



# Ad Receptivity and the Ad-Supported OTT Video Viewer

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[IAB.com/ResearchHub](https://www.iab.com/ResearchHub) for full report

maru/matchbox

# Consumer Profile of the Ad Supported OTT Viewer

Study released at IAB's NewFronts West  
Full Report: [IAB.com/ResearchHub](http://IAB.com/ResearchHub)



**Objective:** explore who watches OTT video, determine some of their defining characteristics and why these viewers matter to advertisers

**VARIETY** OCTOBER 9, 2018 9:00AM PT  
**Consumers Who Watch Mostly Ad-Supported Internet Video Skew Younger, Higher Income (Study)**

**ADVANCED TELEVISION**  
**Study: OTT ad-supported video opportunity**  
October 10, 2018  
An in-depth study from the Interactive Advertising Bureau (IAB), *Ad Receptivity and the Ad-Supported OTT Video Viewer*, reveals an opportunity for brands to connect directly with key consumer segments through ad-supported video (ASV) delivered over-the-top (OTT).

**a.list**  
**OTT Viewers Support, Often Prefer Ad-Supported Video, IAB Finds**  
BY H.B. DURAN | OCT 9, 2018, 02:00PM PDT |   
New data from IAB shows that ad-supported video over-the-top (ASV OTT) viewers in the US tend to be younger, male and earn a higher income. Cost savings is a major driver for cord-cutting or shaving off existing services, the study found, and reaching this audience through traditional channels may prove difficult.

**MediaPost** **DigitalNewsDaily**  
**Ad-Supported OTT Viewers Incremental To TV**  
by Alex Weprin , October 9, 2018

**OnlineVideo.net**  
ONLINE VIDEO MARKETING STRATEGIES AND TIPS  
Anyone who watches ad-supported OTT video must be a cheapskate, right? It must be someone who can't afford to pay for an ad-free service, right?  
Not at all, says the **Interactive Advertising Bureau (IAB)**. To counter preconceptions about who watches ad-supported video (ASV) on OTT platforms, it released a report showing that these viewers are more likely to be young and have a high income—just the demo many brands are looking for.

# Methodology: Ad Supported OTT Video Viewers

The study aimed to both provide a consumer profile and to gain insights into the behaviors, attitudes and usage of U.S. video streamers watching Ad-Supported Over-the-Top (ASV OTT) video.

Two online surveys were fielded among MARU/Matchbox's Springboard America online panel (~250,000 U.S. members):

**1. Profile to Size the Audience and Provide Demographics:**

Omnibus study of 1,512 nationally representative U.S. 18+ sample to determine the profile of the Ad-Supported OTT Video Viewer; fielded 8/10/18.

**2. In-Depth Survey to Gain Insights into their Behaviors, Attitudes and Usage:**

Study among 1,223 consumers ages 18+ in the U.S., with age/gender quotas set to reflect viewership profiles from the omnibus study; fielded 9/25/18-9/26/18.

# Key Findings | Many Consumers Watch Ad-Supported OTT Video

**73%**

of adults 18+ who typically watch streaming OTT video say they watch **ad-supported OTT video**

**45%**

of adults 18+ who typically watch streaming OTT video say they watch **ad-supported OTT video most** out of streaming videos

QS1\_Services. How do you typically watch TV or streaming video on your TV? 'Video' may include TV shows, movies, news clips, music videos, online original video series, etc.

Omnibus, n=900

QS2\_ServicesMost. And which of the following do you watch most often?

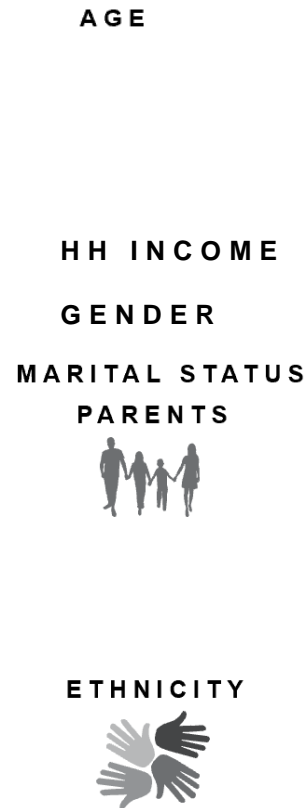
Omnibus, n=900

# Key Findings | Ad Supported OTT is a Valuable Audience

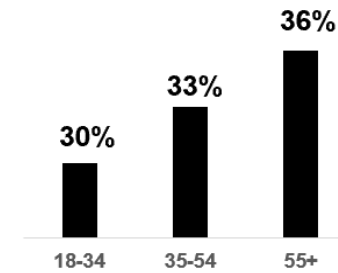
- Younger
- Kids in Household
- Higher Earning
- More Diverse
- Male

ASV: Ad Supported Video  
 Gender, Age, HH Income, Marital Status., Kids in HH  
 Omnibus, n=1,512; Watch ASV OTT Most, n=388

Source: Ad Receptivity and the Ad-Supported OTT Video Viewer, IAB, Oct. 2018



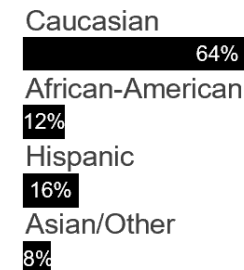
## U.S. GEN POP.



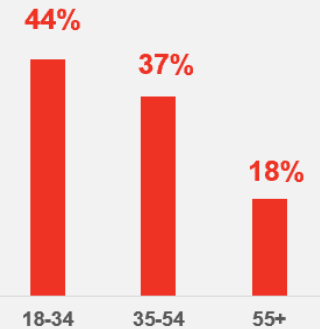
28% HHI \$75+

49% Male

| Married | Have children in household |
|---------|----------------------------|
| 50%     | 41%                        |



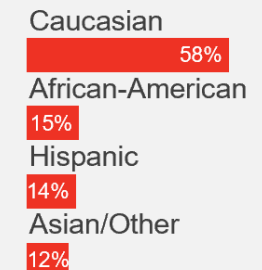
## WATCH ASV OTT MOST



34% HHI \$75k+

60% Male

| Married | Have children in household |
|---------|----------------------------|
| 49%     | 51%                        |



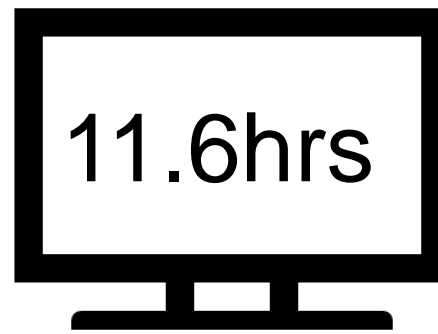
# Key Findings | Incremental Audience

**ASV OTT Viewers are not easily reached on TV: They spend less time watching cable than SVOD Viewers**

Hours Spent Watching Cable/Sat/Telco TV Per Week



ASV OTT Viewers



SVOD OTT Viewers



TV Only Viewers

Even lower among Free ASV OTT Viewers: 10.1hrs

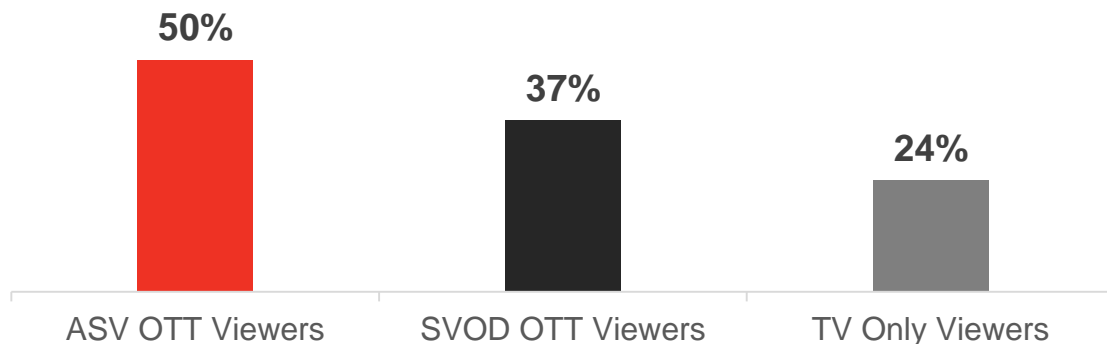
**ASV OTT Viewers are also more likely to be cord cutters/shavers:  
52% ASV OTT vs. 47% SVOD vs. 26% TV only**

QS6. [TV through cable/satellite/telco provider (e.g., live TV, DVR, VOD)] How many hours a week do you watch on each of the following platforms?  
Base: ASV OTT Viewers n=340, SVOD Viewers n=193, TV Only Viewers n=262  
Statistically significant differences between ASV OTT and TV Only  
Statistically significant differences between SVOD OTT Viewers and TV Only.

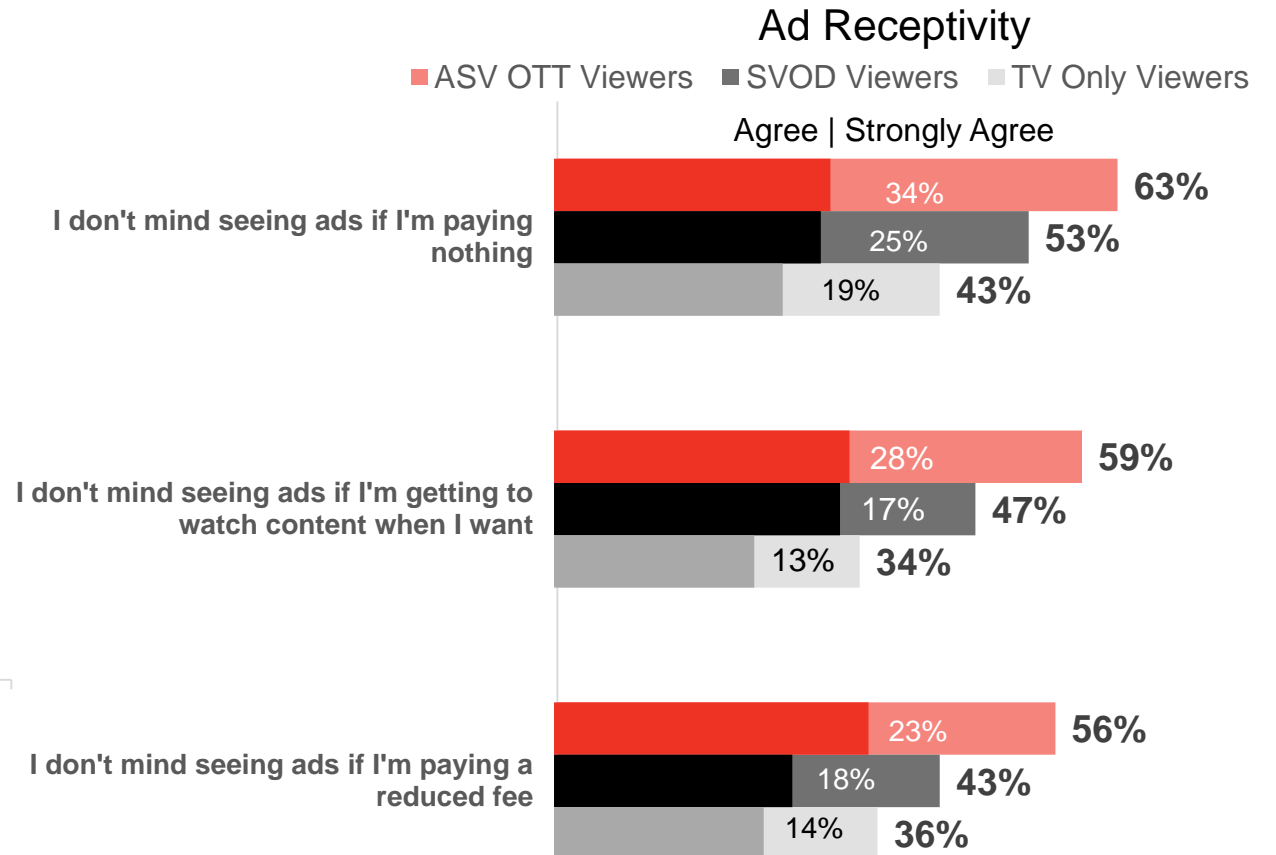
# Key Findings | ASV OTT Viewers More Receptive to Advertising

**50%** of ASV OTT Viewers say that ads can be useful or enjoyable

“Some ads can be useful or enjoyable”



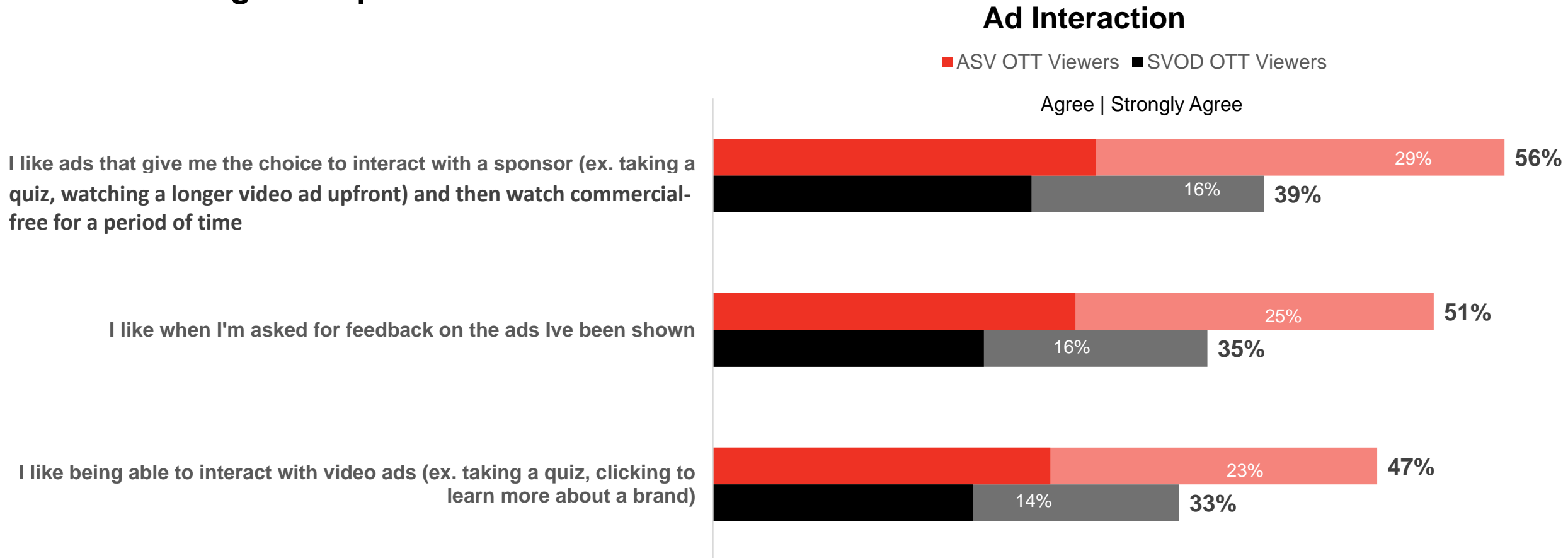
Nearly **2/3** of ASV OTT viewers don't mind seeing ads



7  
 QS7. How do you feel about advertising in general?  
 Base: ASV OTT Viewer n=589, SVOD Viewer n=332, TV Only Viewer n=302  
 Q22. [NET: Top Box] How much do you agree or disagree with the following?  
 Statistically significant differences between ASV and SVOD or TV Only

# Key Findings | ASV OTT Viewers Enjoy Interactive Ads More

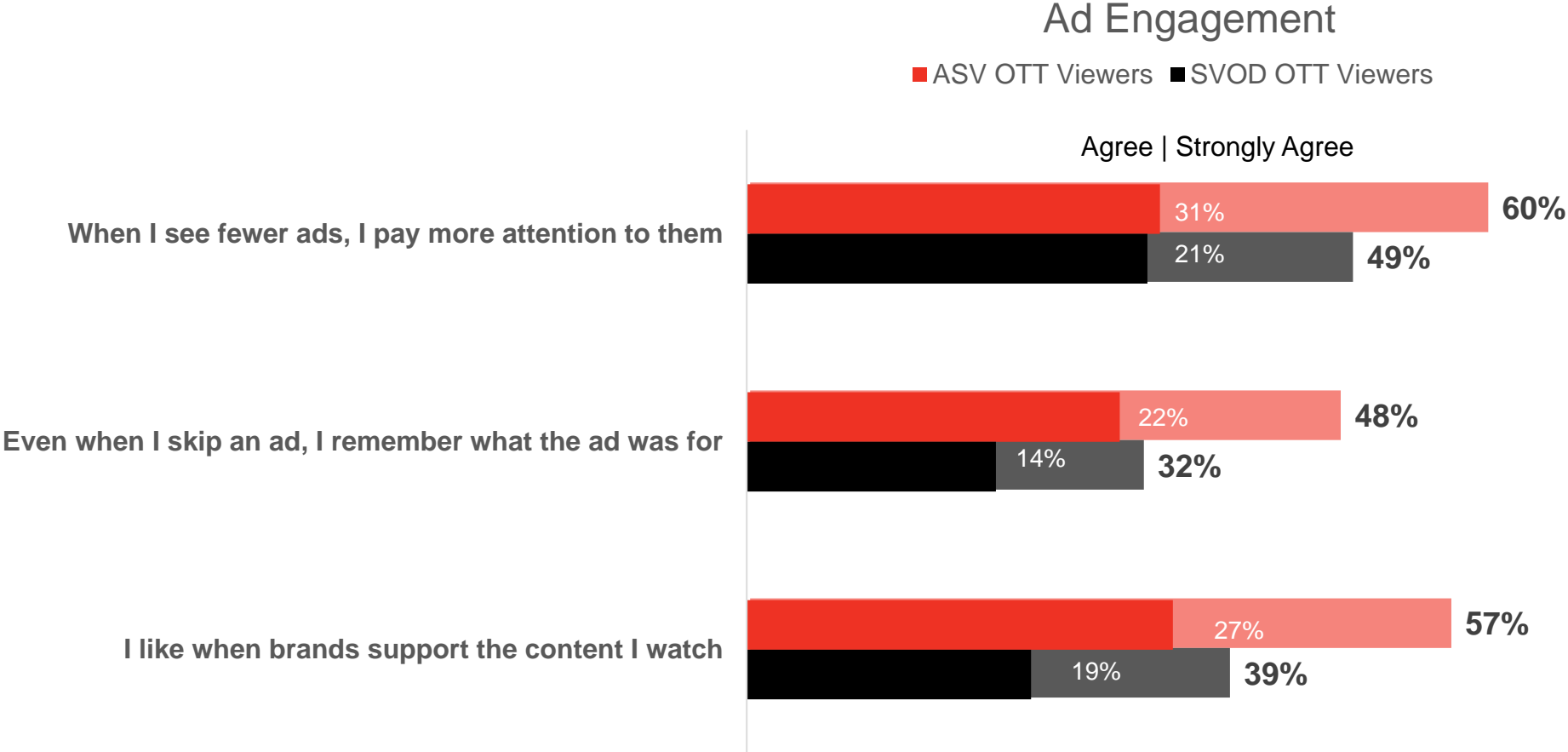
- Roughly half of ASV OTT viewers enjoy interacting with video ads, giving ad feedback or interacting with opt-in rewarded video ads





# Key Findings | Stronger Ad Engagement Among ASV OTT Viewers

- Nearly Half of ASV OTT viewers recall skipped ads



# Key Findings | ASV Viewers Follow Influencers

- ▶ **More ASV OTT Viewers – particularly Free ASV OTT Viewers – engage with internet personalities**

**25%** regularly watch videos from some YouTube stars

**22%** follow some internet stars on social media

**20%** listen to video personalities who discuss products / brands / services

# Key Findings | ASV OTT Viewers Open to Direct Brands

## ➤ ASV OTT Viewers are...

|                              |            |   |
|------------------------------|------------|---|
| <b>Open to New Brands</b>    | <b>52%</b> | are very likely to try new brands/products  |
| <b>Influenced by Video</b>   | <b>36%</b> | learn about new products/brands/services from video ads   |
| <b>Influencers</b>           | <b>26%</b> | say others come to them to find out about new products/brands/services                          |
|                              | <b>21%</b> | often post about products, brands, or services  |
| <b>Direct Brand Shoppers</b> | <b>25%</b> | buy more products directly from the brand online vs. in stores (for ex. mattresses, eyeglasses) |

Q24. How likely are you to try new brands/products? [TOP BOX]

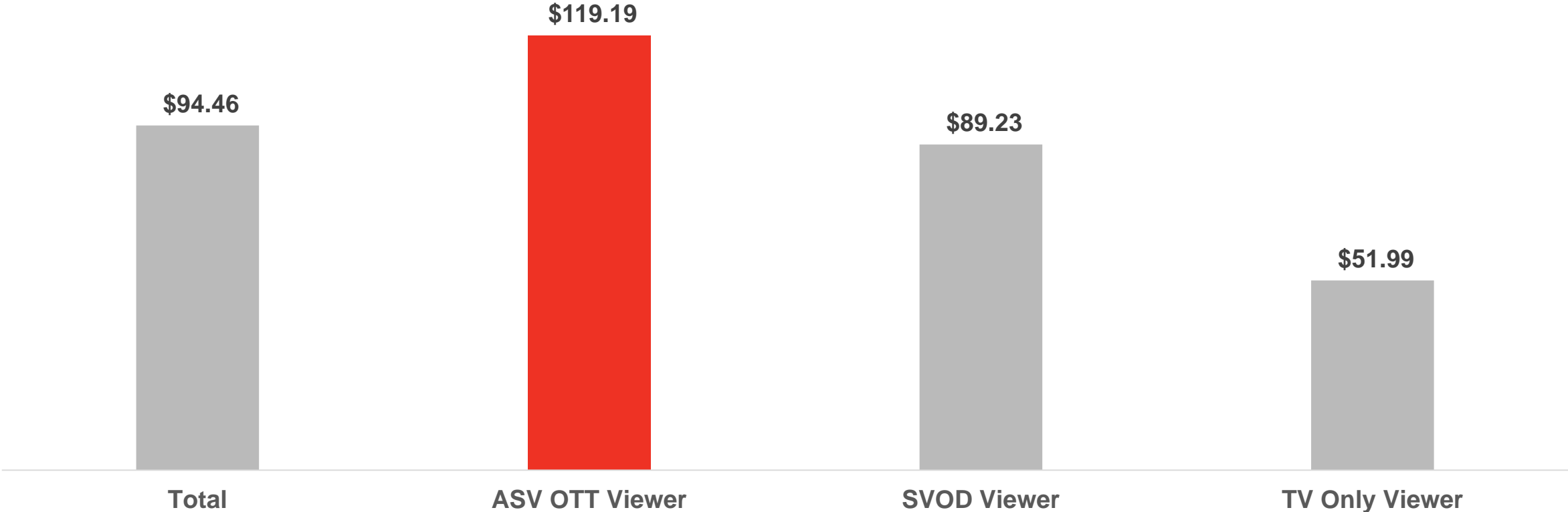
Q25. Which of the following describe you?

Base: Total n=1223, ASV OTT Viewer n=589, SVOD Viewer n=332, TV Only Viewer n=302

Statistically significant differences between ASV OTT and SVOD OTT Viewers or TV Only or Total

# Key Findings | ASV OTT Viewers Spend More on Subscription Direct Brands

Monthly Mean Spend on Subscription Purchases (e.g., Pet food, Contact Lenses, Meal Kits, etc.)



## Summary: Ad Supported OTT Video Viewers are...

1. **Mainstream:** 73% of OTT video viewers watch ASV OTT, 45% of OTT viewers watch ASV OTT most.
2. **Attractive Audience:** Young, male, diverse, with kids, higher income
3. **Incremental Audience:** Less cable viewing, more cord cutters/shavers.
4. **Receptive to Ads:** 2/3 don't mind ads, 1/2 like interacting.
5. **Open to Direct Brands:** Influence and follow influencers, spend more, shop direct brands.

# Ad Receptivity and the Ad-Supported OTT Video Viewer

Full Study: [IAB.com/ResearchHub](https://iab.com/researchhub)

Questions: [Kristina@IAB.com](mailto:Kristina@IAB.com)