Decoding the Connected TV Ecosystem in India

An Interactive Avenues & Amazon Ads Playbook

Aug.'22

Content

Introduction

CTV has emerged as a touchpoint of interest due to its unique ability to bring together the large screen TV experience and the targeting/measurement capabilities of digital and access to affluent urban households. But marketers and media planners are still grappling with myths around reach/effectiveness of CTV which is impeding the growth of this promising channel in India.

In this playbook we have attempted to decode the key trends in the space starting with dispelling common myths. The deep dive on CTV audiences will help marketers understand the effectiveness of reach through CTV. Media planning basics, best practices on building impactful creative assets, success stories and experts' recommendations should further help marketers integrate CTV advertising in their media strategies.

31%

Increase in Connected TV viewing in India Vs last year

Connected TV Households in India(MM)

2022	2025
25	40

What is Connected TV?

Connected TV is defined as a television or device directly connected to the internet which can stream content on the big screen. The avenues through which a TV can be connected to the internet are :-

Smart TVs*

Streaming Media Player Devices
(e.g. Amazon Fire TV Stick)

Gaming Consoles

Internet enabled
Set top boxes

*Operating systems : Android, Samsung's Tizen OS, LG's WebOS, Fire OS (Amazon Fire TV) etc.

Myth Or Reality…………

Myth	**CTV is the same as OTT**	**CTV is restricted to Smart TVs**	**CTV usage is restricted to metro cities**	**Time spent on CTV is still low**
Reality	No, CTV is not the same as OTT. Use CTV when talking about TVs connected to the internet. Use OTT when referring to content streaming services which can be accessed across devices.	No, these days ~10 million households in India connect their TVs to the internet through streaming devices like Amazon Fire TV and through internet enabled set top boxes.	Customers purchased Amazon Fire TV Sticks in close to 80% of pin codes across India in 2021* Smaller cities like Hisar, Tiruvallur, Chittoor, Alwar, Imphal and South Andaman saw an increased growth in sales of Amazon Fire TV Sticks.	This is no more true! Amazon Fire TV users spent close to 4 hours per day watching content (Vs ~3 hrs. on linear TV) in 2021.

Currently India has ~25 MM CTV households and this is expected to grow to 40 MM households by 2025*

Factors leading to growth :-

Reducing cost of internet leading to higher penetration

Growth in usage of streaming apps/services

Consumer inclination towards OTT content

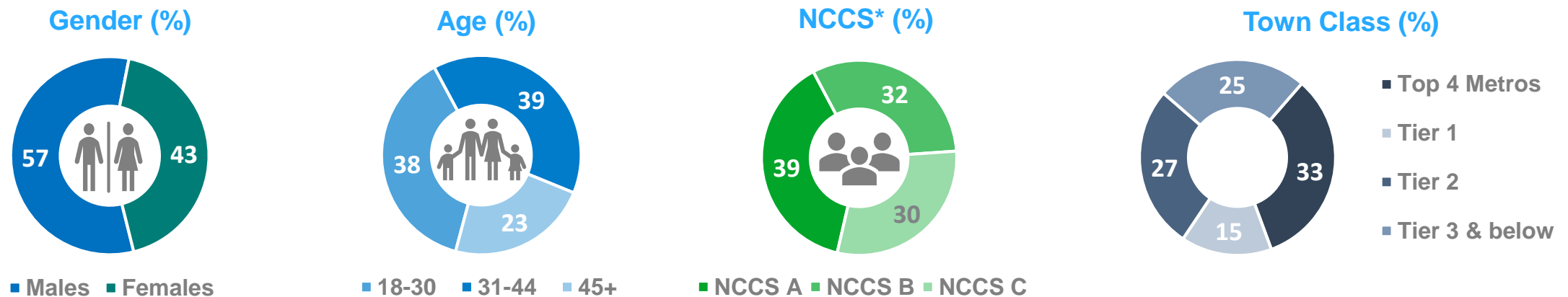Rise in usage of streaming devices like Amazon Fire TV

Rise in share of Smart TVs in TV purchases

*Source: EY-FICCI report-2022

Lets understand the Profile of Connected TV audiences better……..

A primary study was conducted to understand and compare the profile of CTV users Vs Non CTV users. This online survey was conducted through Inmobi pulse from 1st -20th August'2022 across 36 Indian cities amongst 2100 urban internet users having at-least a TV at their home.

The target profile for the study was designed to represent Active Internet users in India who own at least 1 TV, with the demographic splits considered in line with Kantar's ICube report –

Gender (%)

57 43

■ Males ■ Females

Age (%)

39
38
23

■ 18-30 ■ 31-44 ■ 45+

NCCS* (%)

32
39
30

■ NCCS A ■ NCCS B ■ NCCS C

Town Class (%)

25
27 33
15

■ Top 4 Metros
■ Tier 1
■ Tier 2
■ Tier 3 & below

~One third of urban internet households are now only using Internet to watch content on their TV which is an unprecedented opportunity for marketers

37%

urban households do not have a DTH/Cable linear TV connection

36%

urban households own both DTH and CTV connections

Co-viewing phenomenon is emerging in India

71%

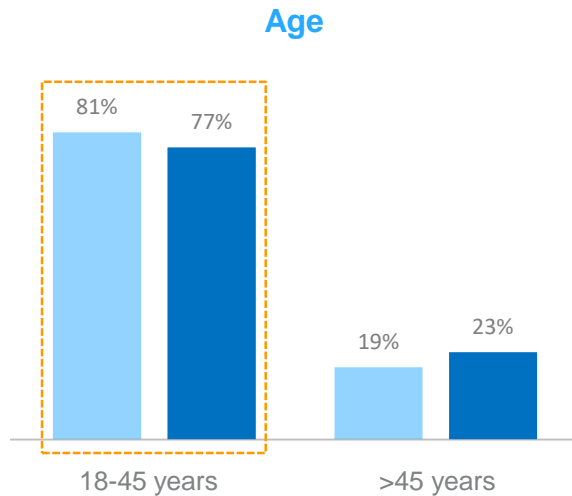CTV households have their TV
in the common room/dining hall
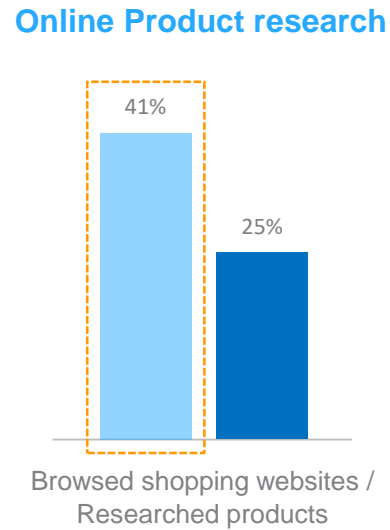
3-4 people

watch TV while streaming
together

CTV audiences are younger, more internet savvy and indulge in online streaming
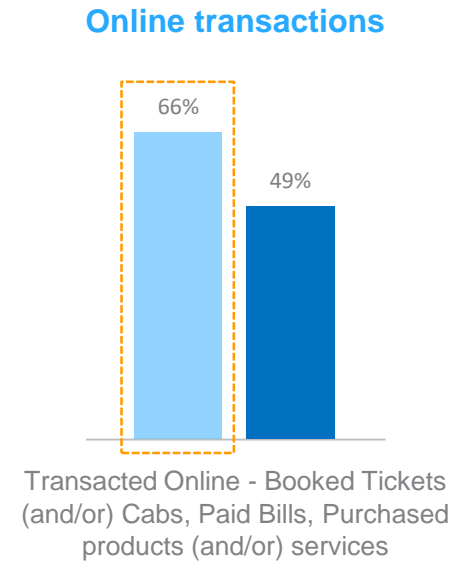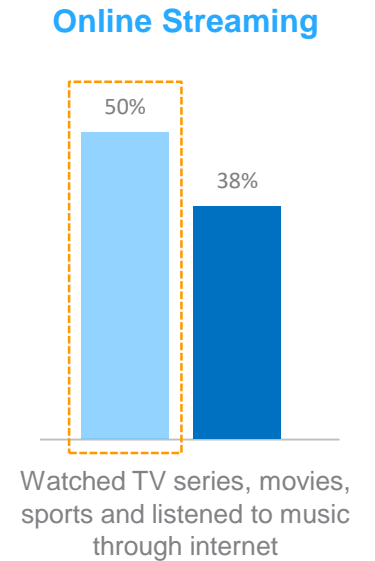
CTV audiences are…

…relatively younger	…more likely to research products online	…more likely to transact online	…avid streamers
Age	**Online Product research**	**Online transactions**	**Online Streaming**

Age
- 18-45 years: 81% (CTV User), 77% (Non-CTV User)
- >45 years: 19% (CTV User), 23% (Non-CTV User)

Online Product research
- Browsed shopping websites / Researched products: 41% (CTV User), 25% (Non-CTV User)

Online transactions
- Transacted Online - Booked Tickets (and/or) Cabs, Paid Bills, Purchased products (and/or) services: 66% (CTV User), 49% (Non-CTV User)

Online Streaming
- Watched TV series, movies, sports and listened to music through internet: 50% (CTV User), 38% (Non-CTV User)

Legend: ■ CTV User   ■ Non-CTV User

CTV audiences have a refined lifestyle/financial habits

54%
are Tech-Enthusiasts

45%
are Fashionistas

44%
are Early Adopters

35%
own a 4-wheeler

19%
Own credit card/s

CTV audiences are avid 'entertainment buffs'

43%
own multiple TVs
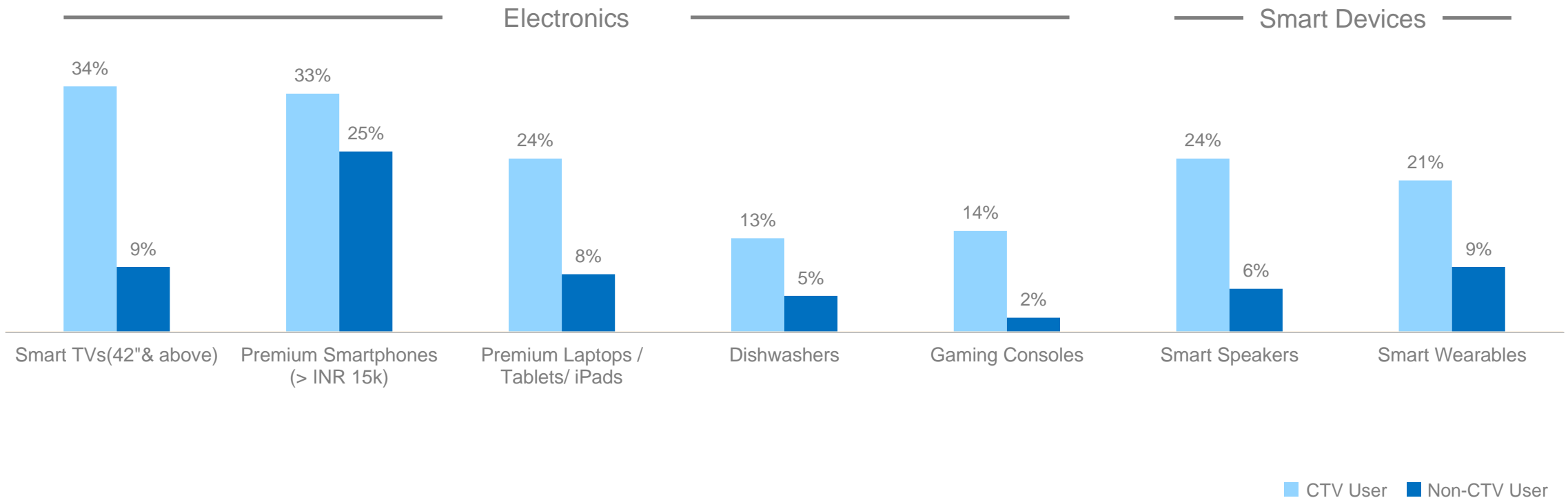
53%
own >3 paid OTT subscriptions
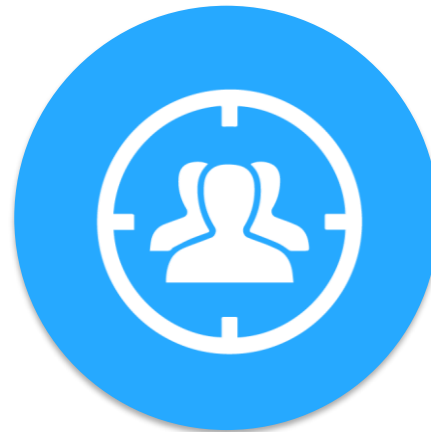
43%
Spend at least an hour watching OTT shows daily

Further, CTV audiences are more likely to spend on discretionary products/services

Ownership of Discretionary Products (% of all consumers)

Electronics — Smart Devices

Product	CTV User	Non-CTV User
Smart TVs(42"& above)	34%	9%
Premium Smartphones (> INR 15k)	33%	25%
Premium Laptops / Tablets/ iPads	24%	8%
Dishwashers	13%	5%
Gaming Consoles	14%	2%
Smart Speakers	24%	6%
Smart Wearables	21%	9%

■ CTV User ■ Non-CTV User

CTV audiences like engaging with relevant ads

45%

CTV audiences engage with relevant ads

41%

CTV audiences are Ok with watching ads in exchange for good content

40%

CTV audiences remember ads seen while streaming more than Vs when watching through DTH/Cable

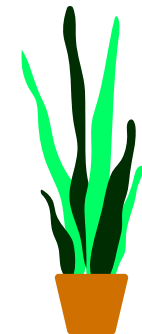# Why is CTV a important media touchpoint? Lets have an expert's view ….
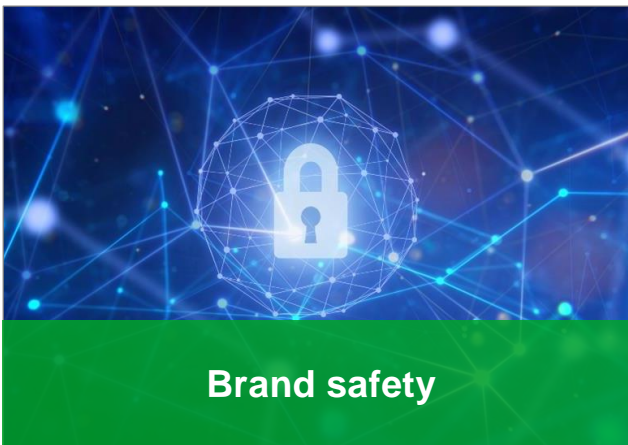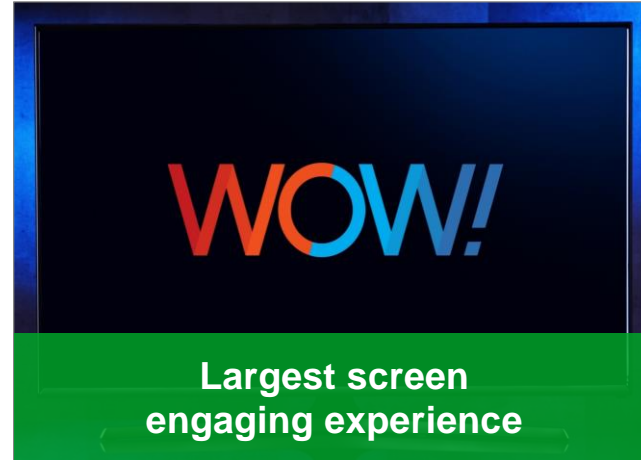
With shifting viewership patterns and growing demand owing to easy accessibility, Connected TVs are dominating the new-age affluent users' choice and it conveniently and strongly overlaps with the persona of the core TG for MG Motor India making it one of the most prominent choices of medium.

With this evolution, the next milestone in this segment certainly aims for a data driven audience approach. While a handful of players have already ventured into this, multi-layer audience targeting capabilities stands to deliver stronger audience resonance for a brand. Another major action point is creating a coherent measurement standard which would help justify the impact of household branding through CTV on the brand's end goal of driving performance. If this synergy can be cracked, marketers will be in a stronger position for their respective brands.

-Udit Malhotra, Head of Marketing, Morris Garages India

Evolution of CTV advertising : Key reasons

Affluent audiences

Largest screen engaging experience

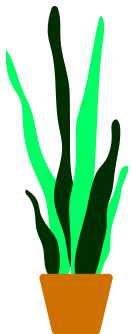Brand safety

Combines advantages of TV & Digital

Emerging capabilities of Connected TV Advertising

Audience solutions : Probabilistic, Deterministic based on product research/purchase behavior, ACR (basis linear TV content signals)

**Inventory : News, Serials, Sports, OTT, Ad supported free content**

Buy Methods : Guaranteed, Programmatic (PG, PMP, RTB)

Ad formats for Impact visibility

Drive impact awareness through engaging home screen takeovers enabling full-screen video experience

The most prominent advertising placement on Amazon Fire TV, appearing as the main real estate in the Home screen (and in other tabs) above the fold

It leads to a full-screen experience with an auto-play video
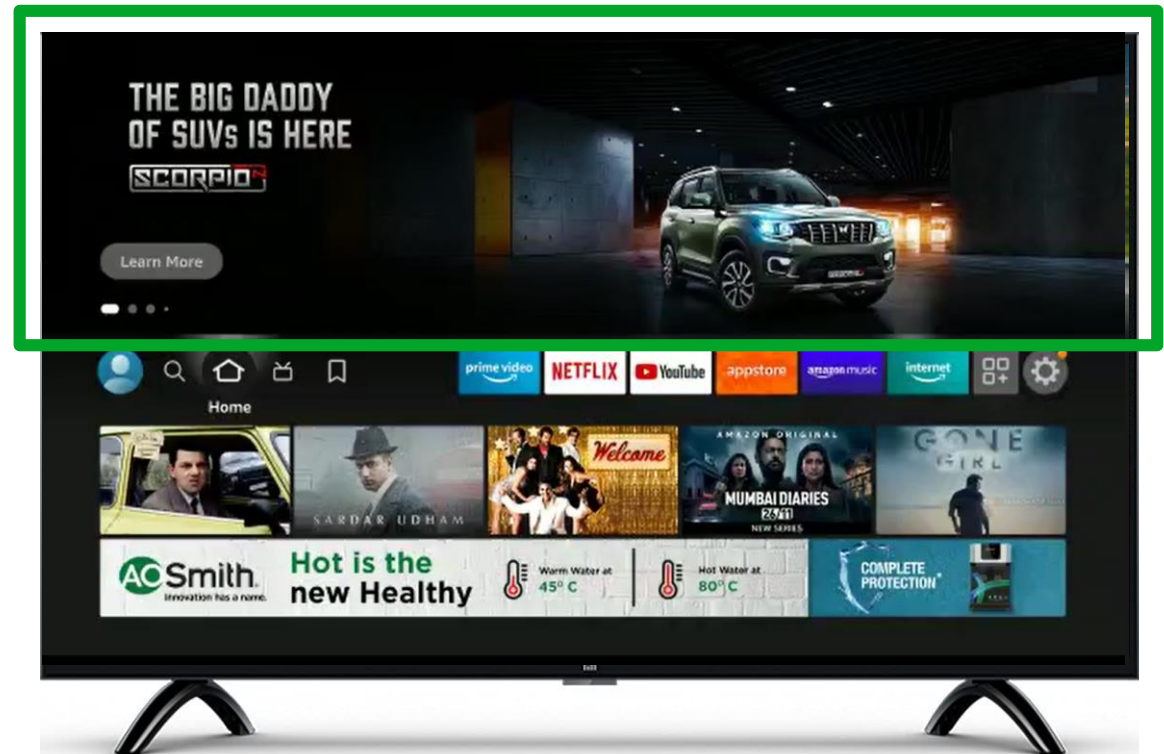
Ad formats for native visibility

Drive visibility through native Display banner slots for relevant reach through relevant audience signals

Native slot on Amazon Fire TV, appearing as the above the fold slot, two places below main navigation bar. Audience signals like lifestyle, affluence, content consumption (Prime Video, IMDb) etc. can be leveraged. On Click, leads to a full-screen experience with an auto-play video

Ad formats for performance marketing

Promote Apps or video content through Sponsored Tiles

These tiles appear in the Sponsored Row (above the fold) of the homescreen of Amazon Fire TV

Users see sponsored content in the form of a tile that looks native to their view

Tell your brand story through custom landing page solutions

Leverage custom landing pages for further engaging ad-exposed audiences

Amazon Fire TV enables showcase of multiple products/benefits using 3-5 slides on the carousal landing page
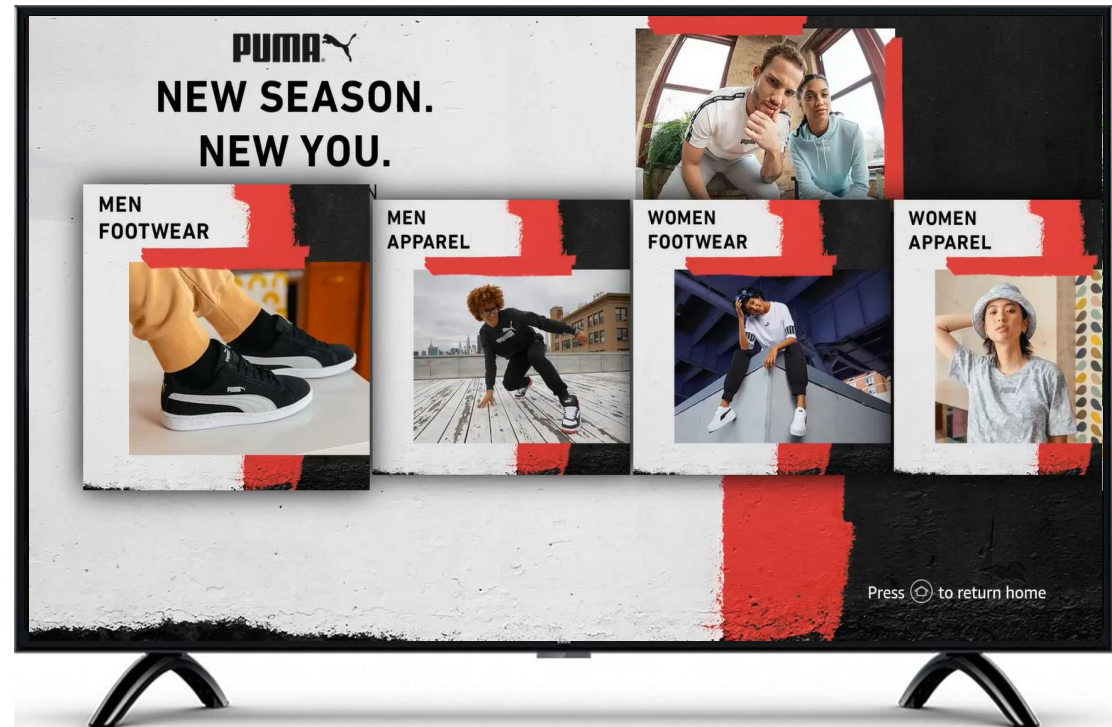
Measure reach and engagement

Metrics available
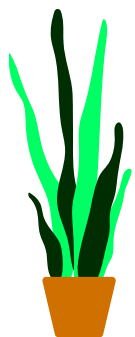
Impressions

Video Completes

Clicks

Video Quartile completions

Video Starts

Downloads & Subscriptions
(in case of OTT app promotions)

Brand Lift studies are also conducted to track impact on mind measures (Ad-recall, Aided awareness, Favorability to consider/purchase etc.)

Best Practices: Optimal creative messaging

As per experience on Amazon Fire TV* in India :-

1   Direct Click to app journey leads to upto 68% lower cost per subscription v/s video landing page led journey**

2   Dark background creatives drive upto ~25% higher engagement (CTRs)

3   Creatives having text can drive upto ~55% higher CTRs than the ones having only imagery

**4**   Monochrome creatives can deliver upto 25% higher CTR Versus color-split/tiled ones

5   Carousel landing pages witness upto ~20% higher dwell time Versus static landing pages

* Analysis done for the Inline Display Banner slot campaigns ; **For OTT/Fire TV content apps advertisers only

Driving Incremental reach through CTV

A Brand leveraged both Fire TV ads & display ads on Amazon together to drive incremental reach

92%
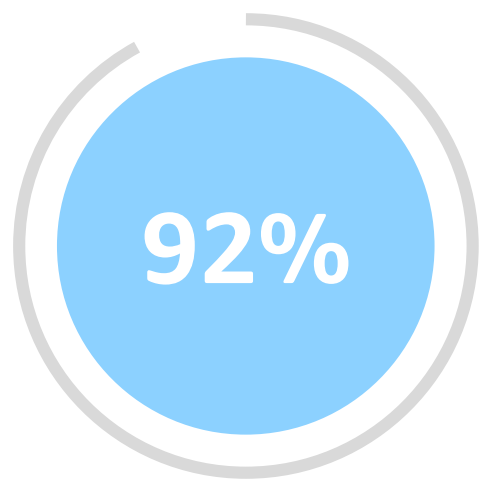
Of Fire TV ad viewers, had not been exposed to display ads on amazon.in

Trial Rate

1.3x

x

Display Ads on Amazon

Display Ads on Amazon + Amazon Fire TV
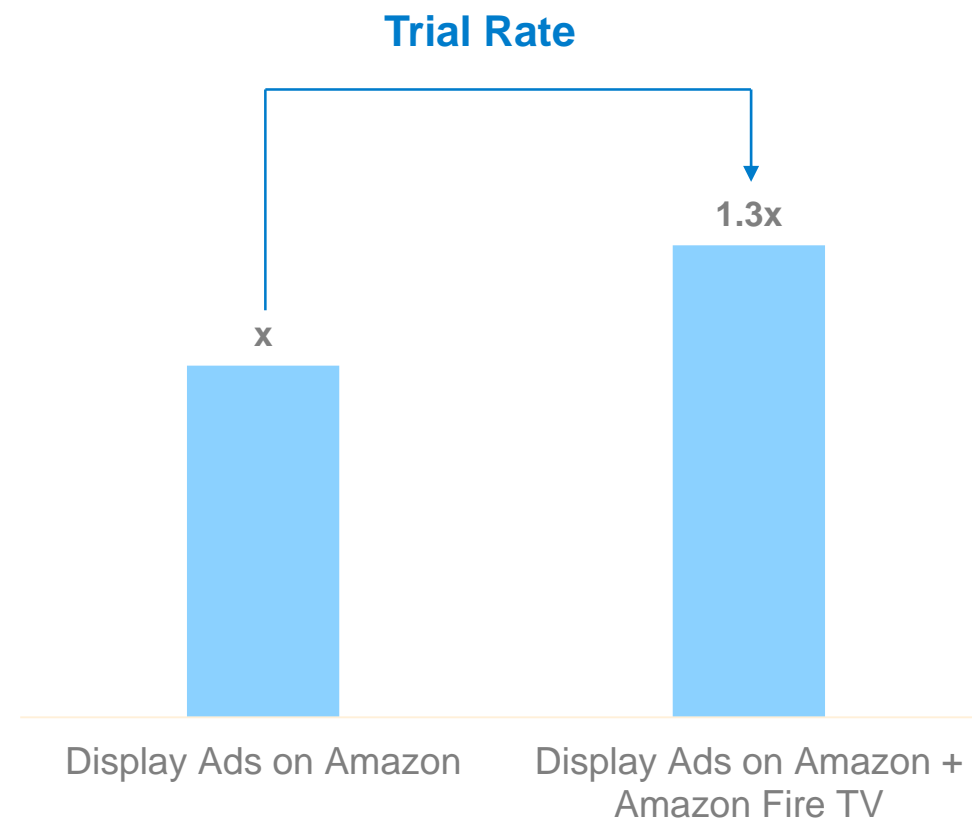
Mahindra drove impact visibility for Scorpio-N through a home screen full-screen video experience on Amazon Fire TV

CAMPAIGN OBJECTIVE

To complement an innovative SUV, Mahindra wanted a impact visibility solution that would help them achieve reach amongst their TG (Auto enthusiasts) and drive recall for the launch.

APPROACH

- Homepage 'Feature Rotator' (ATF) slot was booked for a 1-day takeover

- A 20-sec video ad featured the voice over by superstar Amitabh Bachchan highlighting sportier look of the car from inside and outside

- Ad-exposed audiences were taken to a landing page covering USP of Mahindra Scorpio car

CAMPAIGN IMPACT

~6 million
impressions

~ 2 million
Unique households reached

55%
Video Completion rate

LEGO leveraged Video storytelling to drive the launch of their 'Build What You Love' premium toys range on Amazon Fire TV

CAMPAIGN OBJECTIVE

LEGO was launching their AFOL (Adult Fans of LEGO) range in India during the Holiday season of 2021.

The challenge for LEGO as a brand was that they were known for <10 year aged kids' centric products, and they wanted to tap into the 14+ audiences to create top-of-mind awareness.

APPROACH

- The campaign was created on the gifting theme
- Amazon Fire TV came across as a relevant touchpoint owing to its reach in relevant audiences
- Homepage 'Feature Rotator' (ATF) slot was booked for a 1-day takeover
- 18-sec video asset was used to to showcase different passions customers can pursue with Lego products. for e.g. car enthusiasts can get involved in building products like Ford raptor, Porsche 911 or batmobile tumbler
- Ad-exposed audiences were taken to a landing page detailing the product features and their availability on amazon.in

CAMPAIGN IMPACT

~8.4 million
impressions

~ 1.5 million
Unique households reached

48%
Video Completion rate
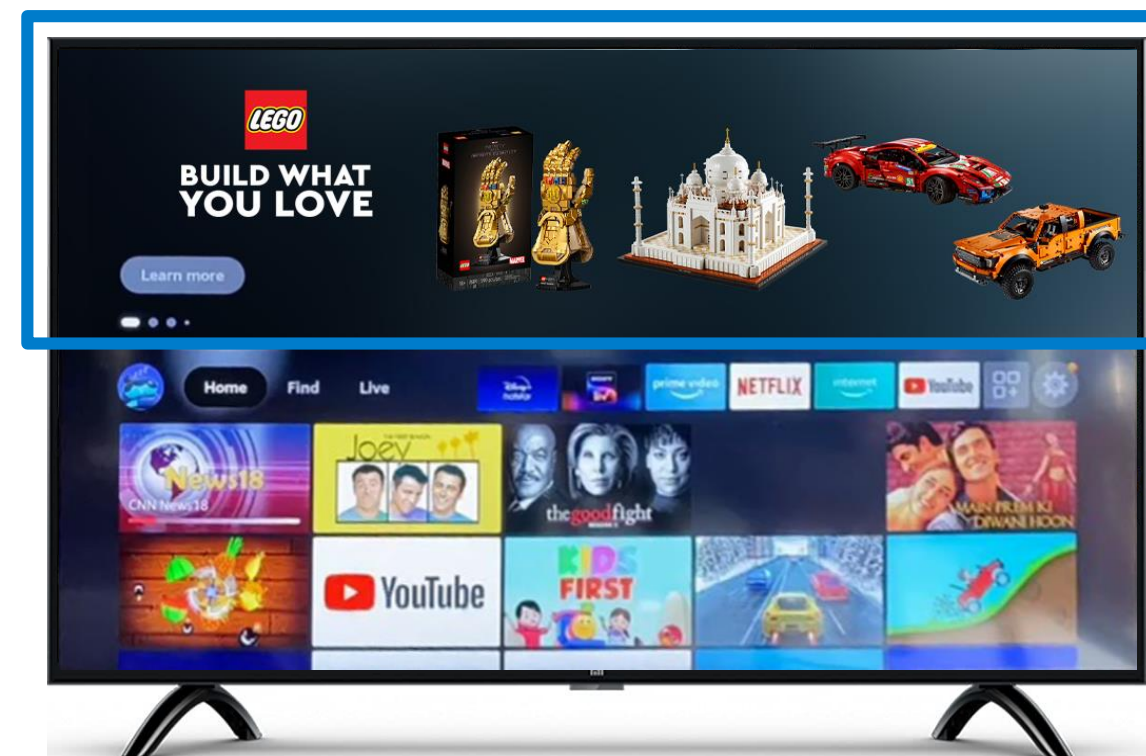
OnePlus promoted their smartphone launch on Amazon Fire TV with a full-day takeover of the premium home-screen Feature Rotator property

CAMPAIGN OBJECTIVE

The brand wanted to create **awareness** regarding the new product launch- **OnePlus 10R** amongst tech-savvy amazon audiences

APPROACH

• Amazon Fire TV was selected as the media touchpoint owing to its reach in relevant urban households

• The most visible home-screen 'Feature Rotator' slot was leveraged

• 20-sec video was leveraged to highlight the USP of the launch

• Fire TV ads were complemented with display ads on amazon.in via Amazon DSP to drive recall

CAMPAIGN IMPACT

>6 million
impressions

1.8 million
Unique households reached

40%
Video Completion rate

Tata Motors leveraged Amazon Fire TV to drive recall as a premium brand amongst affluent households

CAMPAIGN OBJECTIVE

To come across as a premium brand in a cluttered market for the newly launched dark ranges of Harrier, Nexon and Altroz cars by maintaining 100% SOV with premium audiences.

APPROACH

- Campaigns were conceptualized for the 3 Car ranges-SUV, Sedan and Hatchback for impact visibility

- Homepage 'Feature Rotator' (ATF) slots was booked for 1-day takeovers

- 15 sec. video assets were used for each car to showcase the sporty and premium look

- Ad-exposed audiences were taken to a landing page covering USP of the cars
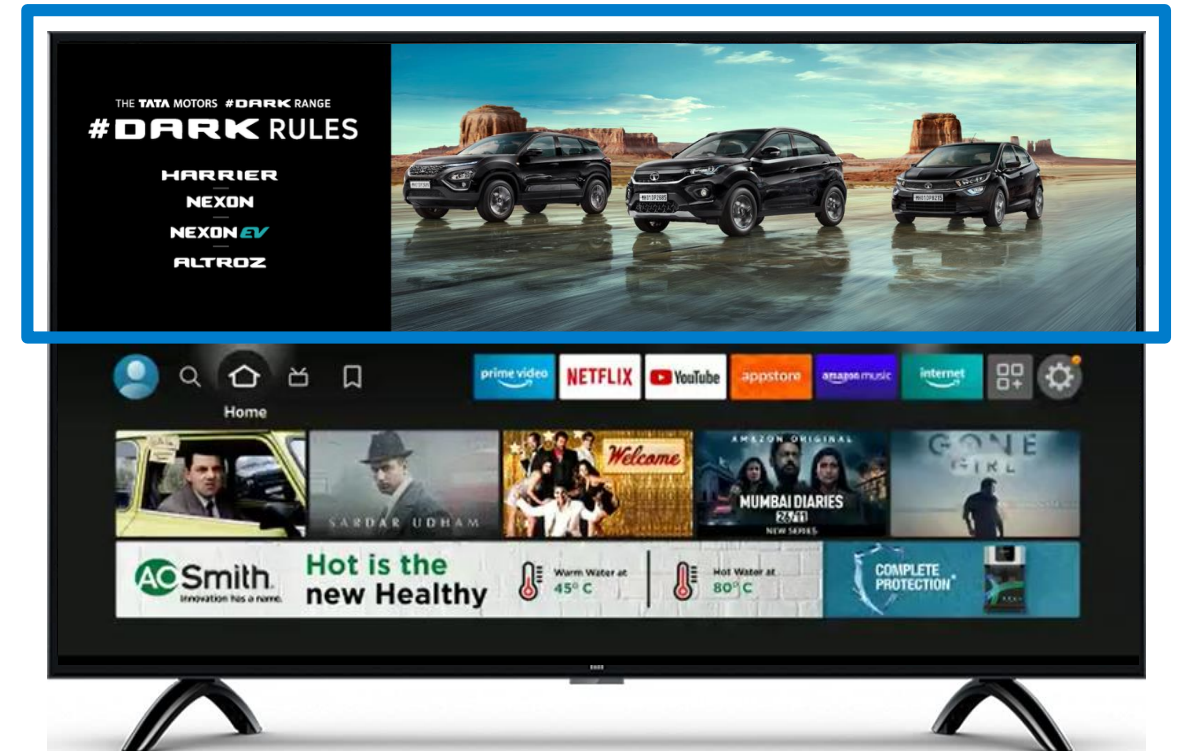
CAMPAIGN IMPACT

>30 million
impressions

>1.5 households
reached for each of the
3 car ranges' campaigns

~70%
Video completion rate

28

Crystal gazing…

This is where CTV is now

- Niche reach (25 MM households)
- Limited inventory
- Buying restricted to direct/guaranteed buys
- Restricted measurement options

Expected CTV landscape in 2025

- Reach in 40 MM+ households
- Extensive In-stream video/display ads inventory
- Buying across programmatic, guaranteed, SoV
- Full-funnel measurement/attribution solutions

The Future….

There are multiple data points such as higher CTV device sales, cheaper data cost, connected DTH boxes, ever evolving technology, increase in co-viewing experiences on multiple OTT platforms, indicating that we are going to continue to see rise in content consumption via CTV. There is also an active effort in rolling out alternate unified id solutions by quite a few players. All these, eventually will help deliver the power of digitally connected eco-system in a seamless and hopefully non-intrusive manner to consumers.

I look forward to collaborating with CTV inventory owners and our clients to put forward the best experience for consumers.

-Paras Mehta, Business Head, Matterkind India

Key takeaways

Evolved audiences are increasingly moving to Streaming on Connected TVs

CTV advertising combines the benefits of Digital on relevant reach and Linear TV on engaging experience

Brands have the opportunity to add CTV to media plans to ensure reach with affluent households and new-age tech. enthusiast streaming audiences

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