



STEP-BY-STEP GUIDE

CTV Best Practices Guide

 **Orange 142**[®]
A Direct Digital Holdings Company

Forward

The New TV Landscape

CTV has opened exciting new frontiers for advertisers. As viewers enthusiastically adopt streaming platforms and subscribe to multiple services, brands can connect to consumers through data-driven, more cost-efficient TV advertising. This transformation goes beyond changing viewing habits -- it's creating new ways to hone in on your exact audiences, deliver interactive experiences, and measure real business outcomes that traditional TV never could.

To help marketers navigate this evolving space, the Orange 142 Emerging Channels Council has created this Best Practices Guide to CTV Advertising. Our goal is to provide strategic insights and practical recommendations to ensure your brand maximizes the potential of CTV, delivering impactful, efficient, and measurable campaigns.

About the Orange 142 Emerging Channels Council

The Emerging Channels Council is a thought leadership body within Orange 142, focusing on educating, guiding, and encouraging independent brands and agencies to experiment and excel in underutilized and innovative channels. Through collaboration, data-driven insights, and practical resources, the council will help Orange 142 clients obtain strategic growth through sustainable practices in digital advertising.

To access all of the Emerging Channels Council resources, please visit:

<https://orange142.com/emerging-channels-hub>

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1. The Opportunity

Connected TV (CTV) is revolutionizing the television advertising landscape, offering a wider array of brands the chance to reach and engage audiences through this channel. Unlike traditional linear TV, CTV combines television's immersive viewing experience with digital advertising, targeting precision and cost efficiencies. As U.S. households continue subscribing to multiple streaming services, the CTV market will expand further, creating additional opportunities for advertisers of all sizes.

CTV Market Growth

It's clear that advertisers are keen to take advantage of the opportunities offered by CTV. Spending is projected to hit \$33.35 billion in 2025, a 15.8% year-over-year increase, [according to eMarketer](#). This growth is fueled by the continued decline of traditional TV viewership and the rise of digital-first audiences who prefer streaming platforms over cable.

Programmatic Advertising's Role on CTV

Programmatic advertising accounts for [75% of CTV buys](#), which allows advertisers to home in on their ideal audiences. However, as brand safety and ad quality concerns grow, advertisers are increasingly moving away from open exchanges in favor of private marketplaces (PMPs) and [curated deals](#), which, in 2024, [captured 66% of CTV programmatic spending](#). This shift allows brands to secure high-quality CTV inventory (i.e., true smart TVs and not merely video inventory) and improve transparency in media buys.

The Great Equalizer: Smaller Brands Can Afford CTV

The CTV ad market is still significantly smaller than traditional linear (in 2024, it was about 25% of traditional linear) but is growing. Nearly all (99%) US households subscribe to a streaming service, and more than half (53%) [subscribe to four](#). In short, CTV offers broad reach and the ability to engage audiences where they spend more time.

2. What is CTV Advertising?

Before discussing connected TV advertising, we first need to define connected TV itself. Connected TV is any television that connects to the internet to stream digital content, including smart TVs and devices such as Roku, Fire TV, and Apple TV.

But CTV itself comes in many flavors, each defined by how it is monetized. Some services are purely subscription-based, while others involve some degree of monetization. Here are the main CTV models widely used today:

Type	Definition	Services
Transactional Video on Demand (TVOD)	A streaming model in which users pay a one-time fee to rent or purchase individual movies or TV episodes.	Apple TV/iTunes Amazon Prime Google TV
Advertising-based video on Demand (AVOD)	A streaming model that lets users watch content for free in exchange for ads that are inserted throughout the content.	YouTube Tubi Pluto TV
Subscription Video on Demand (SVOD)	A streaming model where users pay a recurring fee for unlimited access to a library of movies, TV shows, and other content.	HBO Max Netflix Disney+
Free Ad-Supported Streaming (FAST)	A streaming model that offers live and on-demand content for free, supported by advertising, often in a linear channel format similar to traditional TV.	Pluto TV The Roku Channel Samsung TV Plus
Hybrid Models	Some platforms combine SVOD and AVOD, allowing users to choose between ad-free subscriptions or free, ad-supported tiers.	Amazon Prime Hulu Paramount +

What is CTV Advertising?

[Connected TV \(CTV\) advertising](#) delivers targeted video ads to viewers watching content via internet-connected TVs and streaming devices, reaching audiences who have moved away from traditional cable television. It lets advertisers reach viewers who watch content through apps rather than traditional cable or broadcast TV.

3. Benefits of CTV Advertising

Connected TV offers a range of benefits to advertisers, including:

Precision targeting

CTV advertising offers granular audience segmentation, allowing advertisers to reach specific demographics based on viewing habits, purchase behavior, or demographics (see section 6, CTV Data and Privacy Concerns, for further discussion). Unlike linear TV, which broadcasts messages to people who are not a brand's intended audience, programmatic CTV allows marketers to focus on their ideal audiences.

Interactive capabilities

CTV ads can include a [host of interactive features](#), including:

- Clickable elements, such as links and shoppable buttons, invite viewers to engage with the content by visiting a website, downloading an app, or purchasing directly from the ad.
- Interactive polls and quizzes are used to engage viewers and gather feedback or opinions, which increases viewer participation and provides valuable insights for advertisers.
- Gaming elements, such as challenges or rewards, make the viewing experience more immersive and engaging.
- QR Codes allow viewers to scan them with their mobile devices to access additional content, visit a website, or make a purchase.
- Navigation menus and carousels showcase multiple images or videos in rotating formats.

Cost efficiencies

Although CTV typically has higher CPMs than traditional TV due to its advanced targeting, measurement capabilities, and data features, it often delivers better overall cost efficiency by eliminating wasted impressions. Moreover, CTV advertising frequently produces more substantial ROI than linear TV campaigns.

Campaign Optimization Leads to High ROI

CTV advertising offers the best ROI due to its precise audience targeting capabilities. By leveraging granular data, advertisers can reach specific demographics and behaviors, significantly reducing wasted impressions.

Additionally, CTV's real-time performance tracking allows for immediate campaign optimization, maximizing ad spending for optimal results. This combination of targeted reach and measurable performance makes CTV attractive for advertisers seeking high ROI.

Stronger Brand Recall

Viewers are typically more engaged with CTV content as they are watching on larger screens in [lean-back environments](#); unlike traditional digital ads that may be easily skipped or ignored, CTV ads are full-screen, non-scrollable, and often unskippable, creating a more immersive experience. Additionally, with fewer distractions -- such as competing browser tabs or social media feeds -- viewers are more likely to retain the brand message. This high-engagement environment [boosts brand recall by as much as 36%](#), making CTV an effective channel for driving awareness and influencing purchase decisions.

4. Challenges of CTV

Despite the many advantages of CTV advertising, we must recognize that it also comes with challenges that can complicate execution, measurement, and scalability. However, by partnering with the right media agency, advertisers can navigate these complexities and maximize the effectiveness of their campaigns.

Higher Costs	CTV advertising prices, measured in cost per thousand impressions (CPM), are typically higher than those for traditional TV and digital display advertising. For a brand unaccustomed to digital ad campaigns, this can be cost-prohibitive. In such cases, working with an agency that can provide strategic guidance is important.
Misrepresentation of Inventory	Some programmatic platforms categorize all video inventory together, making it difficult to distinguish true CTV placements from desktop or mobile video.
Fragmented Audiences	The variety of streaming platforms, monetization models, and devices makes achieving consistent reach or executing unified campaigns difficult. Success requires effective management of multiple partnerships and manually comparing results. Not all brands have these skills in-house.
Ecosystem Complexity	Running CTV campaigns requires navigating different platforms, ad formats, and integrations, making maintaining a cohesive brand presence challenging. Again, not all brands have these skills in-house.
Ad Skipping	Some placements allow users to skip ads, while unskippable options often come at a higher cost. Advertisers may also pay for impressions even when ads are not fully viewed.
Transparency Challenges	Advertisers often seek show-level insights to better associate their ads with specific programs, similar to traditional TV. However, achieving this transparency is challenging in CTV due to privacy concerns and the one-to-one nature of CTV impressions.
Inventory Bundling	Some networks offer bundled inventory without disclosing specific app or show details, making it difficult for advertisers to ensure transparency and control over their ad placements.
Limited Inventory	Premium ad placements are scarce, especially during high-demand periods, increasing competition for available slots.
Technical Complexities	Ad specifications vary across platforms, making delivering a seamless ad experience across different devices difficult.

**Cross-Channel
Integration**

Aligning CTV campaigns with other digital and traditional media channels can complicate cross-platform audience engagement.

5. Emerging Technology & Trends

The CTV landscape is evolving rapidly, with new technologies reshaping how advertisers reach and engage audiences. Staying ahead of these changes requires the right partner to navigate emerging capabilities and ensure campaigns take full advantage of the latest innovations.

AI & Machine Learning	AI-driven audience segmentation allows advertisers to target viewers more precisely based on behavior and preferences. Machine learning optimizes ad placements and creativity in real-time, while predictive analytics provide insights to enhance campaign performance.
Programmatic CTV	Real-time bidding for CTV inventory continues to grow, streamlining ad-buying and increasing efficiency. Improved automation enables seamless ad placement across multiple platforms, enhancing targeting and campaign scalability.
<u>Shoppable Ads</u>	Interactive ads now feature QR codes, voice-activated commands, and click-to-purchase functionality, turning CTV into a direct-response channel. These capabilities make it easier for viewers to instantly engage with brands and complete transactions.
<u>Addressable TV</u>	Advancements in household-level targeting enable personalized ad experiences using first-party data. TV-generated data, such as automated content recognition (ACR), refine targeting and enhance ad relevance.
<u>Dynamic Ad Insertion</u>	Ads are inserted in real-time into both live and on-demand content, allowing for greater personalization. Viewer data informs ad selection, ensuring content aligns with audience preferences and behaviors.
Advanced Analytics	CTV provides digital-level measurement, allowing advertisers to track viewability, attention, and engagement more effectively than traditional TV. Unified measurement solutions are improving cross-platform attribution between CTV and linear TV.
Content-Aware Advertising	Contextual targeting ensures ads align with viewed content, creating a more relevant experience. AI-driven brand safety measures help advertisers avoid placements in unsuitable or misaligned content

Voice-Activated Advertising

CTV integrates with smart home devices, enabling interactive ad experiences through voice commands. Viewers can use voice search to discover content and engage with ads more seamlessly.

6. CTV Data Privacy & Concerns

One of the most compelling reasons to invest in CTV advertising is the ability to use data to target an audience. This, in turn, transforms the channel from a broad-based brand-awareness medium to one that allows for performance-based campaigns.

But as is the case with all data today, there are privacy concerns with CTV. For instance, in 2024, California's Attorney General launched an [investigation into popular streaming services](#) for potential violations of the California Consumer Privacy Act (CCPA), focusing on their compliance with opt-out requirements for businesses that sell or share consumer data.

Let's look at some of the data available in CTV advertising and some of the privacy issues to consider.

Automated content recognition (ACR)

Automated content recognition data (ACR) is entirely opt-in data; consumers opt-in directly from the smart TV during the setup process based on the promise that the TV will recommend content based on viewing behaviors.

ACR data is collected by technology embedded in smart TVs and other devices to identify and track the content being viewed. It samples audio and video content, creating digital "fingerprints" matched against a database to recognize what is being played. This allows it to:

- Recognize specific shows, movies, and, importantly -- advertisements -- viewed on a smart TV
- Record duration of watch time, ad completion rates, and channel surfing habits
- Identify the device type and method of viewing (linear, streaming, etc.)

ACR data allows many platform providers to understand which households are interested in specific types of content (e.g. sports, cooking shows, period dramas, etc.), allowing for contextual targeting.

IP Addresses

Today, IP addresses play a key role in CTV advertising, allowing platforms such as MNTN Performance TV and Simpli.fi to enhance targeting by layering them with other

datasets, including ACR data. The result is the ability to target, for instance, households in the Northeast watching a live football game.

IP-based targeting in CTV is relatively new, as many providers, including Google and Amazon, shielded IP addresses for targeting purposes. That changed in late 2024, when Google updated its policy, allowing IP-based targeting, citing CTV advertising as a key motivator. Advertisers can now use Google’s advertising platforms to leverage IP addresses and other data sets to enhance targeting capabilities.

How IP Address Targeting Enhances CTV Advertising

Household-Level Targeting	Ensures ads reach specific households rather than broad geographic regions.
Advanced Audience Segmentation	Combines IP data with third-party audience insights to refine targeting based on demographics, interests, and behaviors.
Integration with First-Party CRM Data	Matches ads to users based on purchase history, loyalty programs, or other customer insights for greater personalization.
Contextual Targeting with ACR	Uses ACR technology to align ads with the content being watched, improving relevance and engagement.

Using IP addresses in conjunction with other data sources means that advertisers can launch campaigns targeting specific households with high accuracy. This ensures that their messages focus solely on their ideal audiences, driving efficiency in their media spend.

Privacy Considerations

While ACR data is technically opt-in, some privacy concerns are raised due to its extensive data collection capabilities.

For instance, ACR can capture screenshots of content viewed on external devices that may be connected to smart TVs. [As a study from UK states](#), “The results showed that ACR not only takes screenshots of what the viewer is watching on live TV many times per second, but does the same when content is being played through an external device such as a laptop – potentially allowing ACR to figure out what is shown

on the external device.”

CTV advertising must also comply with all consumer data privacy protection laws in jurisdictions where such laws exist. In such cases, consumers can opt out of data collection or use, but sometimes, that’s easier said than done. As mentioned at the top of this section, there are calls for more transparent and user-friendly opt-out processes. For instance, California Attorney General Rob Bonta criticized CTV and streaming services about their opt-out practices and announced an investigative sweep targeting streaming services for their alleged non-compliance with CCPA.

7. Measurement & Attribution

Measuring Effective Ads in CTV: Attribution Models

CTV advertising offers powerful tools for measuring ad effectiveness by leveraging multiple data sources, such as ACR data, IP addresses, CRM data, and others, as discussed in the previous section.

These tools help advertisers understand their campaigns' performance and attribute conversions to specific ad exposures. A key part of this process involves using attribution models, which help determine how different interactions with ads contribute to conversions. Let's look at the main ones.

Model	Definition	Why Use?
View Through	Attributes conversions to CTV ad exposure, even if the view did not click . On the ad. It assumes that simply viewing the ad influenced the conversion.	Useful for measuring brand awareness and reach, as it captures the impact of ads on viewers who may not interact directly with them.
Multi-Touch	Provides a comprehensive view of how CTV ads contribute to conversions by considering all user interactions with the brand across different touchpoints.	Helps in understanding the full customer journey and how CTV fits into it, allowing for a more accurate allocation of marketing resources.
First-Touch	Credits the first interaction (or "touch") with the brand for the conversion. In CTV, this could be the first ad viewed.	Useful for identifying which initial touchpoints are most effective at driving conversions, helping marketers optimize their early-stage engagement strategies.

By using these attribution models, advertisers can better understand their CTV campaigns' effectiveness and make informed decisions about future investments.

Measurement

In CTV advertising, measurement is collecting and analyzing data to understand how effectively CTV ads perform. This involves tracking various metrics that indicate ad exposure, engagement, and conversion outcomes. The goal is to quantify the impact of CTV campaigns on business objectives, such as increasing brand awareness, driving website traffic, or generating sales.

Measurement in CTV typically includes:

- Tracking Ad Exposure. Monitoring how many people see the ads and on which devices.
- Engagement Metrics. Analyzing actions such as clicks, interactions with ad content, or other engagement indicators.
- Conversion Tracking. Recording conversions such as purchases, sign-ups, or other business outcomes.
- Audience Insights. Gathering data on audience demographics, interests, and behaviors of people who respond to refine targeting

This data is essential for optimizing campaigns, ensuring that ad spend is efficient, and making informed decisions about future advertising strategies.

How to Measure CTV Ads Accurately Across Devices and Channels

Measuring CTV ad performance is more complex than traditional TV or digital campaigns. While exposure and engagement metrics provide valuable insights, advertisers need deeper visibility into how [CTV ads influence consumer behavior across devices](#) and drive online and offline actions. The challenge lies in connecting fragmented data sources and creating a unified view of campaign performance.

One of the biggest hurdles in CTV measurement is cross-device tracking. Viewers often see a CTV ad on a smart TV but complete an action -- such as visiting a website or making a purchase -- on another device. Advertisers rely on identity graphs to bridge this gap, linking household devices through shared IP addresses and other identifiers. This approach helps track user journeys across connected TVs, laptops, smartphones, and tablets, offering a clearer picture of attribution beyond a single screen.

For advertisers who need to measure real-world outcomes, online-to-offline tracking provides another layer of insight. Using mobile GPS data, advertisers can analyze whether CTV ad exposure influences store visits, event attendance, or other in-person actions.

Real-time reporting also plays a crucial role in refining CTV strategies. Dynamic dashboards allow advertisers to track performance metrics as campaigns run, adjusting targeting, creative, and placements on the fly. This ability to optimize

campaigns mid-flight ensures that budgets are spent efficiently and that ads reach the right audiences at the right time.

By addressing these complexities, advertisers can move beyond basic exposure metrics and better understand how CTV contributes to business outcomes.

8. Tips for Success

Connected TV combines TV's visual impact with digital advertising's precision targeting, but getting real results requires smart planning. By carefully selecting your audience, designing effective ads, and using data-driven strategies, you can make every advertising dollar work harder on streaming platforms.

These practical tips will help your CTV campaigns perform better, deliver more substantial returns on your investment, and create meaningful connections with viewers who care about your message.

- 1. Choose programmatic execution.** Choose programmatic CTV for more precise audience targeting and cost efficiency. While CPMs may be higher than linear TV, programmatic ensures ads reach qualified viewers rather than being wasted on broad, untargeted audiences -- leading to a stronger return on investment.
- 2. Audience Targeting.** Refine your audience approach by combining multiple data types: first-party data (e.g., your CRM and purchase records), ACR data (which identifies viewing patterns), and third-party audience insights. This layered strategy helps you reach consumers most likely to convert, eliminating wasted impressions.
- 3. High-Quality Creative.** Invest in high-definition, visually compelling ads that command attention on large screens. With CTV's non-scrollable, full-screen format, the first three seconds are critical -- use bold visuals, clear messaging, and strong branding to capture viewers before they disengage.
- 4. Personalization.** Customize ad creative based on audience segments, funnel stages, and behavioral data. CTV's digital foundation enables AI-driven personalization, allowing for tailored messaging that speaks directly to different viewer needs. Personalized ads increase engagement and drive higher conversion rates.
- 5. Call-to-Action (CTA).** Every CTV ad should have a clear, actionable CTA aligning with campaign goals. Whether it's "Visit our site," "Scan the QR code," or "Claim your offer now," ensure the next step is easy to follow and frictionless

for the viewer.

- 6. Cross-Device Retargeting.** Maximize impact by retargeting CTV viewers across multiple devices. Use mobile, desktop, and tablet ads to re-engage audiences who watched your CTV ad, reinforcing messaging with clickable formats that drive action.
- 7. Geotargeting and Dayparting.** Enhance relevance by delivering ads based on location and time of day. Use geotargeting to reach audiences in key markets and dayparting to serve ads when they are most likely to engage -- whether during primetime streaming hours or specific behavioral windows.
- 8. Interactive Elements.** Leverage CTV's interactive capabilities with QR codes, voice commands, and shoppable ad units. These features turn passive viewing into active engagement, allowing audiences to explore products, visit websites, or purchase directly from the ad.
- 9. Measurement and Optimization.** Track real-time performance metrics to optimize campaigns on the fly. Monitor completion rates, engagement levels, conversion tracking, and cross-device attribution to refine creative, adjust targeting, and improve efficiency throughout the campaign.
- 10. Ad Format Variety.** Use a mix of 15- and 30-second ads, ensuring the format aligns with the platform and audience behavior. Repurpose existing video content (TikTok, YouTube, Instagram Reels) for CTV by adapting creatively to fit the larger, immersive viewing experience.

Getting real results from CTV advertising takes more than just running ads—it requires smart data for targeting, creative development, and measuring what works. Using programmatic buying, coordinated messaging across devices, and ads viewers can interact with helps you connect with the people most likely to become customers. Orange 142 will handle these technical details for you, ensuring your campaigns perform at their best and deliver the business growth you're looking for.

9. About Orange 142

Orange 142 is a digital marketing and advertising company with offices across the US. We help marketers of all sizes grow their reach and revenue through data-driven media strategies. We also partner with agencies and execute campaigns on behalf of their clients.

Our team of experts deeply understands the digital landscape and the latest advertising and marketing technologies. We work closely with our clients to develop and execute custom advertising and marketing campaigns that meet specific goals.

We are committed to providing our clients with the highest service and transparency. Open communication and collaboration are essential to the success of every advertising and marketing initiative.

Want to learn how this can work for you? Orange 142 helps businesses of all sizes navigate and maximize emerging advertising channels with strategic guidance and best practices. Let's connect to explore the right approach for your goals. [Contact us today!](#)