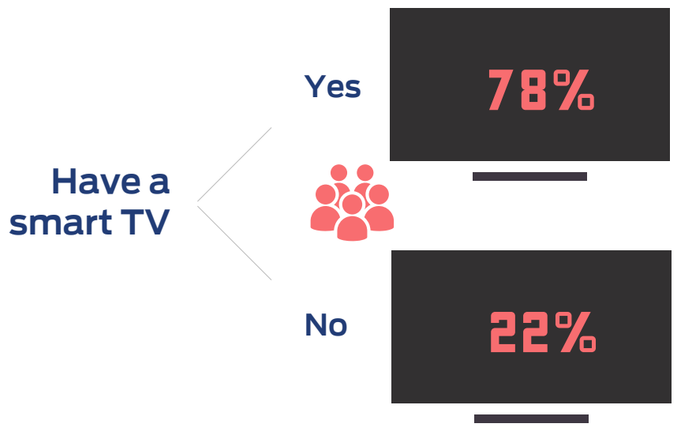
We set out to understand first the respondents who own a Smart TV and whether they used their Smart TVs to access internet-based content. VTION analysed the respondents based on the qualifying question of them owning a Smart TV and using it to watch internet-based content. An online survey was sent to respondents qualifying the above criteria.

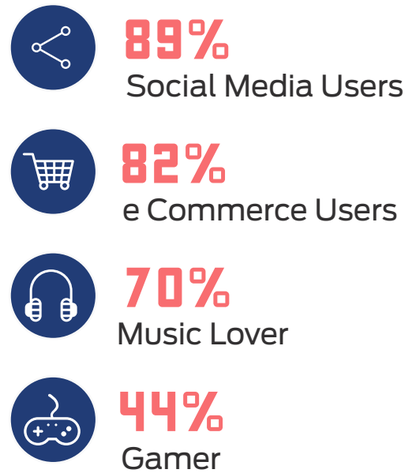
Based on the responses collected by VTION as well as their passive behavioral data of the panelists, following trends of the average CTV viewer were observed:

Primary Data Research Partner: VTION

#MEDIASMART an affle company

WHO IS THE AVERAGE CTV VIEWER





A snapshot

- 78% respondents had a Smart TV and represents a fairly well-distributed demographic.
- Out of those 93% users accessed internet-based content on their Smart TVs. This set of users are young, urban adults who are already mobile-first and are actively engaging with diverse apps.

Learnings

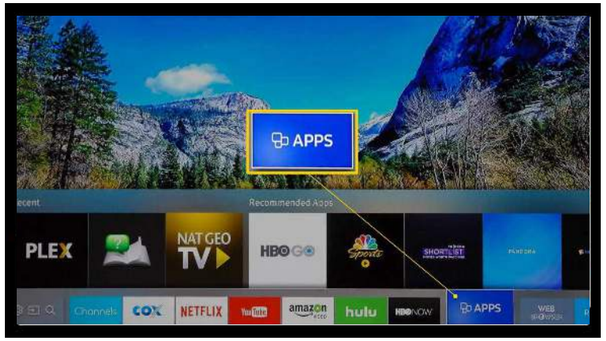
- A fairly large chunk of users accessing CTV is the young demographic, but an equally large group belongs to working professionals who are high-paying users.
- A majority of respondents belong to the Metro cities, but the demand for CTV is also growing among non-metro users as digital awareness grows and internet penetration deepens.

Base: Those who view Internet-Based TV, VTION survey I Base; All Participants: 521 I Base; Those Having Smart TV: 407 I This data is not weighted to the Universe and is based on participation from the panel.

ACCESSING CTV AND DEVICE USAGE

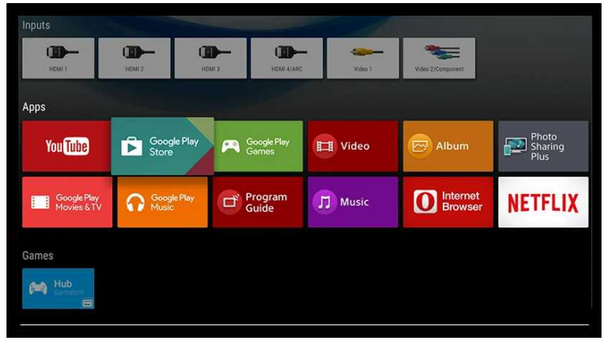
Via App Store on Smart TV

59%



Pre Installed Apps

26%



Via Dongle

15%

A snapshot

- The App Store on the Smart TVs allows users to access apps that have to be downloaded from the device's OEM store.
- The pre-installed apps such as mainstream apps like Netflix and Prime Video enable the users to connect to the streaming service of their choice right from their Smart TV and Smart remote.

Learnings

- The Smart TV user is an evolved user with a knowledge of direct usage of CTV in all its features.
- A small section use the dongle to make their Smart TVs into CTVs.*

*[We believe that some users, despite the explanation, did not understand the difference between the dongle and Smart TV app, and thus, this finding is prone to research error.]

Base: Those who view Internet-Based TV, VTION survey I Base; Those who view Internet Based TV: 379 I This data is not weighted to the Universe and is based on participation from the panel.

CTV VIEWING PREFERENCES

Time Spent

69% spend 1 to 4 hours watching Connected TV

4 in 10 watching between 6 pm to 12 am

91% Watch Movies

64% Listen to Music

47% Play Games

64% Watch News

A snapshot

- More people are accessing CTV and spending between 1-4 hours watching internet-based content.
- Increased preference towards watching content on CTV after evening, probably after they have switched off from work and are ready to unwind.

Learnings

- Watching movies and other content (on an OTT platform) is the most preferred entertainment source.
- More than half use their CTV to watch news and listen to music, even as a growing majority also uses their CTV for gaming.

Base: Those who view Internet-Based TV, VTION survey I Base; Those who view Internet Based TV: 379 I This data is not weighted to the Universe and is based on participation from the panel.

Primary Data Research Partner: VTION

#MEDIASMART an affle company

APPS USAGE ON CTV

>65%

Disney+ hotstar

prime video

NETFLIX

>45%

ZEE5

MXPLAYER

SONY liv

>25%

voot

ALT BALAJI

OTHERS

66% of people have **subscription** for more than **1 OTT app**

A snapshot

- There's over 40%+ adoption for the leading eight OTT apps in India: Disney+Hotstar, Amazon's Prime Video, Netflix, Zee5, MXPlayer, Sony LIV, VOOT and Alt Balaji.
- Netflix, Amazon Prime and Hotstar drive high-recall amidst urban users and in metros, followed by Zee5, MXPlayer, Sony LIV, VOOT and Alt Balaji.
- Metro users tend to have a higher tendency for more than 1 app subscription.

Learnings

- As OTT apps continue to attract users, AVOD (advertising video-on-demand) and SVOD (subscription video-on-demand) preferences are likely to change as well.
- Young adults with an appetite to spend and affordability for more than 1 app subscription enjoy paying for their on-demand content especially in Metro and Tier 1 towns.
- The inclination on app usage is also heavily dependent on seasonality and timing

Base: Those who view Internet-Based TV, VTION survey I Base; Those who view Internet Based TV: 379
This data is not weighted to the Universe and is based on participation from the panel.

KEY TAKEAWAYS FROM THE SURVEY FINDINGS

1. CTV and OTT viewership in India is growing fast. As viewers adjust to the “new normal,” this is likely to further increase.

2. Young adults (18-24 years) and adults (25-34) are majority of consumers having an increased propensity to spend and therefore often subscribe to more than 1 premium app subscription.

3. While OTT apps remain popular on CTV, gaming and news are equally large in preference a hidden opportunity for advertisers. A massive uptake in gaming on CTV is expected to drive advertising in 2021 and beyond.

4. Unlike mobile usage of internet, which requires literacy levels, CTV consumption cuts across age, language and city barriers. Both Metro and Tier-1 city audiences are active consumers of CTV content. By going vernacular, advertisers are able to engage with users in ads of their language.

BUT, IS CTV ENOUGH? HOUSEHOLD SYNC TECHNOLOGY IS THE MISSING PIECE OF THE PUZZLE

What is Household Sync

Though programmatic CTV ads have been available in the industry, advertisers can drive interactivity with follow-up household synced mobile ads. This is where mediasmart's advanced industry-first Household Sync technology helps you to take the advantages of CTV even further.

Household Sync Technology makes ads more engaging by syncing CTV ad campaigns with ads on other connected devices in the same household. They can thus make their CTV ads significantly more relevant by personalizing them for specific audiences within the household. This brings together the twin strengths of (a) engaging storytelling associated with TV & CTV advertising and (b) targeting and engagement associated with Programmatic & Digital advertising. Brands can launch CTV campaigns to a specific audience in the same household, measure results, and drive them to the nearest store.

Ad Shown on CTV

Show the mobile ad

Upto 30s, 5min, 1h, or until 24hrs after TV ad to have a better recall for the brand

HOW DOES HOUSEHOLD SYNC WORK?

With mediasmart, syncing a CTV campaign with other devices in the same household requires minimum effort. Advertisers can automatically select the needed targeting options as well as create a dedicated cross-device strategy. Household Syncing on mediasmart uses fresh data for each campaign and is based on IP addresses, which undergo several layers of validation. Among other things, the validation process includes an in-house algorithm to maximize data accuracy and compliance with privacy regulations.

HOW THIS HELPS YOUR CAMPAIGNS?

Increased brand impact by syncing ads on CTV with ads on other devices in the household.

Target apps and streaming video on Smart TVs, OTT devices, or game consoles.

Take advantage of combining CTV ads based on the audiences' demographic, interest or location – and either 1st-or 3rd-party data.

Measure both online conversions and incremental footfall and optimize results.

Quantify your TV ads with more than 25 dedicated KPIs in real-time. Know where and when you buy impressions. Measure revenue and profitability in a way that is impossible in traditional TV.

Expert Speak

At mediasmart, we believe in technical innovation as the engine of progress. Our tech and engineering teams are continuously working to innovate in the fast-growing market of CTV. With our privacy-compliant solution for cross-screen advertising, we are closing the gap between TV and mobile advertising. Advertisers can also coordinate video ads with our drive-to-store and geo-location tech fueled by Household Sync technology on CTV. By building user journeys across multiple connected devices to have a unified messaging that maximizes impact, we empower advertisers to do more with their TV advertising.

GUILLERMO FERNANDEZ SANZ
Chief Technology Officer

WHY BUY CTV ADVERTISING WITH MEDIASMART

- Find highly engaged users
- High-quality ad units
- Real-time buying and metrics
- Household Sync with audiences
- Better CPMs and reduced ad spend wastage
- Better attribution, tracking and frequency capping
- Borderless reach across global markets

Expert Speak

Advertisers globally - and in India - are lapping up the CTV opportunity as it continues to grow as an exciting medium for digital advertising. We've seen great results and ROI for some of our top clients who are already using the CTV ad technology from mediasmart. The findings of this research will boost advertiser confidence who now have a deeper insight into the ever-evolving Indian CTV users. The research is also a step in the right direction to build standard industry metrics, even as technologies like Household Sync make CTV more measurable and impactful.

AMARDEEP SINGH
CEO Interactive Avenues

interactive avenues
A REPRISE NETWORK COMPANY

MEDIASMART

A self-serve programmatic platform (now part of Affle group) provides advertisers, trading desks and agencies an integrated mobile-first advertising platform that empowers them to efficiently reach their target audiences no matter where they are.

Unique strengths such as omni-channel audience management & incremental measurement together with measurable and high impact CTV advertising (through its proprietary Household Sync technology), make mediasmart the platform of choice for marketers looking for an intuitive and powerful programmatic solution, whether they choose to use mediasmart's console or build their own solutions on top of its open APIs.

- Proximity Marketing with Incrementality Measurement
- Connected TV with Household Sync
- Omnichannel Audiences
- Programmatic Brand Marketing

#MEDIASMART
an affle company

GET IN TOUCH

marketing@mediasmart.io | sales@mediasmart.io

www.mediasmart.io

Disclaimer

The information contained herein is derived from the research findings of Vtion and/or 3rd party sources as quoted in the report. Mediasmart does not make any express or implied warranty or representation concerning the accuracy or completeness of the Data. Mediasmart shall have no liability resulting from any reliance upon or use of such Data. Mediasmart, Affle Group and its management/Directors/Employees are explicitly indemnified.