

# The CTV Media Market

**2026 Landscape, Distribution Strategy, and Advertising Economics**



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## 1. Executive Summary

Connected TV (CTV) has evolved beyond a simple extension of linear television—it is now the central

nervous system of video content distribution and advertising. For media companies, advertisers, and telcos alike, understanding the structural dynamics of the CTV ecosystem has moved from "nice-to-know" to "strategic imperative."

***This whitepaper synthesizes the latest Q1 2026 market research to address three core questions:***

**1. Market Landscape:** Who leads the US and global CTV markets, and why the distinction between smart TV OS share and total device share matters.

**2. Distribution Strategy:** Why OS-level presence has become the primary determinant of discoverability, engagement, and monetization—and how different levers (pre-installs, premium placement, remote buttons, deep linking) drive incremental lift.

**3. Advertising Economics:** How the \$44.7B global CTV ad market is structured, where value accrues, and what CPM trends mean for advertisers and publishers.

#### **Key conclusions:**

- ▣ Roku leads total CTV device share (28%) in the US, while Samsung (Tizen) leads smart TV OS share (34%). Distribution strategy must account for this split.
- ▣ Premium app-row placement drives the largest incremental lift in MAUs (80-120%), while deep linking and OS-level content merchandising drive the highest paid conversion lift (30-50%).
- ▣ The CTV ad market is growing rapidly but becoming a buyer's market: CPMs are under pressure, programmatic share is rising, and value is concentrated among OS platforms and OEMs—not publishers.

## **2. Market Overview: Global and US CTV Landscape**

### **2.1 Global Market Dynamics**

The Connected TV (CTV) ecosystem has evolved into a **globally scaled, platform-driven market**, with regional dynamics shaped by device penetration, broadband infrastructure, and platform dominance.

#### **APAC: The Growth Engine of Global CTV**

The Asia-Pacific (APAC) region has emerged as the **largest and fastest-growing CTV market globally**, accounting for **38.57% of total CTV revenue in 2024**, with a projected **CAGR of 14.4%**—the highest among all regions.

### *Key Drivers of APAC Growth:*

#### **1. Rapid Smart TV Penetration**

- Strong growth in **mid-range and affordable smart TVs** (TCL, Xiaomi, Hisense)
- Increasing adoption in **price-sensitive but high-volume markets** like India and Southeast Asia

#### **2. Mobile-First to TV Migration**

- Users transitioning from **mobile video consumption** → **large-screen viewing**
- CTV becoming the **primary household entertainment hub**

#### **3. OS Fragmentation with OEM Control**

- Unlike the US, APAC has:
  - Multiple OS ecosystems (Android TV, VIDAA, PatchWall, Tizen)
  - Strong influence of **OEM-led platforms**
- This creates:
  - Lower platform concentration
  - Higher complexity for advertisers

#### **4. Ad-Supported Growth (AVOD/FAST)**

- Price sensitivity drives:
  - Free, ad-supported streaming models
  - Rapid expansion of **FAST channels**

### **North America: The Most Mature & Monetized Market**

While APAC leads in growth, **North America (especially the US)** remains the **most mature and monetized CTV market globally**.

### *Key Characteristics:*

#### **1. Platform Consolidation**

- Dominated by a few key players:
  - Roku
  - Amazon Fire TV
  - Samsung Tizen
- Leads to:
  - **High bargaining power at OS level**

- Concentration of advertising value

## 2. Advanced Programmatic Ecosystem

- ~45–55% of CTV transactions are programmatic
- Strong adoption of:
  - Private marketplaces (PMPs)
  - Data-driven targeting

## 3. High ARPU & Ad Spend

- Higher **ad loads and CPMs** vs global markets
- CTV is now a **core channel in media planning**, not experimental

## Europe: Fragmented but Regulated Growth

Europe represents a **mid-maturity market**, with growth constrained by:

- Regulatory environments (GDPR)
- Fragmented language and content ecosystems


### Key Traits:

- Strong public broadcasters transitioning to CTV
- Slower programmatic adoption vs US
- Increasing focus on **privacy-compliant targeting**

## Global Strategic Insights

### 1. Growth vs Monetization Split

- **APAC = Scale + Growth**
- **US = Monetization + Control**

 **Implication:** Global players must balance **volume markets (APAC)** with **high-yield markets (US)**


### 2. OS Layer Determines Market Power

- US → Platform-controlled ecosystem
- APAC → OEM + fragmented OS ecosystem

 **Implication:** The degree of OS consolidation directly impacts **who captures value**

### 3. Advertising Models Diverge by Region

- APAC → AVOD / FAST driven
- US → Programmatic + premium inventory

 **Implication:** Monetization strategies must be **region-specific, not global templates**

### 4. The Convergence Trend

Despite regional differences, all markets are moving toward:

- Platform-led discovery
- Content-level targeting

- OS-level monetization

While APAC is defining the future scale of CTV, the US continues to define its economic model. The winners in this ecosystem will be those who can operate effectively across both paradigms—balancing scale with monetization, and distribution with platform control.

Global smart TV brand share (by unit shipments, late 2024/early 2025):



Fig 1: Global smart TV market share by brand

Key global trends:

- Android TV/Google TV is the fastest-growing OS segment (projected 5.9% CAGR), driven by adoption across Hisense, TCL, and Sony.
- Retailer-owned brands (e.g., Walmart/Vizio) now capture roughly 5% of global TV shipments—a 2025 inflection point where retailers control the OS to capture high-margin ad revenue.

## 2.2 US Market: Smart TV OS vs. Total CTV Device Share

The US Connected TV (CTV) ecosystem requires a **critical structural distinction** between:

- Smart TV OS Share** → The operating system embedded in the television
- Total CTV Device Share** → All access points, including:
  - Smart TVs
  - Streaming sticks/boxes (Roku, Fire TV, Apple TV)
  - Gaming consoles (PlayStation, Xbox)

### Why This Distinction Matters


At a surface level, market share data may appear straightforward—but **platform power is determined by access layer aggregation**, not just TV shipments.

**Key Insight: *The battle for CTV dominance is not won at the TV level—it is won at the access layer.***

### Market Structure Explained

#### Smart TV OS Share (Embedded Layer)

- Dominated by OEM-driven platforms:
  - Samsung (Tizen)
  - LG (webOS)
- Strength comes from:
  - Hardware sales
  - Default OS control at device activation

 Limitation: No presence in **external streaming devices**

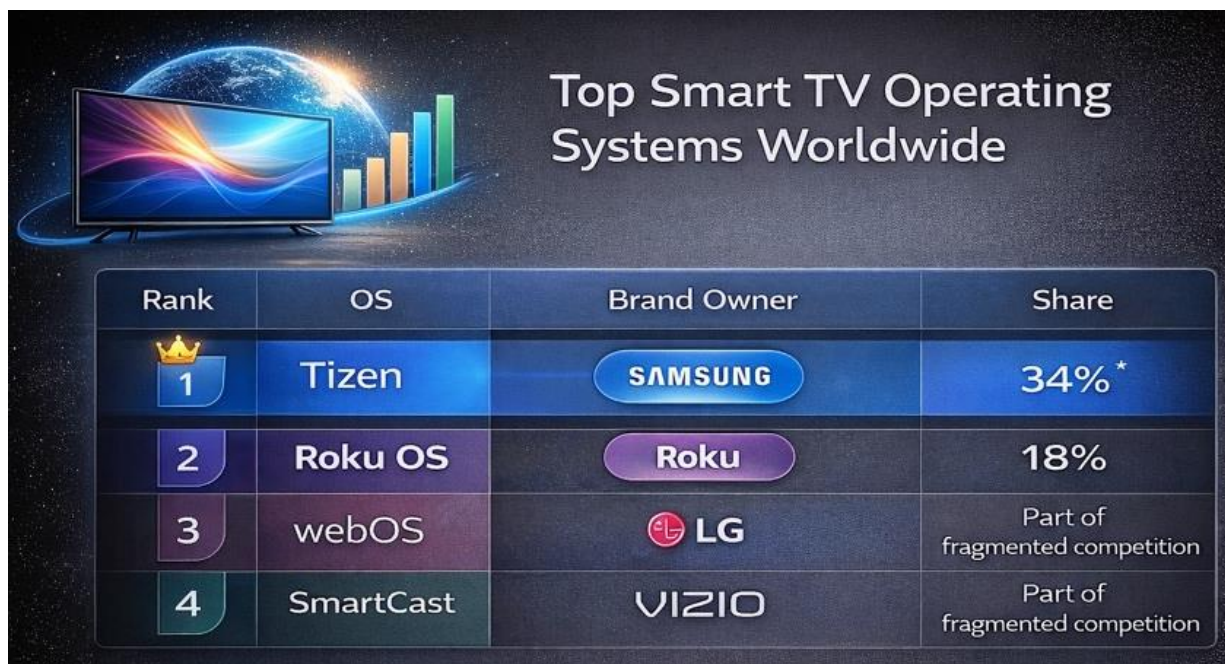


Fig 2: Top Smart TV operating systems worldwide

#### Total CTV Device Share (Access Layer)

- Includes:
  - Built-in OS
  - Plug-in streaming devices
  - Consoles

 This is where **true user reach is measured**



Fig 3: Top CTV platforms by market share (USA)

### 🏆 Platform Positioning: Who Really Leads?

#### Roku: The Aggregation Leader

- Dominates **total device share**
- Strategy:
  - Embedded OS (via OEM partnerships: Hisense, TCL, Philips)
  - Strong streaming device ecosystem (sticks, boxes)
- 👉 Result:
  - Presence across **both embedded + external layers**
  - Maximum reach across households

#### Samsung: The Hardware-Led Leader

- Leads **Smart TV OS share**
- Strength:
  - Premium TV dominance
  - Global hardware scale
- 👉 Limitation:
  - No meaningful presence in:
    - Streaming sticks
    - External device ecosystem

#### Amazon Fire TV: The Hybrid Challenger

- Strong in:
  - Streaming devices
  - Increasing OEM integrations
- 👉 Positioned between Roku and OEMs

### 📈 Growth Dynamics: Emerging Players

#### 🚀 Xumo (Comcast / Charter)

- Fastest-growing platform:
  - **+64% YoY growth** (from a small base)

#### 👉 Strategic angle:

- Backed by **distribution power of ISPs**

#### ▪ Integrated into:

- Broadband bundles
- Pay-TV transitions

#### 📊 Android TV (Google)

- **~10% YoY growth**
- Strength:

- Global ecosystem
- OEM flexibility
- Fragmented UX vs Roku/Amazon

👉 Challenge:

## 🧠 Strategic Implications

### 1. Distribution Strategy Must Be Multi-Layered

- Smart TV presence alone is insufficient
- Must optimize across:
  - Embedded OS
  - Streaming devices
  - Content surfaces

### 2. Roku's Advantage Is Structural, Not Just Scale

Roku wins because it exists **everywhere the user can enter**

- TV
- HDMI
- OS layer

### 3. OEM Leadership ≠ Platform Control

- Samsung leads OS share
- But does **not control access layer breadth**

👉 Control is shifting from:  
Hardware → Platforms

### 4. Telco-Led Platforms Are the Next Disruptor

- Xumo signals a new model:
  - Distribution + connectivity + platform

👉 Potential future shift:  
ISPs becoming **CTV gatekeepers**



## 3. Distribution Strategy: The OS/Device Layer as a Strategic Control Point

### 3.1 The Paradigm Shift: From App-Centric to OS-Centric Behavior

One of the most common strategic errors is treating CTV distribution as a linear extension of mobile app ecosystems. This assumption is fundamentally flawed.

CTV environments—across Android TV, Tizen, webOS, and Roku OS—operate as closed, platform-governed ecosystems where the OS is not merely a technical layer but the primary orchestrator of user attention.






Unlike mobile, where users actively search, CTV is characterized by:

- ▣ Lean-back consumption behavior (users turn on the TV often without knowing what they want to watch)
- ▣ Limited input mechanisms (remote controls vs. touchscreens)
- ▣ High reliance on algorithmic and editorial surfacing

**As a result: "Installed but not surfaced" is functionally equivalent to "non-existent" for a majority of users.**

### 3.2 The Five Levers of CTV Distribution: A Hierarchical Framework

Not all distribution levers are created equal. Their strategic value increases exponentially as one moves up the stack.

Lever	Definition	Role	Strategic Value
 <b>App Availability</b>	App is searchable/ downloadable in the channel store	Baseline access	<b>Low</b> (hygiene factor)
 <b>Pre-installs</b>	App comes loaded on the device out-of-the-box	Initial awareness	<b>Medium</b> (front-loaded impact)
 <b>Premium App-Row Placement</b>	Top-row position (first 3-5 icons) on home screen	Repeated visibility & habit formation	<b>Very High</b>
 <b>OS Integration</b>	Includes Watch Next, search, and content recommendations	Drives conversion	<b>High</b>
 <b>Remote Button Partnership</b>	Dedicated physical button on the remote	Zero-friction habit & moat	<b>Exceptional</b>

**Fig 5: Strategic levers for CTV distribution**

Key insight from industry benchmarks: Premium placement (top row) receives 70-80% of all home screen impressions. If your app is on row 2 or 3, it is effectively invisible.

### 3.3 Quantifying Incremental Lift by Lever

Based on analysis of over a dozen streaming launches and telco-media integrations:





Lever	Lift in Opens (DAU/MAU)	Lift in MAU (Scale)	Lift in Paid Conversion	Lift in Retention
 Pre-installs (alone)	+15-25%	+30-50%	+5-10%	+5%
 Pre-installs + Top Row	+50-80%	+80-120%	+15-25%	+15%
 Remote Button	+100-200% (long-term)	+40-60%	+10-15%	+15%
 OS Content Merchandising (rails/deep links)	+20-40% (spikes)	+10-20%	+30-50%	+10%

Fig 6: Performance impact on TV app ecosystems

### Strategic implications:

- ▣ For volume (MAU growth): Prioritize pre-installs + premium row placement.
- ▣ For revenue (paid conversion): Prioritize OS-level content merchandising (featured rails, Watch Next) and deep linking.
- ▣ For valuation (LTV/churn reduction): The remote button is the only lever that builds a sustainable habit resistant to competitive poaching.

### 3.4 Deep Linking: The Highest-Value Conversion Lever

**Deep linking**—directing a user to a specific piece of content (a live match, a specific episode) rather than the app **Home page**—is arguably the most underutilized conversion lever in CTV.

#### Why it matters:

- ▣ **Friction reduction:** Deep linking reduces time-to-play from ~45 seconds to ~5 seconds for live events.
- ▣ **Conversion impact:** Users who click a deep link and land directly on content convert to paid subscribers at a rate 40% higher than users who land on the generic app home page.
- ▣ **Live events:** For time-sensitive content (sports, news), deep linking is the difference between capturing the viewer and losing them to Twitter for updates.

**The "Netflix problem":** Netflix often blocks deep linking from third-party OSs (e.g., Apple TV's "Up Next") to control the user journey and prioritize their own algorithmic recommendations. This highlights that deep linking is not just technical—it is strategic.

**Telco advantage:** Telcos can mandate deep-linking capabilities as part of distribution deals, ensuring that marketing spend (SMS, email, bill inserts) converts to consumption.

## 4. Advertising Economics: Growth, Structure, and Value Distribution

## 4.1 Market Size and Growth

CTV advertising is one of the fastest-growing segments in digital media.

Metric	Value
Global CTV ad spend (2026)	~\$44.7 billion (projected)
US CTV ad spend (2026)	~\$27.9 billion (projected)
US CTV ad spend (2030 projection)	>\$125 billion

Fig 7: Revenue Spends on CTV Advertising [Projected]

### Growth drivers:

- ▣ Shift from linear TV to streaming
- ▣ Increasing ad-supported tier adoption (Netflix Basic with Ads, Disney+ Ads, etc.)
- ▣ Programmatic automation and improved targeting

## 4.2 Competitive Landscape: Programmatic Ad Share (US)

The US programmatic CTV ad market is highly concentrated among a few platforms:

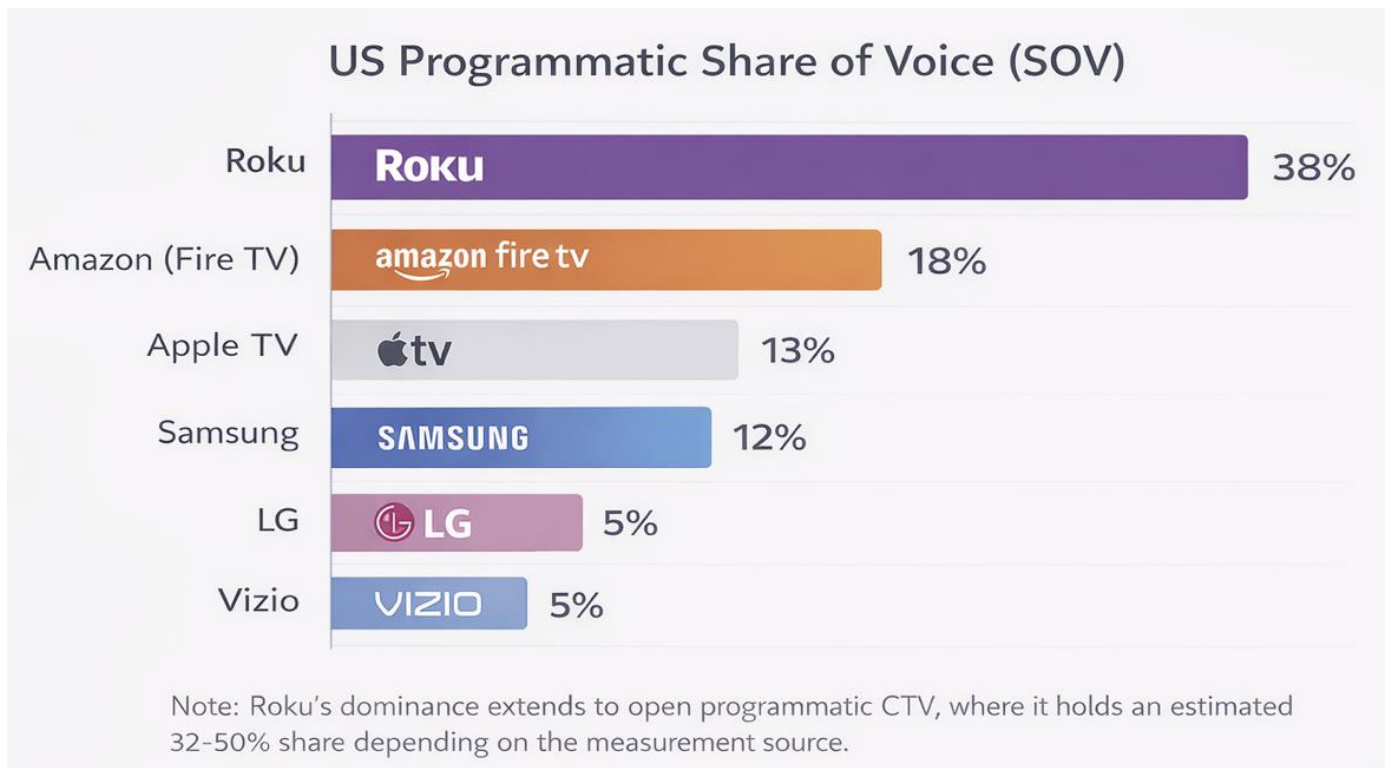


Fig 8: US programmatic share of voice analysis

### 4.3 CPM Trends: A Buyer's Market Emerges

Recent data indicates that CTV CPMs are under significant pressure:

**Average CTV CPM (2025):** ~\$20-\$25 (down from \$30-\$35 in 2022)

**Programmatic CTV CPMs:** Often lower, in the \$15-\$20 range

**Premium inventory (live sports, top-tier content):** Still commands \$35-\$50+ CPMs

#### Why CPMs are falling:

- ▣ **Supply surge:** More ad-supported tiers (Netflix, Disney+, Amazon Prime Video ads) have dramatically increased available inventory.
- ▣ **Ad load increases:** Platforms are increasing ad minutes per hour, further suppressing prices.
- ▣ **Buyer consolidation:** Major agency holding groups and DSPs (The Trade Desk, Google DV360) wield significant negotiating power.
- ▣ **Implication for advertisers:** CTV is becoming a buyer's market. Advertisers can secure high-reach, brand-safe inventory at declining prices. However, fragmentation remains a challenge.

### 4.4 Programmatic Trends and Ad Fraud

The CTV programmatic ecosystem is maturing but faces structural challenges:





Trend	Current State
 Programmatic share of CTV transactions	~ 45-55% and growing
 Private marketplace (PMP) dominance	Preferred over open auction for brand safety
 Ad fraud (IVT)	Estimated 5-10% of CTV inventory (lower than display, but rising)
 Measurement standardization	Still fragmented; ISBA's Project Orchid and MRC guidelines improving

Fig 9: CTV advertising Structural Challenges

**Key risk:** As CTV programmatic grows, so does "made-for-advertising" (MFA) CTV inventory—channels with minimal legitimate viewership designed to capture programmatic spend.

## 4.5 The Publisher Squeeze: Where Value Actually Accrues

The most important structural insight for media companies: The CTV advertising value chain is highly concentrated at the OS/platform layer, not the content publisher layer.

### Who captures value:









Ecosystem Player	Value Capture Mechanism	Share of Total CTV Ad Dollar (Est.)
 <b>OS Platforms</b> (Roku, Amazon, Google)	Ad inventory control, data, SSP fees	 ~40–50%
 <b>OEMs</b> (Samsung, LG, Vizio)	ACR data licensing, home screen inventory	 ~15–20%
 <b>Content Publishers</b> (NBCU, Disney, Paramount, etc.)	Direct-sold and programmatic ad revenue	 ~30–40%
 <b>Ad Tech Intermediaries</b> (SSPs, DSPs, measurement)	Technology fees	 ~5–10%

Fig 10: Connected TV ad ecosystem breakdown

### Why publishers are squeezed:

- I. **OS platforms control the home screen:** They decide which content gets surfaced. Without placement, even high-quality content goes unwatched.
- II. **ACR data advantage:** OEMs like Samsung and LG capture Automatic Content Recognition (ACR) data—what is actually on the screen—giving them targeting advantages that publishers cannot replicate.
- III. **Revenue share requirements:** Many OS partners demand 15-30% of subscription revenue from apps that gain premium placement.
- IV. **Strategic implication for publishers:** Owning content is no longer sufficient. Winning in CTV requires owning or partnering deeply at the OS layer—or accepting compressed margins.

## 5. Strategic Implications for Advertisers and Publishers

### 5.1 For Advertisers

- A. **Leverage falling CPMs:** Run programmatic CTV tests at current pricing. The market favors buyers.
- B. **Demand measurement rigor:** Work with partners who support MRC-accredited measurement and avoid MFA inventory.
- C. **Prioritize platform-direct deals:** Roku OneView, Amazon DSP, and Google DV360 offer superior targeting vs. pure open auction.
- D. **Use deep linking in ad creative:** QR codes or companion ads that deep-link to specific content dramatically improve conversion.

### 5.2 For Publishers (Media Companies)

- a. **Invest in OS integration, not just distribution:** Being available is not enough. Prioritize "Watch Next" integration, universal search compatibility, and premium placement negotiations.
- b. **Use telco leverage if available:** Telcos that bundle devices or broadband have unique negotiating power to secure placement without paying full slotting fees.
- c. **Treat deep linking as a contractual requirement:** Ensure any distribution deal mandates deep-linking support for marketing campaigns.
- d. **Consider OS ownership or partnership:** The most successful players (Roku Channel, Amazon Freevee, Samsung TV Plus) own the OS layer. Where ownership is impossible, pursue deep strategic partnerships.

### 5.3 For Telco-Media Partnerships

Telcos have a unique structural advantage in CTV negotiations:

- 1) **Hardware distribution leverage:** "We will buy 1 million Samsung TVs for our broadband customers if Samsung puts our app in the top row."
- 2) **Bundled billing:** OS partners prioritize services that are bundled into mobile or broadband bills (reduces payment friction).
- 3) **Set-top box control:** Telcos that own the gateway (router) or STB can pre-install and feature their own apps without negotiating with Roku or Amazon.

**Recommended baseline for telco-media partnerships:** Pre-installs + premium row placement as the minimum ROI driver, with the remote button as the ultimate strategic asset for high-value customer segments.

## 6. Conclusion: The Three Pillars of CTV Success

Based on the Q1 2026 market research and behavioral analysis, three pillars define success in CTV:



Pillar	Key Takeaway
 <p><b>Distribution</b></p>	<ul style="list-style-type: none"> <li>• Being visible on the home screen is more valuable than being available everywhere.</li> <li>• Premium placement drives 2-3x opens vs. non-prominent placement.</li> </ul>
 <p><b>User Experience</b></p>	<ul style="list-style-type: none"> <li>• Deep linking to specific content converts at 3-5X the rate of homepage routing.</li> <li>• Every additional click increases abandonment by 20-30%.</li> </ul>
 <p><b>Advertising Economics</b></p>	<ul style="list-style-type: none"> <li>• CTV is a buyer's market with falling CPMs, but value is concentrated at the OS layer.</li> <li>• Publishers must own or partner deeply at the OS level to avoid margin compression.</li> </ul>

Fig 11: Connected TV success pillars infographic

### Final synthesis:

Winning in CTV is no longer about having the best content alone. It is about winning the moments before the app is even launched—through OS prominence, deep integration, and a distribution strategy that treats the platform as a strategic partner, not just a channel.

In the US CTV market, ownership of the television does not equate to ownership of the viewer. The true power lies with platforms that control multiple entry points into the ecosystem—making aggregation, not installation, the defining metric of dominance.

*This whitepaper is based on Q1 2026 CTV device market research data, including Parks Associates CES 2026 findings, S&P Global Market Intelligence (Kagan), and industry benchmarks from Antenna, Nielsen, and Comscore.*