



Programmatic CTV Benchmark Report 2023

Assessing the Risks of Divisive and Fake Content in the CTV Market



Connected TV is no longer an upstart format for brands to simply experiment in or test.

Ads on connected TV (CTV) from Fortune 500 brands are shockingly common across either problematic content or environments where their spend is likely wasted. Our research shows these brands account for **37%** of the ads on fake CTV content channels and **49%** of the ads that appear on divisive news channels.

These numbers are troubling given the attention that advertisers are giving to CTV. Buyers and advertisers reaching consumers across the more than 50,000 available CTV channels and OTT apps are asking important questions regarding their investments:

- Do higher CTV prices result in quality ad placements?
- Are impressions running in content that matches advertisers' definitions of CTV?
- Are brand suitability standards being met?
- What level of content transparency is available for targeting?

Many advertisers might be disappointed with the answers to these questions. Our latest research looks at two problematic areas in the growing programmatic market: divisive content and fake CTV content. Over the course of a 10-week, first-hand viewership analysis of Divisive News and Fake CTV channels, Peer39 tracked hundreds of ads and advertisers.

"Our research spotlights the most troublesome suitability and transparency concerns buyers struggle with. Fortune 500 brands are running on divisive news and on fake / non-streaming content. These are clear signs that buyers have a substantial opportunity to move wasted CTV investment to premium content with more active and actionable suitability strategy," said Mario Diez, CEO of Peer39.

Amid continued investment, CTV still lacks the needed transparency.

Fake CTV Content

An unchecked scourge costing brands potentially millions of dollars annually

The rapid growth of CTV ad dollars has worked in tandem with an increase in CTV channels. This has led to a major growing pain: a lack of transparency into channel- and show-level reporting. This issue is exacerbated by the growing number of FAST (free ad-supported streaming television) channels available, which has led to a large number of mislabeled OTT apps that do not fit even the most liberal definition TV programming.

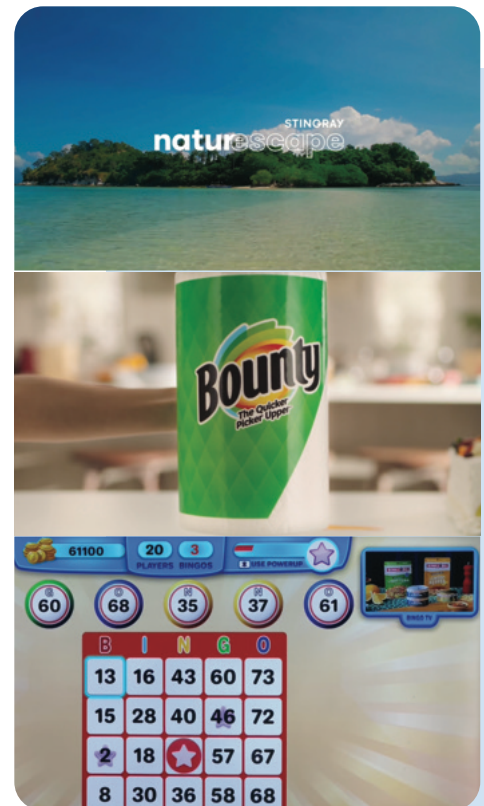
Peer39 refers to these mislabeled ads as Fake CTV content. The category includes ad-supported screensavers, white noise generators, game channels, mobile apps posing as CTV, and anything else that doesn't match the definition of TV content.

In our research, we counted 594 ads from 163 unique advertisers; **37% of the ads seen were from Fortune 500 brands.** These advertisers were buying low quality inventory at a premium price.

Of the more than 50,000 OTT apps that present themselves as CTV channels, Peer39 categorizes more than 10,000 as one of the various types of fake CTV content.

Overall, 6.8% of programmatic ad calls that Peer39 sees come from these fake CTV apps.

Since these Fake Content CTV apps do not fit the standard concept of TV content by any definition, this can be considered wasted spend in unsuitable environments.



Nearly 7% of all programmatic CTV ad calls originate from Fake CTV Content

Divisive News Content

The Programmatic CTV Market presents difficult suitability challenges

The rise in FAST Channels has also led to a growing number of channels that do fit the concept of TV but lack the editorial oversight of mainstream media.

As a result, this content can veer into hyperpartisan political programming and even misinformation – the kind of content that most brands would avoid in their standard suitability strategies on linear TV.

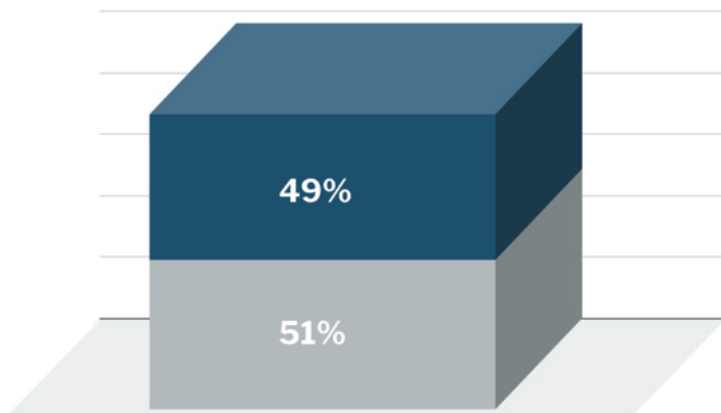
Unfortunately, major advertisers continue to find their ads running next to this programming if they do not use proper suitability planning for CTV.

Our channel and advertiser analysis found that:

- 49% of all ads appearing on divisive channels came from Fortune 500 companies.
- 72 separate Fortune 500 brands ran ads on divisive channels over the course of the study.
- 1,200 ads on Divisive News Channels came from 318 unique advertisers, creating a high likelihood of advertisers buying multiple impressions.

Divisive News Tracker: F500 vs Non-F500

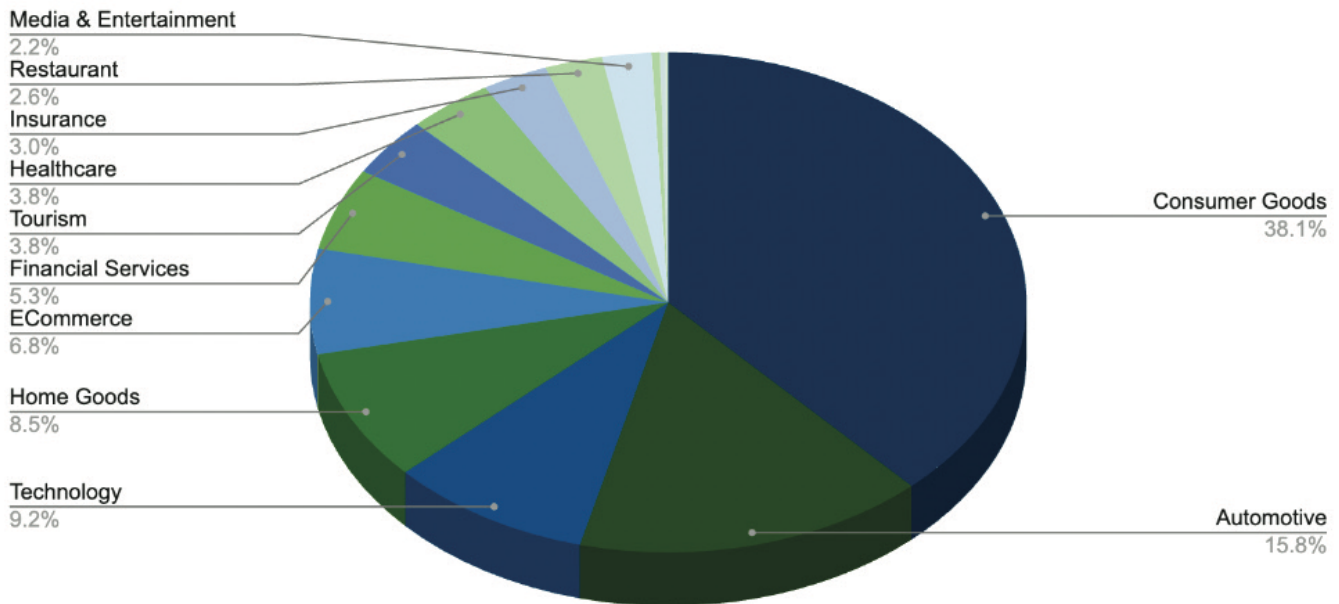
■ Ads from Fortune 500 ■ Ads from Non-Fortune 500



Nearly half of all ads on divisive news channels comes from Fortune 500 brands – signaling a lack of proper suitability planning and controls across their CTV investment.

The cost of poor suitability planning

Even the biggest brands are subject to CTV content adjacency challenges



Unsuitable buys across fake CTV content and divisive news are likely the result of intentional targeting tactics, exported over from programmatic display, without the proper suitability controls in place.

It's unlikely that buyers intended to be on these environments, and we can assume some still do not know their ads ran on content misaligned with their buying goals.

Fortune 500 brands were responsible for 45% of all ads observed across both fake CTV and divisive content channels. Based on conservative estimates, brands are spending \$100s of millions on low-quality CTV inventory that doesn't reflect the premium price paid for streaming media.

Fortune 500 brands are among the most cautious when it comes to safety and suitability – and are still over-represented with these placements.

Fortune 500 brands will spend \$100s of millions on fake and divisive content.

Case Study: Eliminating Fake CTV Content

Major pharma brand moves to 100% suitable placements

Protecting Advertisers From Unsuitable Content

Currently, advertisers have to trust that the inventory that they purchases matches the way that advertisers present that inventory.

One Fortune 100 pharma brand saw that 11% of its campaign placements were landing in unsuitable environments, including user-generated content and mobile apps. The brand used Peer39 CTV Analytics to uncover these insights and gain transparency into the kinds of environments their campaign ads were running in.

To solve the problem, the brand's buyers began using Peer39's Brand Safety and Suitability categories alongside our CTV Analytics.

Leveraging exclusion categories such as Safe from Fake Content, Safe from Unsuitable Content, and Safe from Kids Content, this pharma advertiser eliminated all undesirable placements to achieve 100% brand suitable placements and **save 11% of their spend.**



**A Fortune 100
Pharma company
identified 11%
wasted &
unsuitable media
and optimized
toward premium
streaming content.**

Into the Future of CTV Ad Environments

The more channels available, the more audiences splinter. This compounds the challenges for buyers who want to take advantage of the CTV format, bringing all of the granular targeting that digital buying offers while adding more challenges to content adjacency controls. There is clearly more work to be done.

Wasted impressions are wasted ad dollars. That's why transparency matters.

This is why Peer39 offers campaign-level Analytics, bringing vital transparency about suitability information to programmatic CTV. We also have prebid targeting that goes beyond safety and suitability at the content, channel, and show-genre levels so that advertisers can find the right balance of quality and scale

Advertisers can also access our industry-leading suitability controls, ensuring that their buys and direct deals continue to reach their desired audience while remaining within the kinds of environments that keep brands happy.

To learn more about Peer39's CTV data and reporting, contact sales@peer39.com.

PEER³⁹ is
CTV

