



Streaming TV Uncovered

Marketers' outlook and perspectives
for the year ahead

Introduction

Marketing budgets have dropped to 7.7% of overall company revenue in 2024¹, a drop of 15% compared to last year. As a result, ad spend has gone through a reshuffle, with some traditional media experiencing major fall versus digital marketing – seen as more data and performance-driven – which is expected to grow at a CAGR of 11% to reach over \$870B in 2027, according to various industry reports.

At the recent [‘Advertising: Who Cares?’](#) event in London, it was mentioned that brands spent upward of \$750B in advertising – but it is estimated that only 6% of this is truly effective. Performance advertising now represents a large expenditure of ad spend (almost three-quarters in some cases²) yet marketers are struggling to make an impact with response effects diminishing year on year.

Advertising is arriving at a crossroads with marketers under continued mounting pressure to deliver more with less. But, despite economic stagnation in Europe, marketers have more than one reason to stay optimistic, including lessening inflationary pressures, more actionable data and a greater pool of premium video inventory.

Sources:

1. [Research](#) from Gartner’s Annual CMO spend survey

2. [AA/WARC](#), Q1 2024



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This study was conducted by independent media research firm CoLab Media Consulting between July and August 2024. This is the fifth iteration of the survey which began in 2020.

The research, commissioned by AudienceXpress, a Comcast company, attempts to understand how marketers – advertisers and agencies – across five European countries are adapting to the current market forces, how they are adjusting spending priorities, and how they are preparing for the year ahead.



500 respondents

Online surveys completed by marketers from UK, France, Germany, Italy and Spain; conducted in July/August 2024.



100% decision-makers

All respondents were qualified as marketing decision makers or influencers.



Even split in each region

50% advertisers
50% agencies



Mixed budgets

Responsibility for marketing budgets.
37% global
49% local
14% mixed

Key takeaways

01

Marketing spend intentions continue to improve in-line with the cautious improvement in economic growth.

02

With customer loyalty in decline, marketers' prime objective is to retain existing customers.

03

Measurement of effectiveness remains a top priority, together with automation and A.I. which were identified as major drivers of efficiency.

04

Nine in ten marketers want to increase spend in ad-supported streaming platforms, seen as delivering reach and high-quality ad experiences.

05

Buying complexity and difficulty in managing CTV and linear campaigns are slowing investments in streaming TV.

Overall marketing priorities



Marketing spend intentions continue to improve

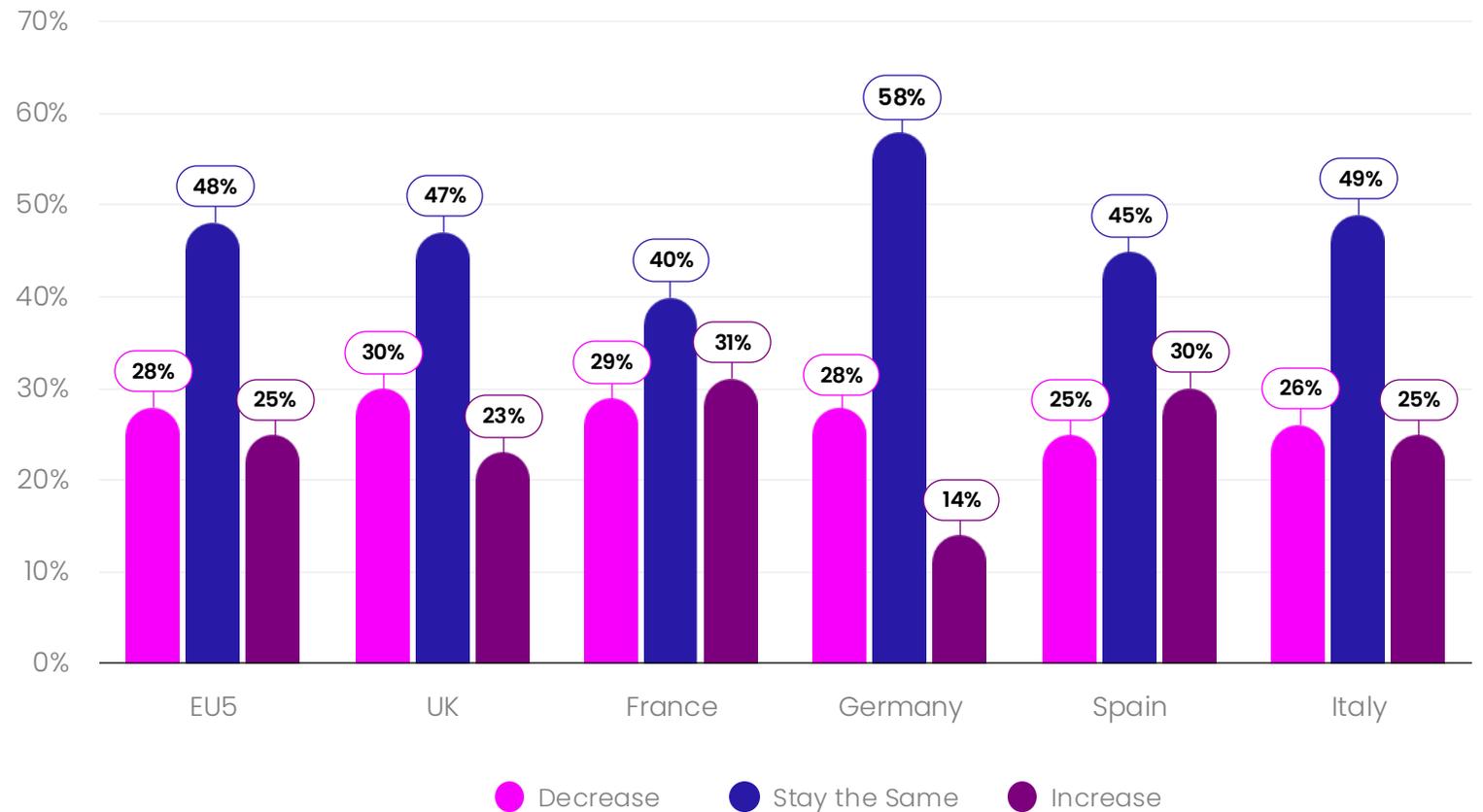
Against a backdrop of economic difficulties, political uncertainties, and the complex geo-political situation, marketing spend intentions continue to improve for the second year in a row, though still in the red, and in-line with the sluggish European economic growth.

Marketers in France appear to be amongst the most optimistic – possibly due to the Olympics effect – expecting an increase in budget mainly driven by advertisers. There is optimism in Spain as well, the most positive country. Spanish advertisers appear more bullish than agencies, in-line with the expectations towards economic growth in the region.

In Italy and the UK, budgets follow a downward trend (-1% and -7% respectively) although the outlook is more positive than in Germany, the least optimistic of the EU5, with -14% net decline. Noticeably, Italy is the only country where agencies are more optimistic than advertisers.

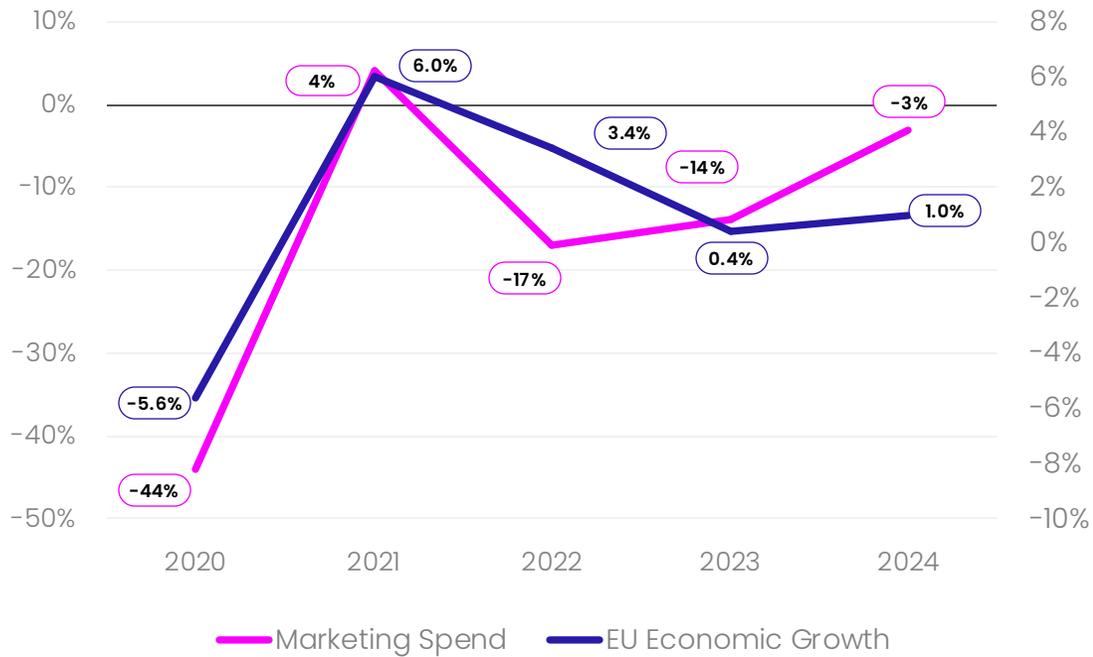
Interesting variations emerge at a sector level, with FMCG, travel, and media the most optimistic versus medical, retail, and automotive.

How do you expect your overall marketing budgets to change over the next 12 months?

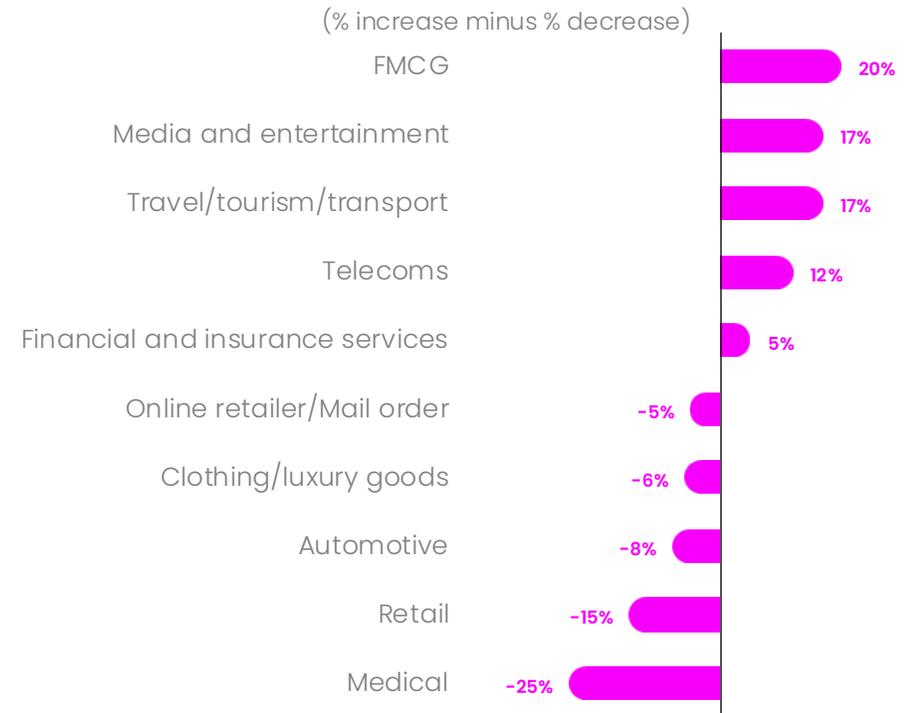


Marketing spend intentions continue to improve

Net change in marketing spend vs economic growth (EU5)



Net change in marketing spend expectations by industry sectors



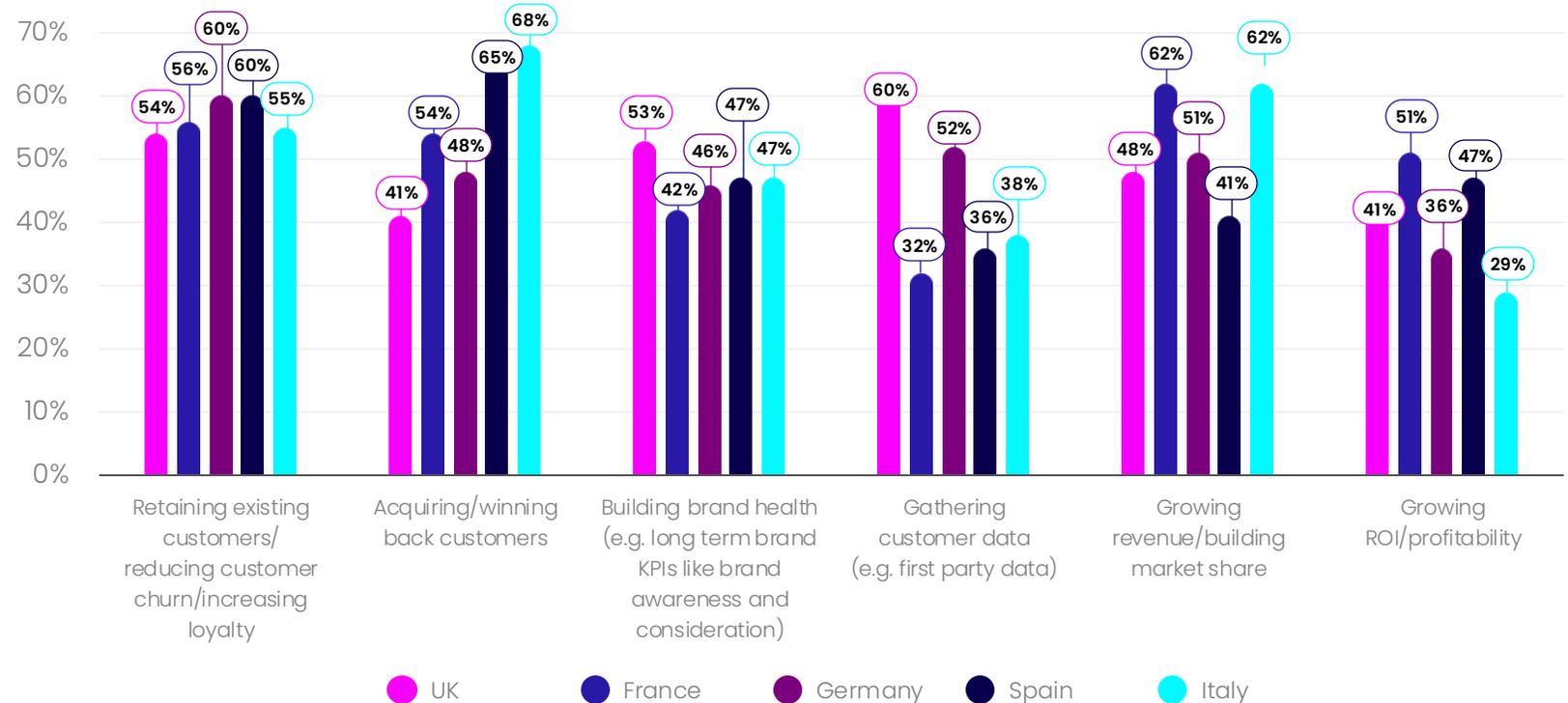
Customer retention remains top marketing goal

The top marketing objectives remain the same as the previous two years. The difficult economic situation with high inflation and slow growth means that marketers are focused on retaining and winning back customers; particularly in Spain, France and Italy, with the latter two also keen to build market share.

In the UK, gathering customer data is seen as a vital tool to optimise customer loyalty, a trend that has been in sharp decline during the cost-of-living crisis. As such, customer retention is being prioritised over customer acquisition.

Similarly, German marketers share a growing focus on retaining customers and gathering customer data.

Key marketing objectives



n=500 Marketing Decision Makers & Influencers

Question: Which of the following overall marketing objectives are currently most important to your business when running ad campaigns? (please select the three objectives that matter most to you)

Automation and effectiveness measurement are key priorities

With marketing budget optimism moving in the right direction, marketers are having to work harder than ever to demonstrate ROI to senior stakeholders.

These returns will be delivered through a combination of efficiencies and effectiveness, hence the appeal for automated ad tech as an efficiency driver to buy and optimise campaigns. This is particularly true for Spanish and Italian marketers who overwhelmingly selected automation as a priority.

This year, generative A.I. emerges as a major opportunity to leverage to produce personalised creative at scale, cut production lead times, and automate the creation of marketing copy.

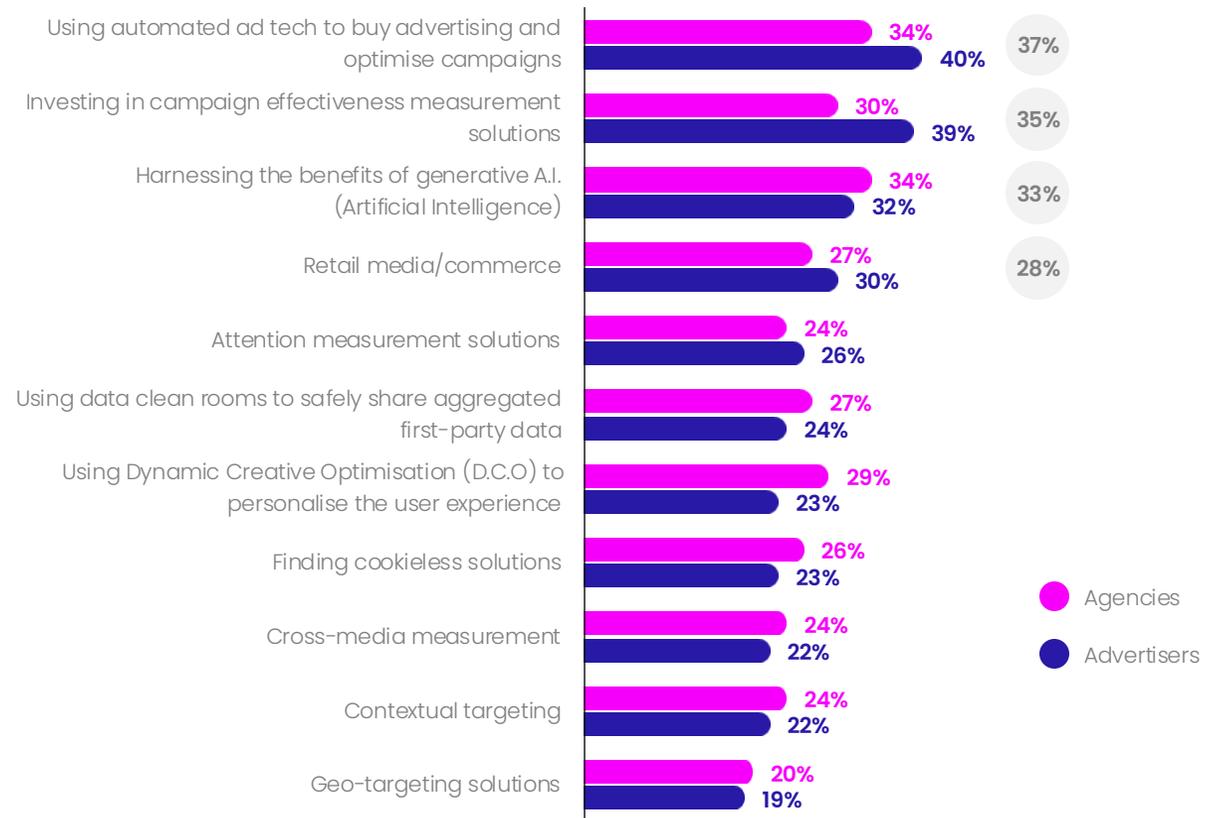
A focus on efficiency only is not sufficient to optimise return on marketing spend; measurement of campaign effectiveness and investment in the tools to achieve that are therefore another top marketer priority.

n=500 Marketing Decision Makers & Influencers

Question: What would you say are your some of your key areas of priorities for the year ahead when it comes to media strategy?

Top Strategic Media Priorities (EU5)

(% ranked 1 to 3)



But priorities differ between markets

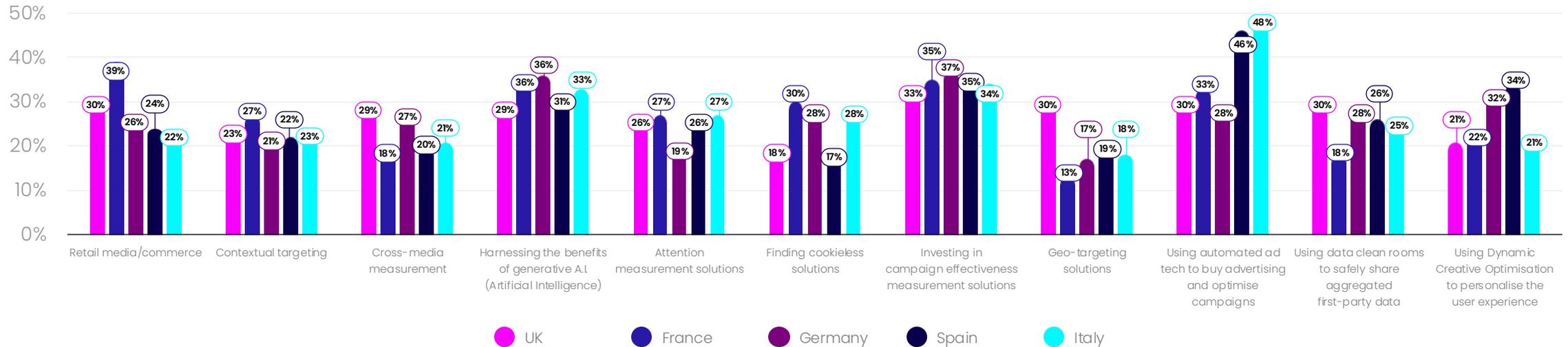
Effectiveness measurement solutions are UK marketers' top priority and are of particular importance to advertisers. Additionally, in-line with their top marketing objectives around data, leveraging data clean rooms is a priority for 30% of marketers. Agencies, however, rank A.I. (36%) and attention measurement solutions (36%) as more important.

In Germany, effective measurement came top (37%) together with the use of generative A.I. (36%) with advertisers particularly in favour of leveraging A.I. In addition to this, Dynamic Creative Optimisation is also top of mind for agencies (36%), in-line with personalising the creatives to ensure they retain consumer attention and relevance.

French marketers show a different strategic approach by primarily looking at Retail Media (39%), an area where France has made considerable strides over the past couple of years. There is a divide between agencies and advertisers; the main priority for brands is about campaign effectiveness measurement (44%), while for agencies it is about contextual targeting (38%).

Automation is clearly a major priority in Italy (48%) and Spain (46%), particularly for advertisers, as this was ranked ahead of campaign effectiveness measurement, representing 35% and 34% respectively, and the use of Generative AI (33%). Spanish agencies share the same interest as their Italian counterparts towards the use of Dynamic Creative Optimisation for personalised user experience.

Key Strategic Priorities



Campaign effectiveness measurement matters the most



Measurement is undoubtedly one of the most scrutinised topics in the media and advertising industry, and this is exacerbated in the current market where every dollar counts.

The measurement of campaign effectiveness is the number one measurement priority. Specifically, it's the ability to harness campaign effectiveness data and turn it into actionable insights that matters the most.

The measurement of campaign outcomes is more than just a box-ticking exercise. Effectiveness data captured in measurement frameworks can be used to benchmark and optimise future activity whilst also providing vital evidence in marketing budget-setting conversations.

To achieve boardroom buy-in, it is now essential for marketers to have the right measurement solutions in place to ensure that marketing can shift the dial towards the business metrics that CEOs and CFOs care about.

Measurement of tangible campaign outcomes (such as profit, market share, loyalty, brand value) that speak the language of the entire business is vital.

70% regard ATTENTION as an important metric

The attention economy has continued to pick up steam with industry experts such as Adelaide launching a [new attention-based planning tool](#) and Lumen [partnering with Snapchat](#) on a new suite of measurement tools.

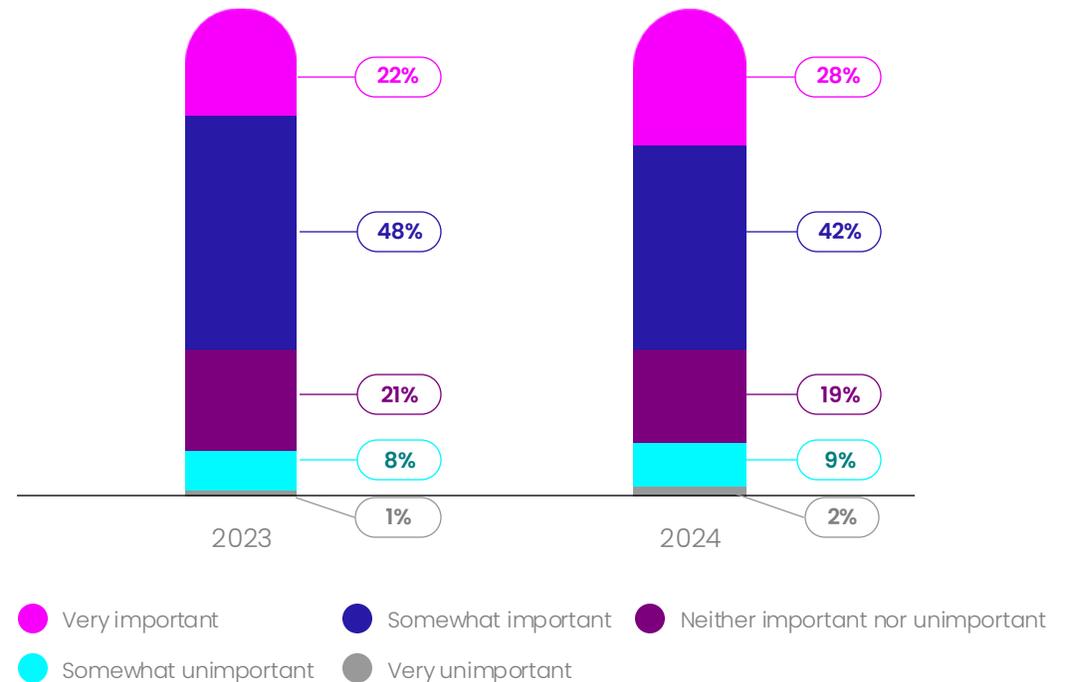
However, the role of attention continues to be hotly debated with uncertainty on the practical application of attention metrics in planning and measurement. Additionally, there's a lack of consensus on whether attention is merely a measurable campaign outcome or a metric that campaigns should be actively optimised towards. With much of the current efforts focusing on eye-tracking measurement, adoption is unlikely to accelerate beyond current levels in the short-term.

That being said, across all regions – in-line with last year's figures – 70% of marketers regard attention as an important metric.

n=500 Marketing Decision Makers & Influencers

Question: With third party cookies disappearing and the robustness of digital audience measurement being brought in to question, how important to you think 'Attention' metrics are to measuring campaign performance?

Importance of attention metrics
2023 vs 2024



GRPs vs CPMs

The study also measured the growing importance of CPMs vs GRPs over the past three years. As the digital transformation of the TV channel continues at pace, the need for comparability across linear and streaming TV becomes all the more important.

Overall, almost 60% of marketers are in favour of moving to an all-CPM model in the next 2 to 3 years. This is a 5% increase year-on-year: a move primarily driven by agencies (64% vs 56%).

Germany appears to be the most favourable to this change with 67% keen to stop using GRPs – an increase of +17% from the previous year – in the next 12 months.

Italy saw an +8% increase year-on-year in marketers supporting the transition, with a majority (52%) in favour, again primarily driven by agencies. France follows a similar trend with a 5% increase in marketers agreeing to phase out GRPs, equivalent to 60%.

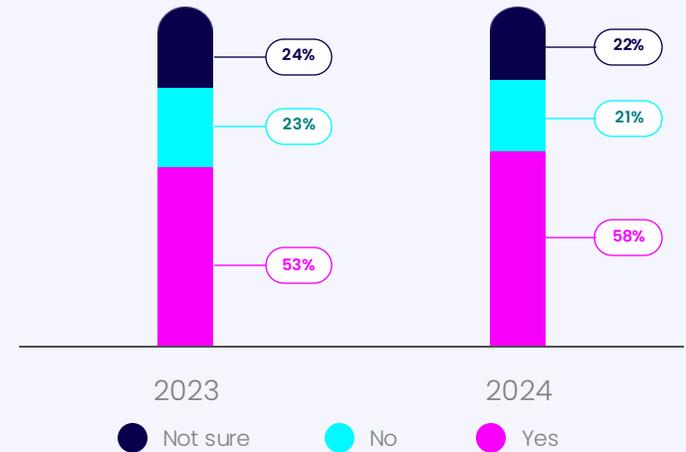
In the UK, there has been little change with 55% agreeing to phase GRPs out.

The main surprise comes from Spain where marketers' favourability to get rid of GRPs has decreased from 64% to 55%. While this still represents the majority, the downward trend clashes with the move of some broadcasters who have already implemented the change. Clearly this is not a minor change and requires an adjustment period.

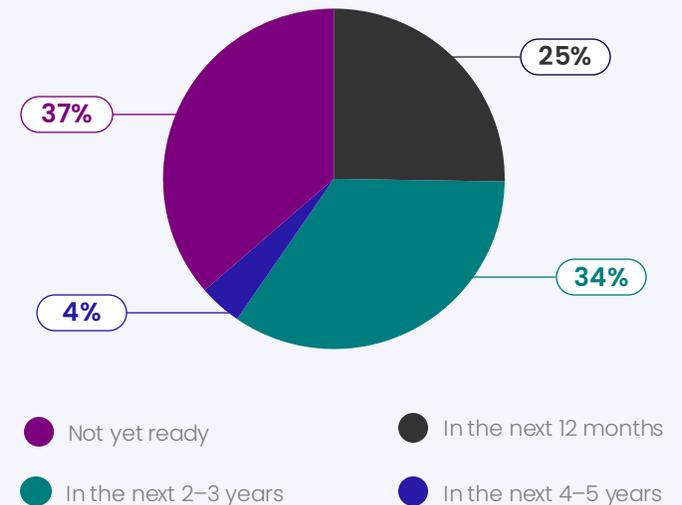
n=500 Marketing Decision Makers & Influencers

Question: As TV advertising continues to undergo digital transformation and moving into Streaming, there is a movement away from planning TV advertising using GRPs (Gross Rating Points), towards using CPMs (Cost per Thousand Impressions). Do you think it is time to get rid of GRPs for TV trading in favour of CPMs?

Time for TV to get rid of GRPs? 2023 vs 2024



Readiness to move to CPMs



Streaming TV spend intentions

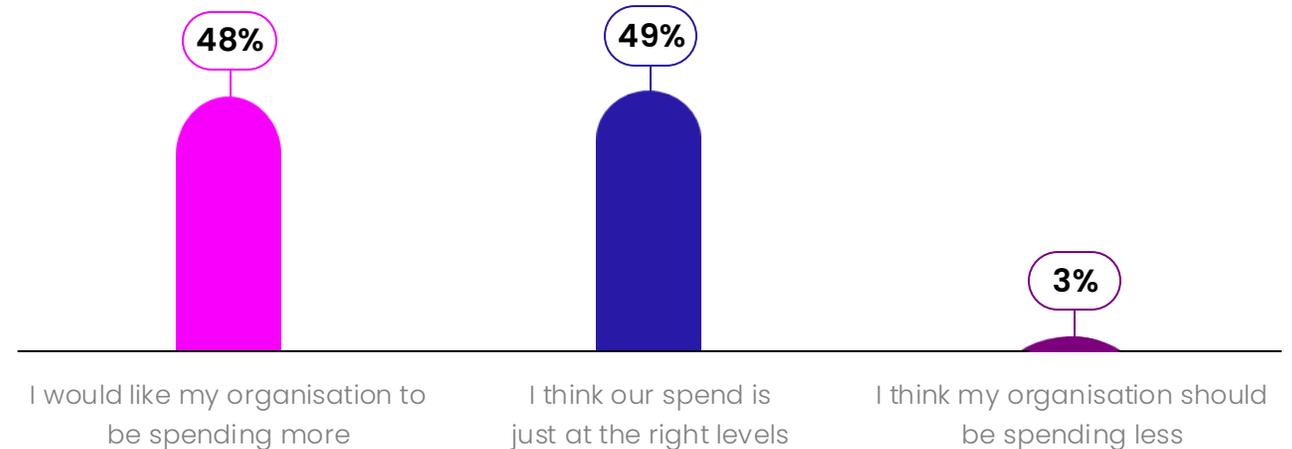


Streaming/CTV spend

The proliferation of platforms and channels fuels the dilution and fragmentation of audiences but also offers savvy marketers huge marketing potential in the streaming TV world.

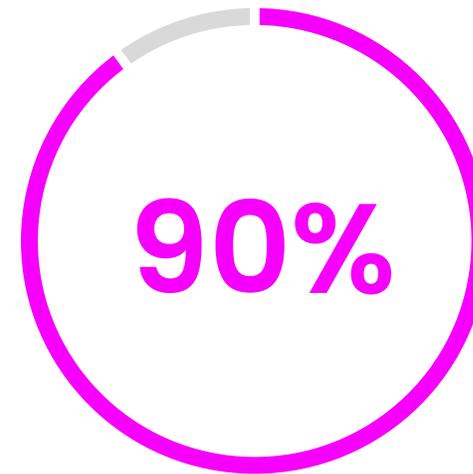
There is still considerable pent-up demand with nearly half of marketers across the EU5 wanting their organisations to spend more on streaming TV/CTV.

How satisfied are you with your current levels of Streaming TV/CTV ad spend?





Streaming TV spend intentions



of marketers (EU5) expect to spend more on
FAST and AVOD

94% agencies | **87%** advertisers

Source of streaming budgets

Diving into financial forecasts, more spend on AVOD/FAST means that marketers will have to re-shuffle their budgets and divert funds from social (29%), online video (22%) and linear TV (18%). Such re-allocation somewhat aligns with a recent [study](#) by EssenceMedia.com which shows that, across all sectors, the optimised scenario (calculated through its Media Mix Navigator) recommends higher share of AV media versus a lower spend in paid social.

There are some strong disparities between regions and amongst advertisers and agencies.

In Germany, almost half of marketers (45%) are expecting to redirect budget to premium ad-supported video-on-demand environments from social, in-line with their prime marketing objective around effectiveness.

There is a similar view in Spain, although this is driven by agencies. Spanish advertisers, however, would rather redivert linear TV budgets to fund AVOD and FAST.

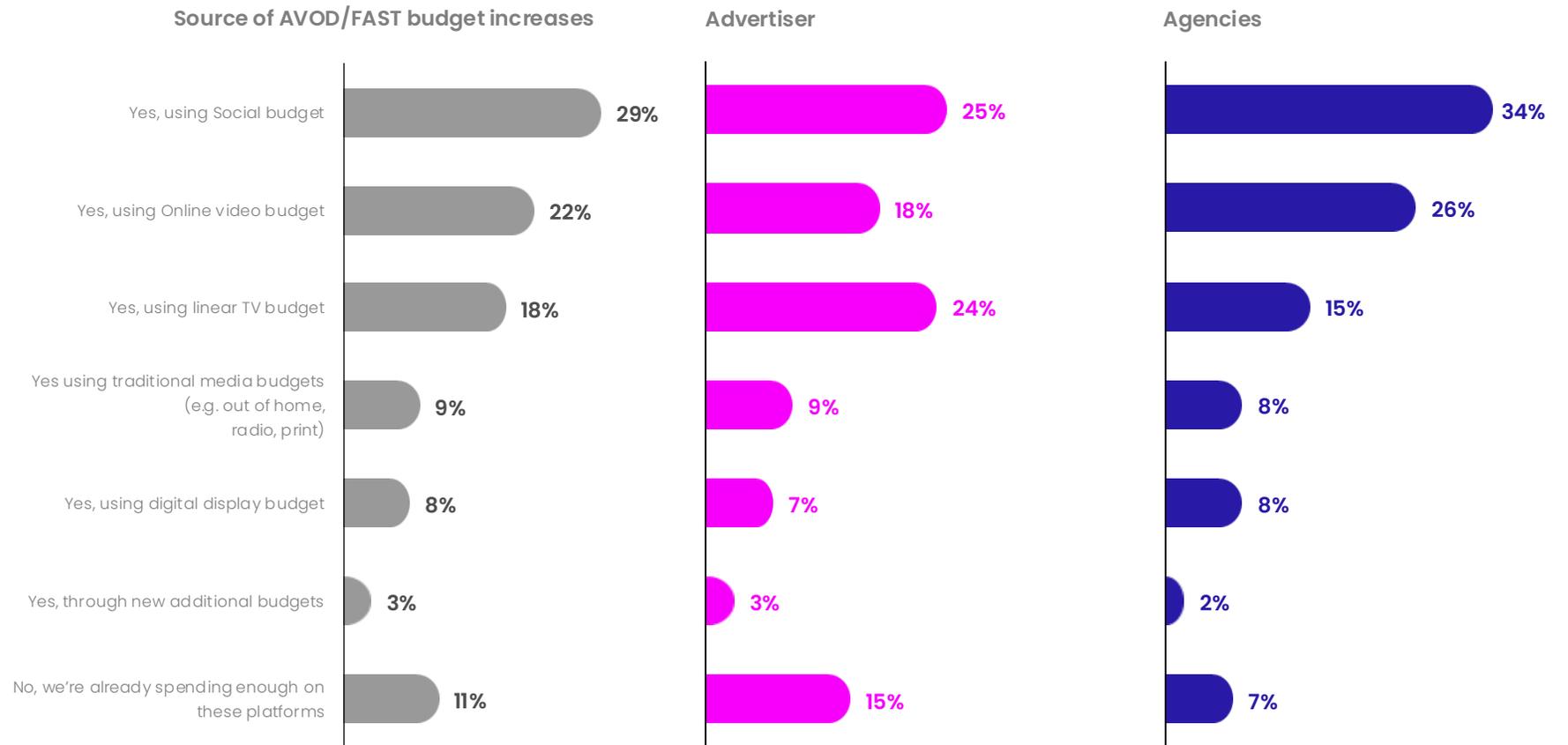
In France, agencies and advertisers appear to be more aligned and would spread the re-allocation of budgets equally across social, online and linear TV. This can be attributed to streaming/CTV gaining traction in France following the launch earlier this year of broadcasters' streaming platforms, as well as the growth in retail media.

In the UK, agencies would prefer rediverting budgets from online video, while advertisers are more likely to use social budget. The latter would appear more supportive of linear TV campaigns as only 14% are willing to allocate these budgets to AVOD.

Italy is the only country where online video is the top source for budget reallocation (26%) ahead of social (25%) and linear TV budgets (23%), the latter widely favoured by advertisers. See page 19 & 20.

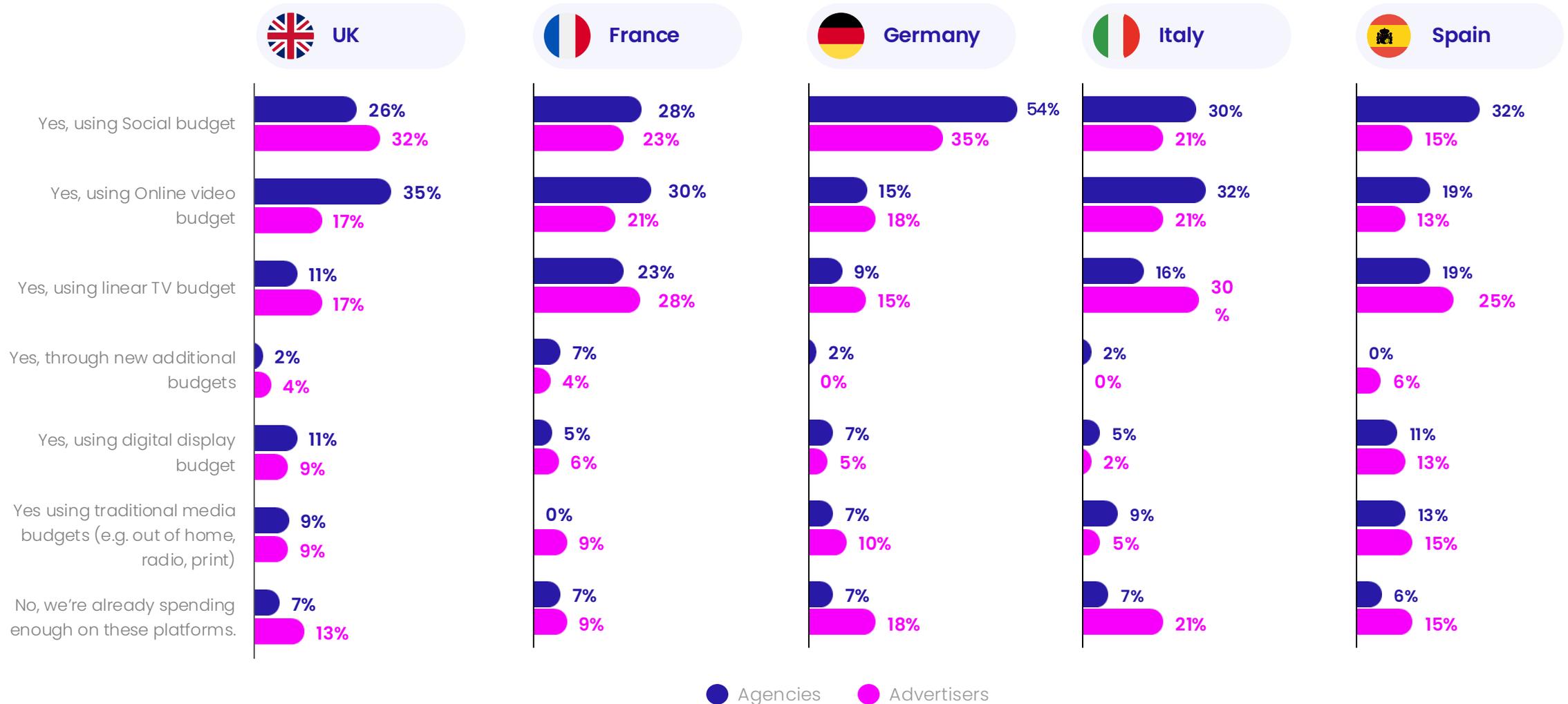


Source of streaming budgets



With the rise of AVOD (Ad funded VOD) platforms, FAST (Free Ad Supported Streaming TV) or even SVOD (Subscription VOD) moving into hybrid models (i.e. TV services offering either free streaming with ads or subscription-based streaming with no ads), do you expect to allocate more budgets to these streaming platforms?

Source of streaming budgets



● Agencies ● Advertisers

Drivers and inhibitors of spend

User tolerance towards advertising has become a key concern in a market where ad saturation seems to be at a peak. An increasing number of [studies](#) show the important role that advertising plays in premium environments, as well as the necessity for greater creativity.

The quality of the ad experience is of vital importance and marketers perceive this to be a key benefit and therefore a key driver of Streaming/CTV spend for the year ahead.

The digital transformation of the TV ecosystem also gives streaming TV other advantages – namely access to rich, real-time analytics data to optimise performance.

Reach extension is another key driver for marketers as linear TV viewing declines and audience fragmentation continues.

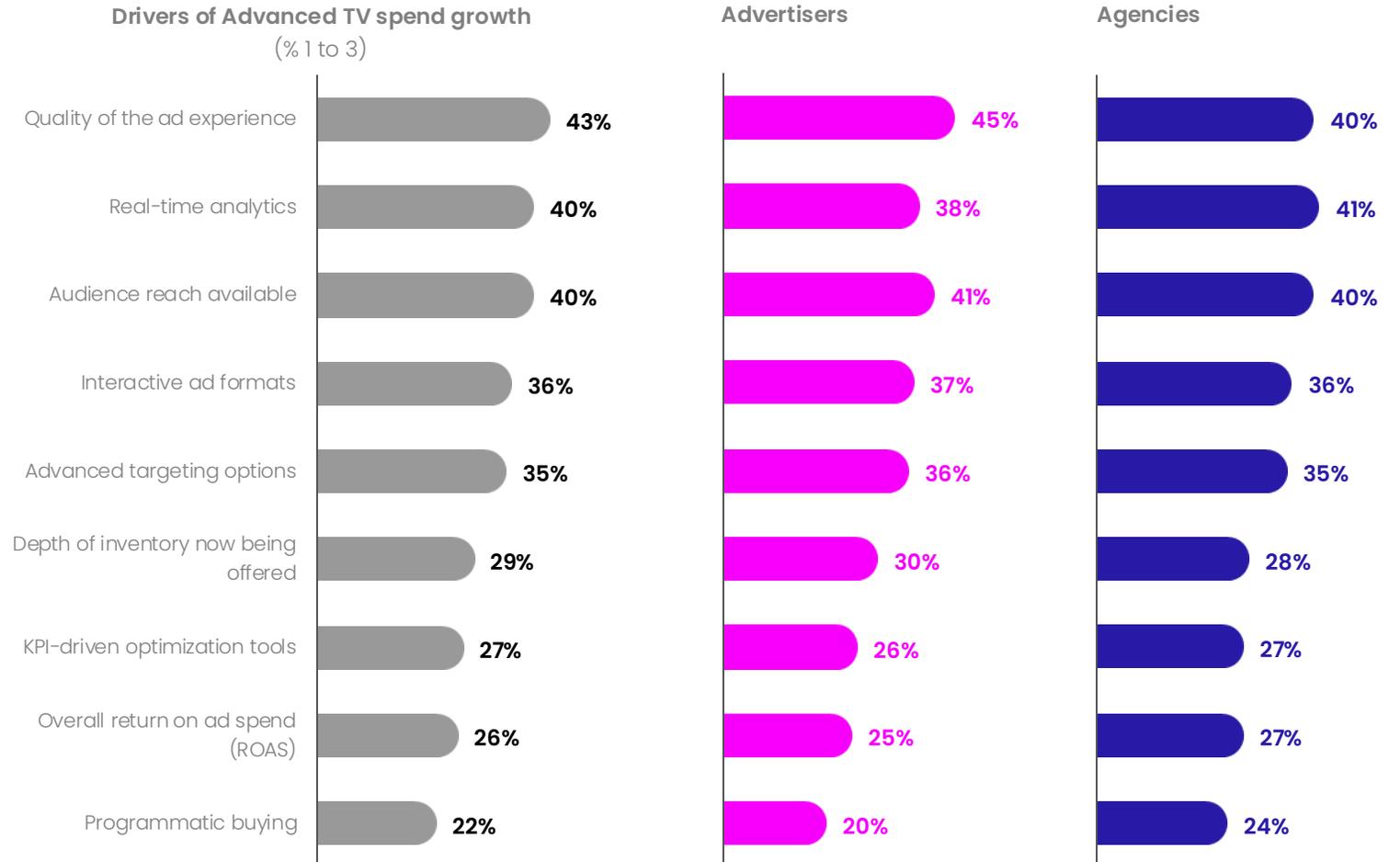


Drivers of streaming/CTV ad spend

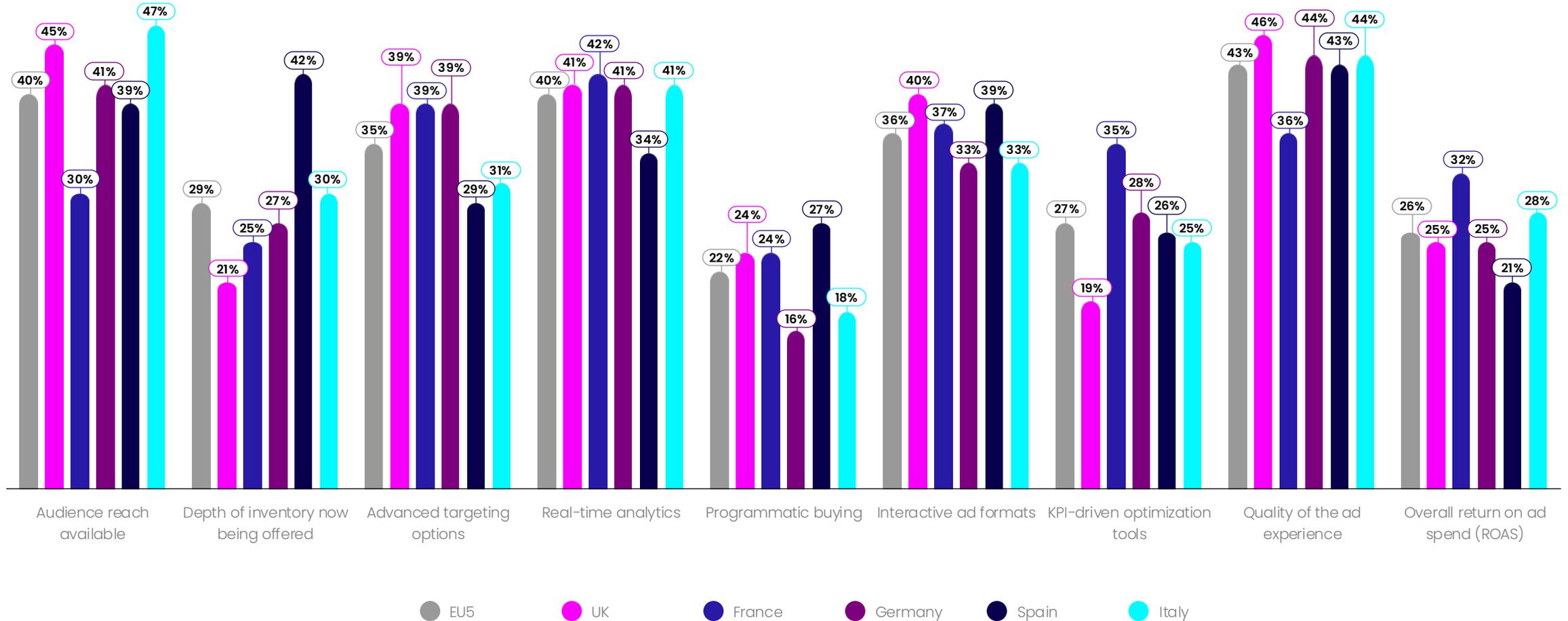
In France, there is a strong emphasis on data with real-time analytics, targeting, and new interactive formats as the main drivers of ad spend. This is consistent with the focus on retail media, where (first-party) data will fuel more data-driven and targeted campaigns. It also signals the desire across programmers to bring new ad formats to streaming/CTV environments.

Where audience reach is top of mind for Italian advertisers, Italian agencies see real-time analytics as a key driver of spend on streaming/CTV, which is hardly a surprise given that they need to prove effectiveness and optimise campaigns. The premium nature and data capabilities of CTV are key incentives for both agencies and advertisers.

The quality of the ad experience is reported as the top driver of expenditure in Germany, the UK and Spain. While Spanish marketers value also the depth of the inventory available on streaming TV, in the UK, advertisers rank highly the advanced targeting capabilities of CTV.



Drivers of advanced TV ad spend



Inhibitors of streaming/CTV ad spend

The rapid expansion of available streaming TV services makes for a complex choice for consumers and marketers alike. Considerable marketer time and effort is required to plan and trade across different platforms, and this is a major barrier to growth in the sector for 43% of the EU5 marketers.

Effectiveness proof points are also imperative – a finding that tallies with marketers' focus on measurement initiatives and marketing objectives in 2024. This was also reported as a blocker of further investment last year. Clearly, more needs to be done to ensure progress in effectiveness measurement.

While 45% of EU5 marketers felt that a lack of organisational awareness inhibited streaming TV/CTV growth in 2023, this dropped significantly to 31% in 2024.

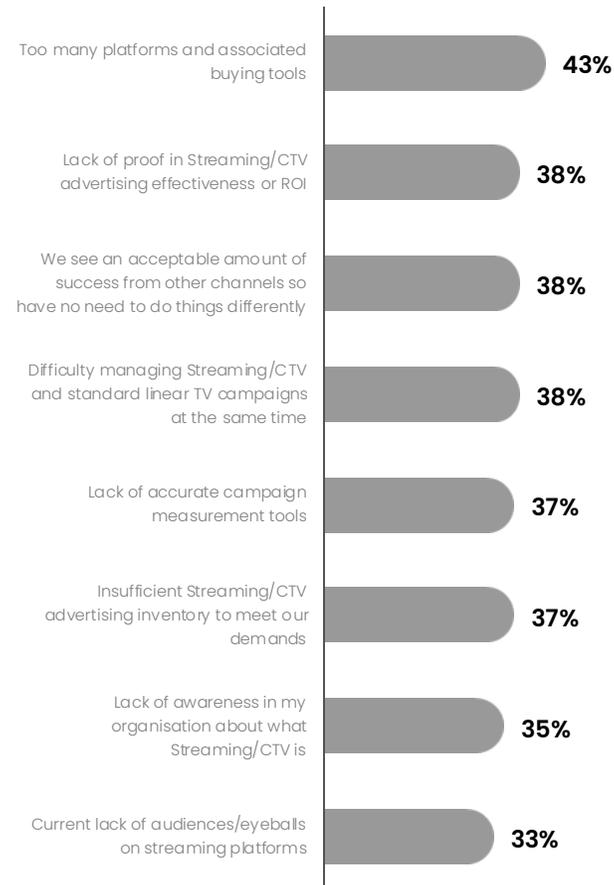
As consumers usage of streaming TV continues to grow, it will likely fuel greater market acceptance and understanding and open the gateway to further investments. It is noticeable that marketers appear more comfortable with the reach now offered by the channel.

While awareness of CTV has improved amongst marketers, there is still some confusion around definitions, with advertisers in France and agencies in Italy acknowledging a lack of familiarity with what streaming/CTV really means. French marketers are also concerned about the proliferation of channels and the subsequent dilution across platforms.

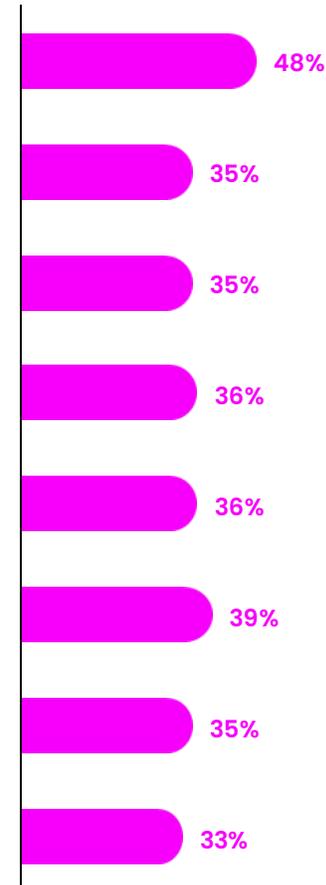
In Spain, Germany, and the UK, the number of platforms and associated buying tools are an issue and speak to the need for simplification in the buying process, as well as tools to access and transact on these premium video inventories.

Inhibitors of streaming/CTV ad spend

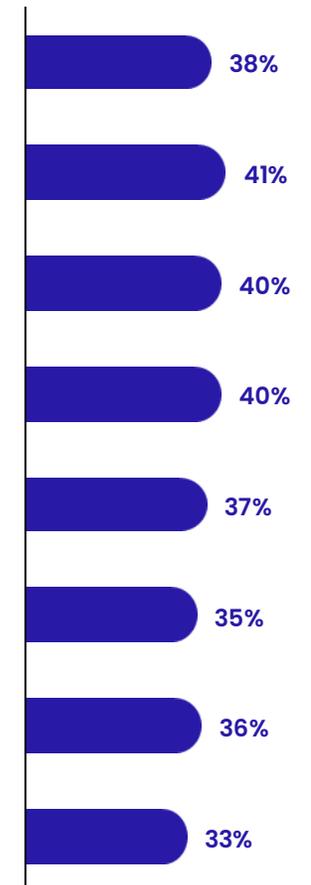
Inhibitors of Advanced TV spend growth
(% 1 to 3)



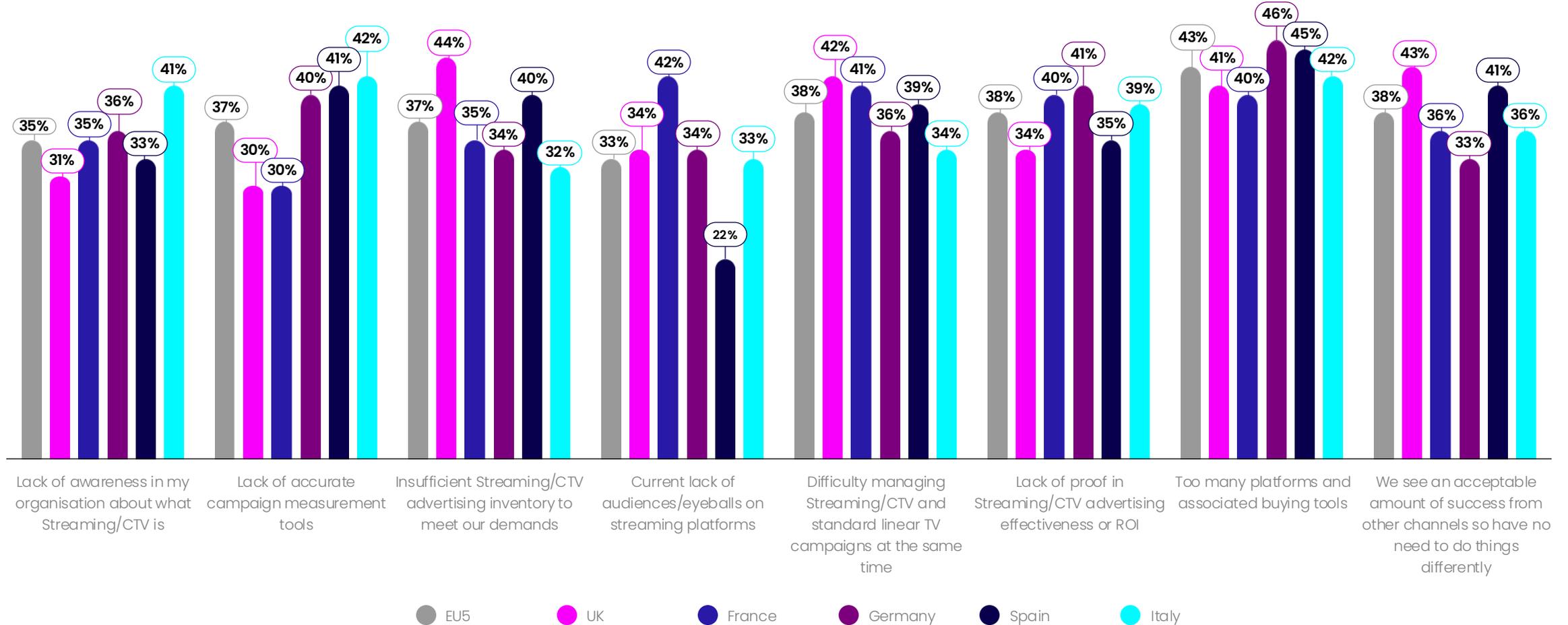
Advertisers



Agencies



Inhibitors of streaming/CTV ad spend

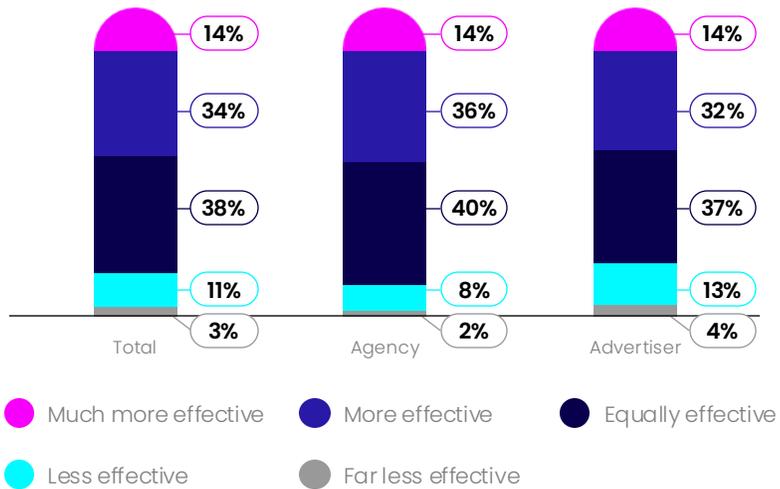


Half of marketers see programmatic buying more effective

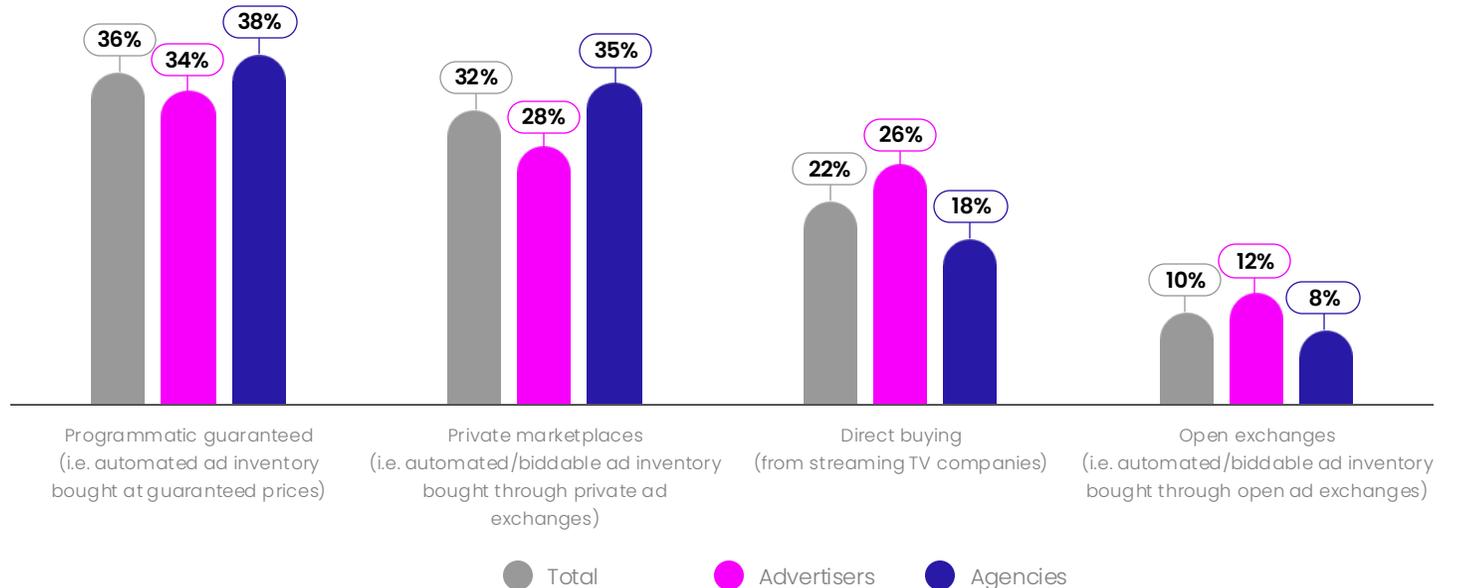
A key appeal of CTV and streaming inventory is its access through automation. Almost half (48%) of EU5 marketers believe programmatic buying of Streaming/CTV inventory to be more effective than direct buys.

In a marketplace with too many platforms and buying tools, there is a strong preference for programmatic guaranteed (36%) and Private Marketplace trading (32%) versus direct or open exchange buys.

Effectiveness of Programmatic Buying vs Direct



Streaming/CTV buying preference



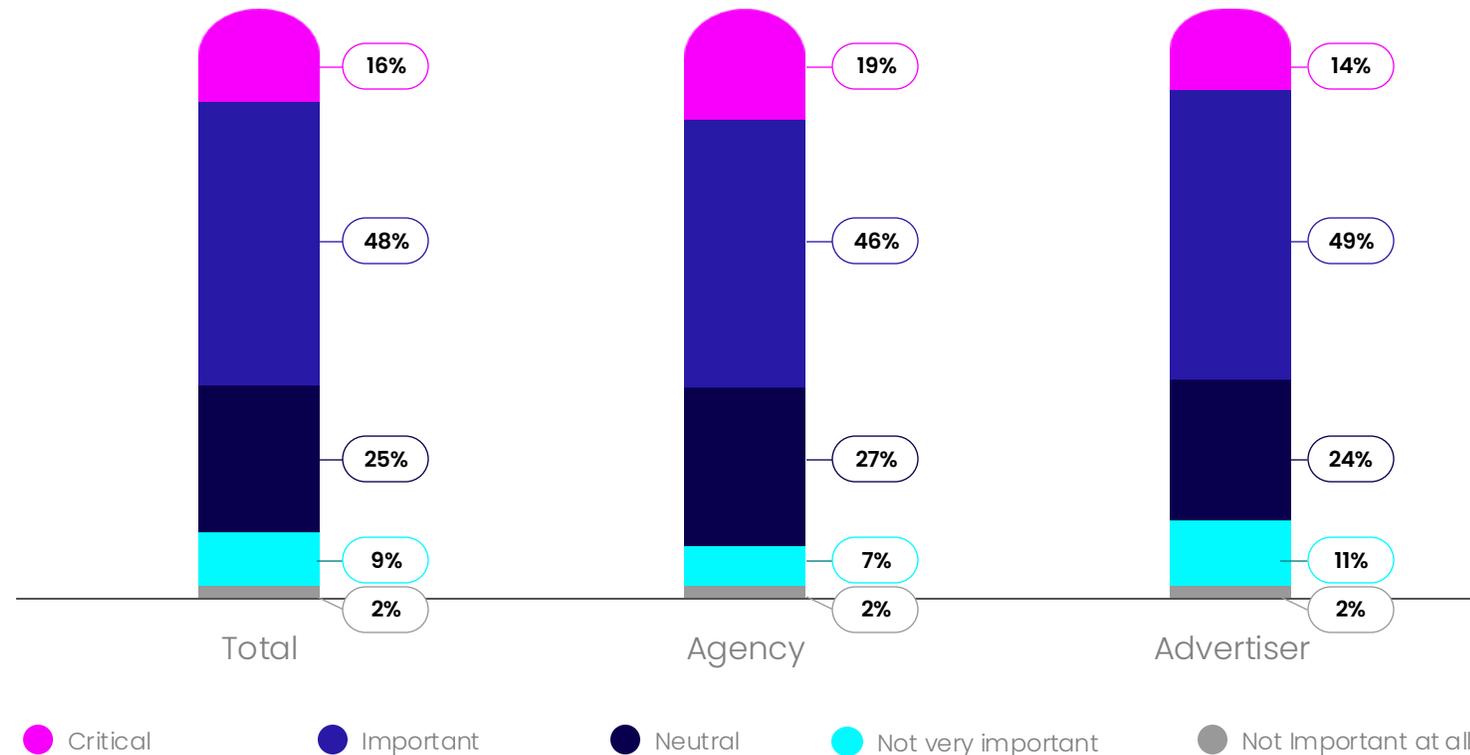
Transparency and trust remain indispensable

An area where both agencies and advertisers in all regions are in agreement is transparency and trust.

Nearly two thirds of marketers believe that transparency is of key importance in the streaming/CTV supply chain.

All players need to proactively ensure that more clarity is brought into the processes, data, and transactions involved in CTV advertising to ensure investment follows.

Importance of transparency in the CTV/streaming supply chain



Conclusion

The large number of platforms and buying solutions on offer is seen as a major inhibitor of growth in streaming TV and CTV. Additional blockers pertain to the confusion around the definitions of TV, linear TV, CTV, and streaming and budget allocation. Time-poor and budget-conscious marketers need simplification in the planning and buying processes – a challenge which unified buys and programmatic trading could provide an answer to. Some of these aspects were accurately [summarised](#) by Ian Whittaker in a recent post following Advertising Week New York.

Additionally, ad saturation and the proliferation of media channels represent a challenge for marketers who are seeking better impact with their marketing spend. As reported in the DMA's [Value of Creativity paper](#), creativity is severely underused in the performance marketing space, although marketers are highly focused on performance.

While the majority of marketers are spending on social platforms due to their perceived effectiveness, streaming TV is gaining traction as an important channel to drive full-funnel outcomes from brand awareness to consideration and conversion. As streaming TV/CTV continues to evolve and offer quality and innovative ad experiences, it will provide a considerable boon to marketers. However, there is a cautionary tale about a much-needed return to creativity, especially as advertisers look at agencies to provide advice and creative ideas.





For more information contact:

Emmanuel Josserand

Sr Dir. Agency, Brand and Industry Relations

ejosserand@freewheel.com

