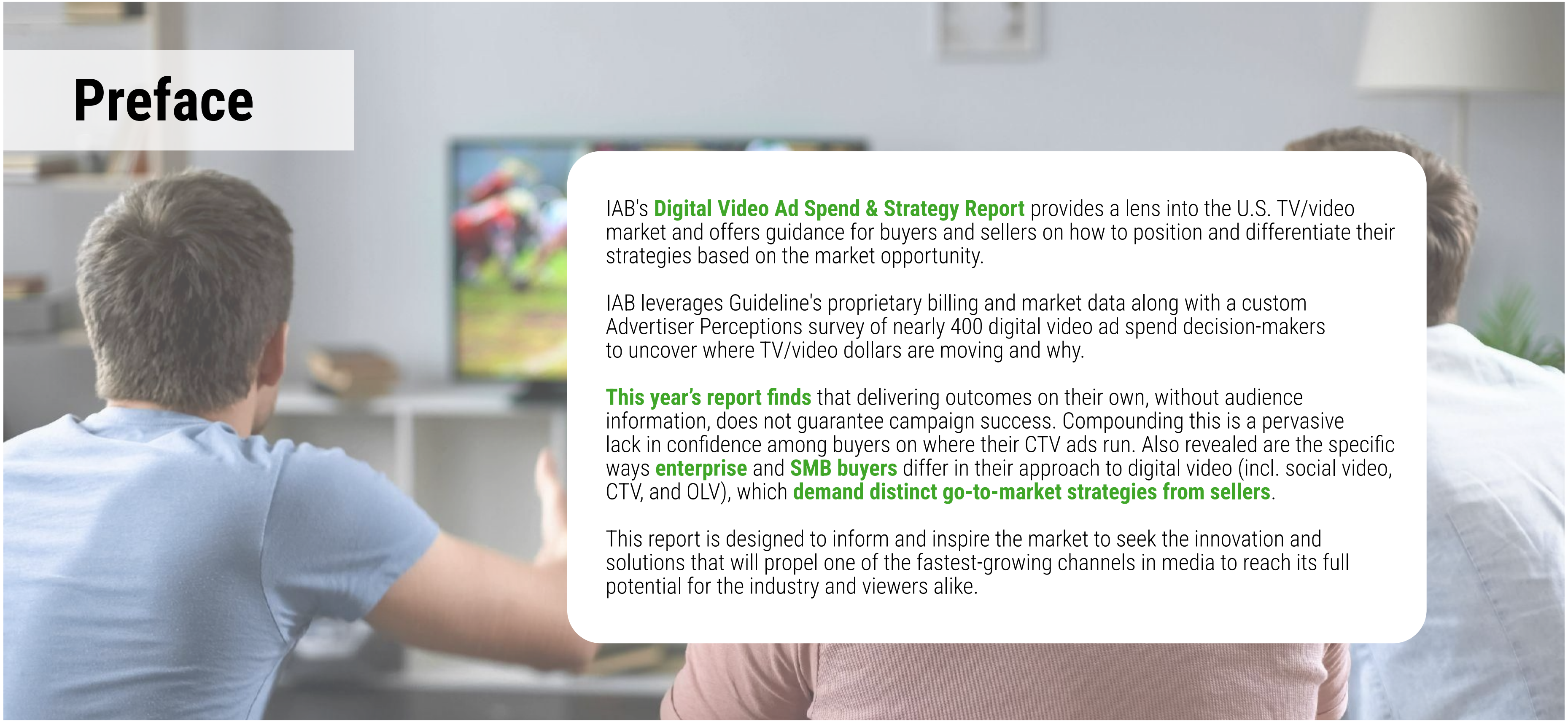
2026 Digital Video Ad Spend & Strategy Report

FULL REPORT

July 2026

Contents



Preface

IAB's **Digital Video Ad Spend & Strategy Report** provides a lens into the U.S. TV/video market and offers guidance for buyers and sellers on how to position and differentiate their strategies based on the market opportunity.

IAB leverages Guideline's proprietary billing and market data along with a custom Advertiser Perceptions survey of nearly 400 digital video ad spend decision-makers to uncover where TV/video dollars are moving and why.

This year's report finds that delivering outcomes on their own, without audience information, does not guarantee campaign success. Compounding this is a pervasive lack in confidence among buyers on where their CTV ads run. Also revealed are the specific ways **enterprise** and **SMB buyers** differ in their approach to digital video (incl. social video, CTV, and OLV), which **demand distinct go-to-market strategies from sellers**.

This report is designed to inform and inspire the market to seek the innovation and solutions that will propel one of the fastest-growing channels in media to reach its full potential for the industry and viewers alike.

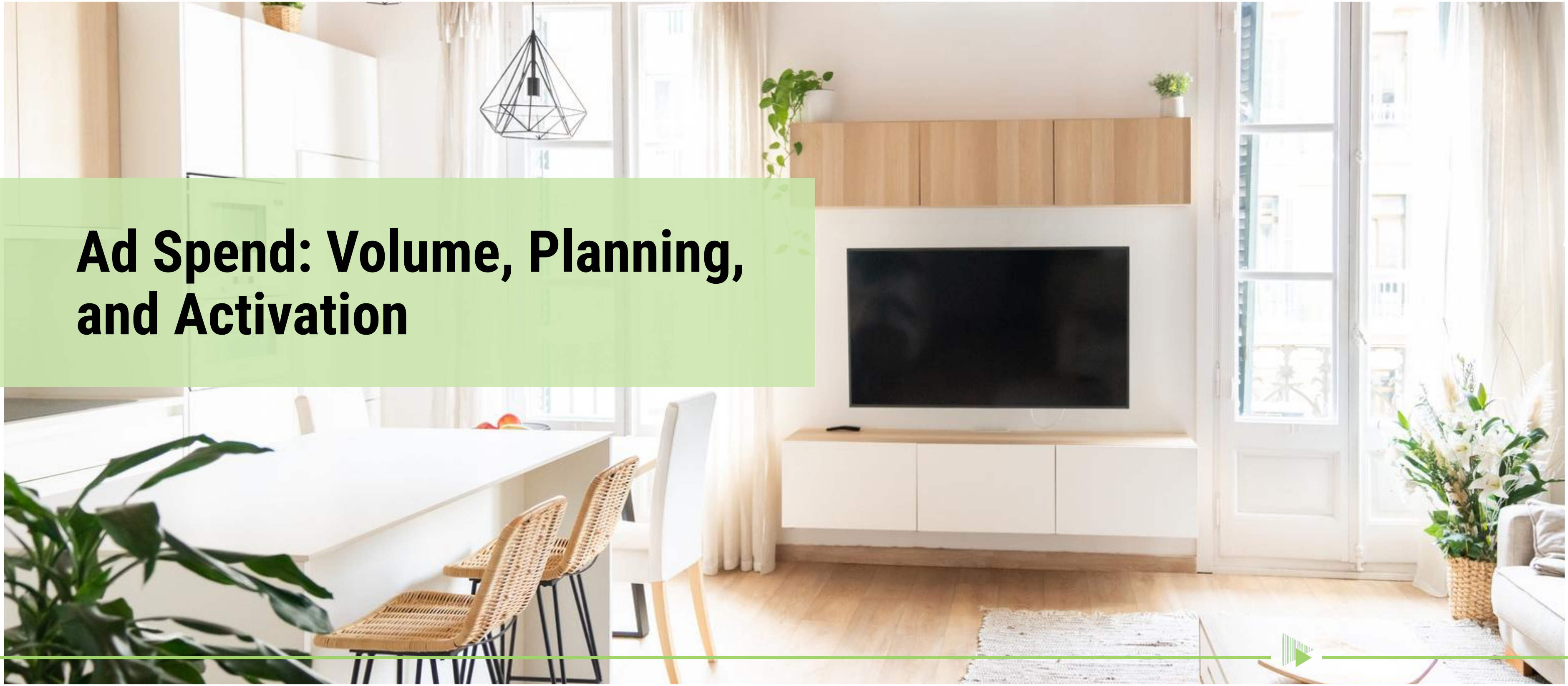
Key Findings, Insights, and Action Items (1 of 2)

	KEY FINDING	INSIGHT	ACTION ITEM
01	**Cost** and **audience delivery** increased to rival business outcomes and targeting capabilities in why buyers cut streaming partner spend. **Targeting capabilities** is also now the #1 criteria buyers use for investment selection.	Outcome delivery alone doesn't guarantee streaming partner success.	Sellers should pinpoint which audiences drive outcomes—critical for replicating success as performance demands rise, signal loss erodes targeting reliability, and AI-enabled automation (bots, crawlers, agents) complicate audience classification.
02	**Social video is rated the most effective** digital video channel by SMBs* at every stage of the consumer journey, while **large spenders* rate CTV significantly more effective** at the start and comparable at other stages.	Two buyer markets exist for CTV streamers: the large spenders who believe CTV delivers outcomes and the SMBs who remain skeptical.	Streamers should optimize engagement capabilities and streamline actions needing a 2nd device—top obstacles buyers cited. Proving buyer considerations (incl. viewer mindset, environment, device, interactivity, and content source) are key.
03	Even within the most **trusted CTV buying methods**, less than 60% of buyers have high confidence in knowing the legitimacy, source, and placement of where their ads ran.	An industry-wide trust problem persists across the streaming programmatic ecosystem spanning all activation methods.	Fraud is the leading mistrust driver, but buyers are less likely to pay a premium to prevent it. Sellers should invest in tools that improve campaign performance and accountability–things buyers are willing to pay more for.

*Small and mid-size spenders = annual ad spend < $50M; Large spenders = annual ad spend > $50M

Key Findings, Insights, and Action Items (2 of 2)

	KEY FINDING	INSIGHT	ACTION ITEM
04	Nearly all digital video buyers (96%) see a role for **agentic AI in programmatic**, but they're unsure what that will be: two-thirds envision an optimization layer while half see a new model for auction-based buying.	Whether agentic AI becomes an enhancement or a replacement, human trust will be a key factor in the breadth of its role.	Buyers want real-time visibility and final say over agent actions above all else, but proof of value and decision rationale rank close behind. Buyers and sellers should prioritize knowing how agents drive results before limiting the scope of their use.
05	Buyers place news, sports, and awards shows in a clear top tier of **video content defined as "truly live"**, and nearly all (93%) say live content is more valuable than other types of digital video content.	Although buyers are "sold" on the value of live digital video content, sellers still need to prove it delivers.	With attention, outcomes, and the "owning the moment" driving live's value, sellers should lean into these to justify premium pricing. Providing real-time measurement and interactivity are also key opportunity areas.

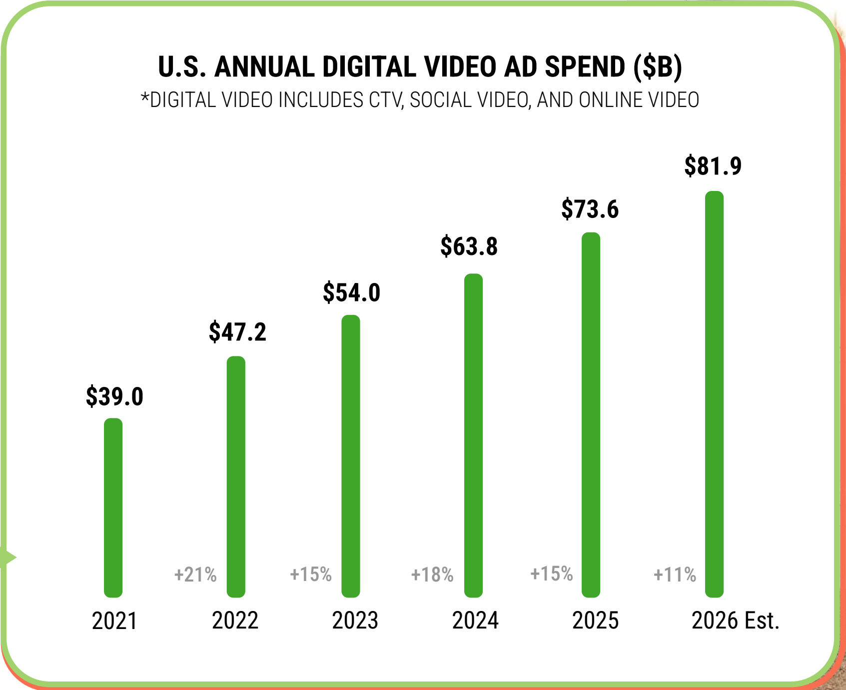


Ad Spend: Volume, Planning, and Activation

Digital video ad spend will exceed $80B in 2026–doubling its volume over the last 5 years

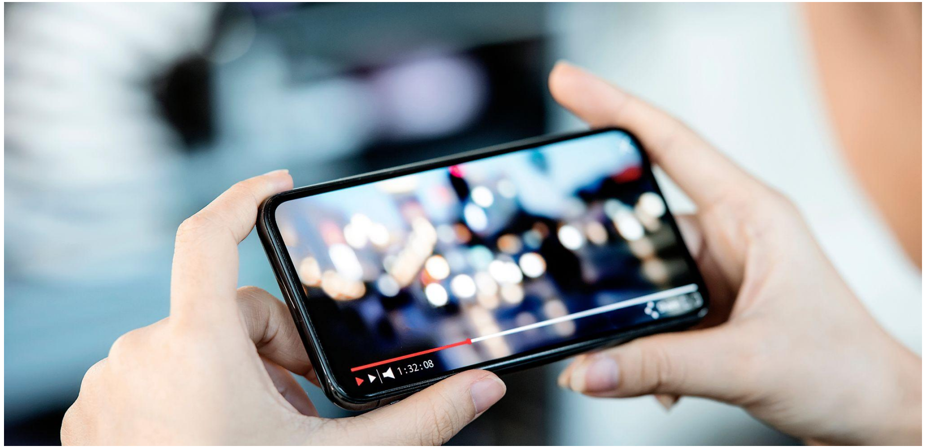
Digital video (incl. CTV, social video, and online video) is **projected to grow 11% in 2026–nearly 20% faster** than the overall ad market.*

Growth is roughly half its 2022 peak as the market normalizes from the post-COVID acceleration and continues to mature with digital overall. New macroeconomic factors have created additional ad spend headwinds.

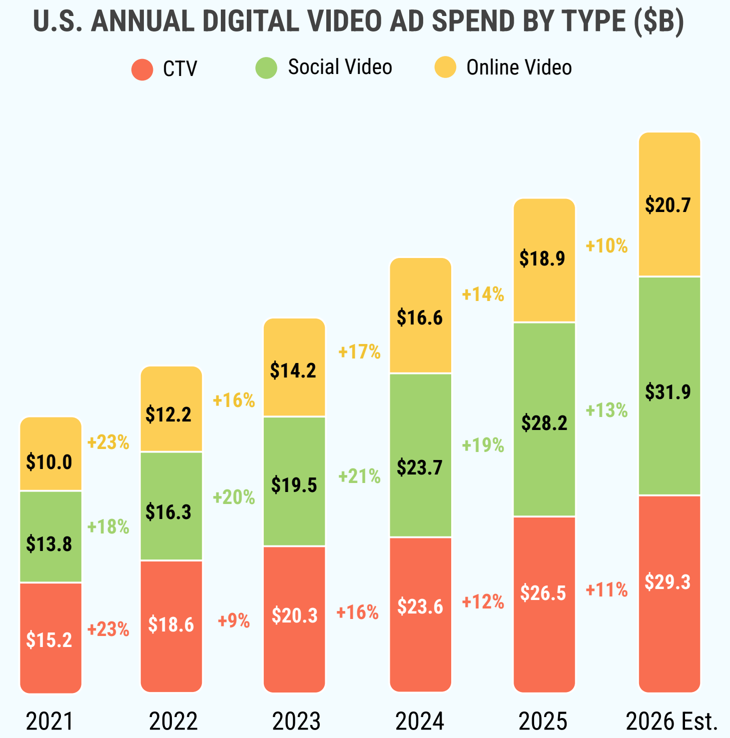


*IAB 2026 Outlook, January 2026
Source: Guideline estimates of total digital video ad spend

Social video ad spend notably overtook CTV in 2025 and is likely extend that lead in 2026

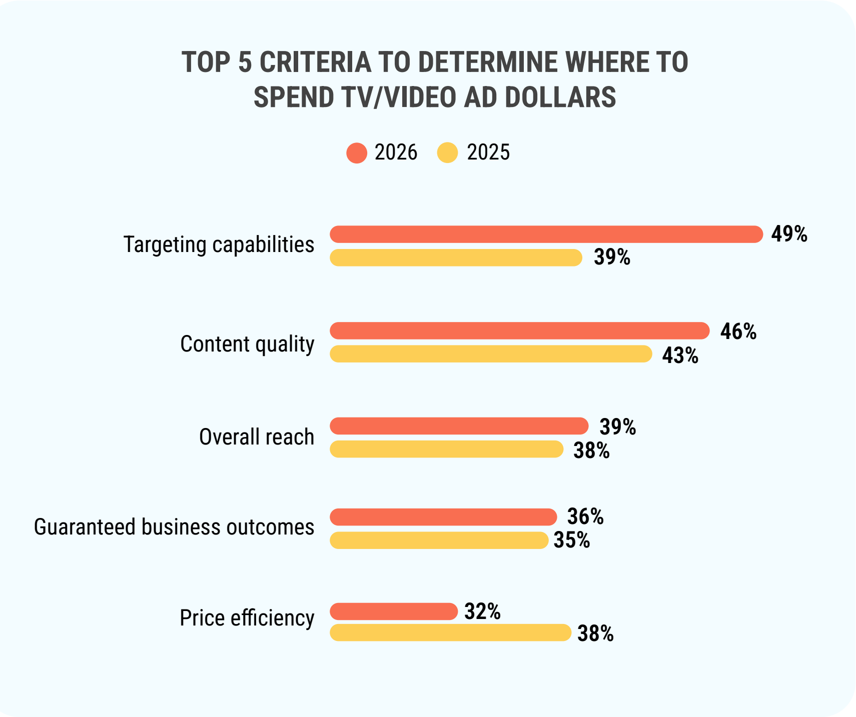


Social video's growth (incl. YouTube) reflects an increasingly modified stack of **AI-powered personalization, creative optimization**, and **measurement** tools dovetailing with a maturing **creator economy**–a combination of factors attractive to advertisers. Meanwhile, CTV's continued momentum is driven by **live** events, **"Hollywood-produced"** content and a strengthening track record of delivering **measurable business outcomes**.



Source: Guideline estimates of total digital video ad spend

Targeting surpasses content quality as the top criteria driving TV/video investment



Up 10 points YoY, targeting's rise reflects growing urgency: as identity signals erode, and AI-enabled automation (bots, crawlers, agents) complicate audience classification, buyers place more weight on partners who can verify and activate true human reach.

SMBs (annual spend < $50M) are driving the shift (+23 pts YoY; data not shown), bringing higher expectations for niche audience targeting into video while remaining more exposed to open-market buying, where identity challenges may be more acute.

Business outcomes also remain a top criterion, underscoring continued pressure to tie spend to measurable results.

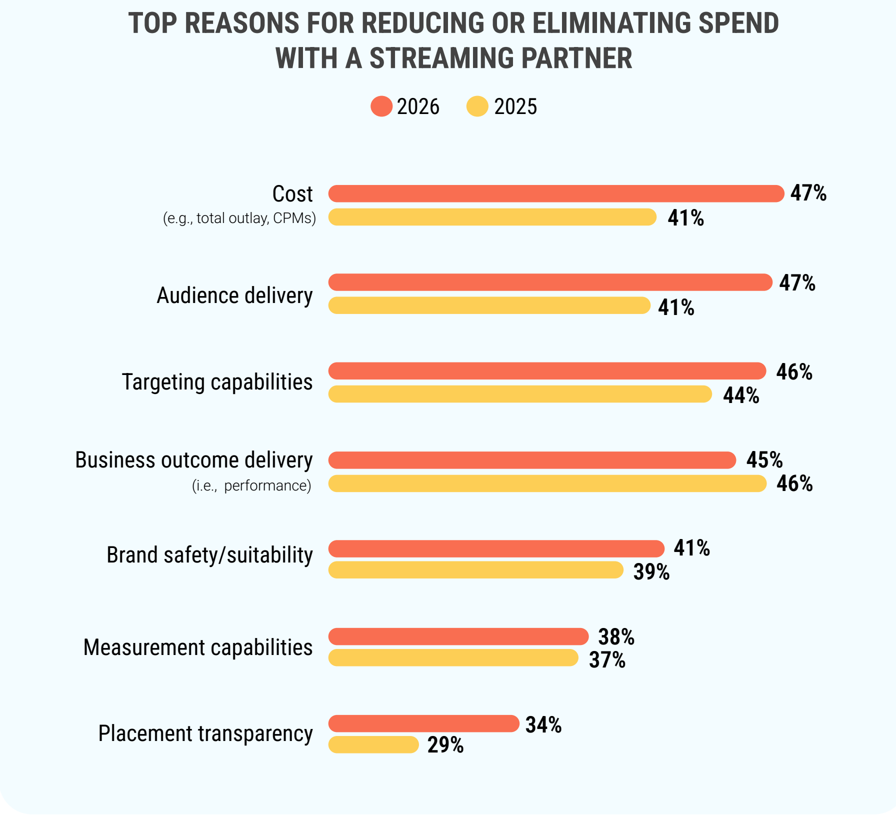
Q: Please select your top 5 most important criteria you use to determine where to spend your TV/video dollars.
Base: Total Respondents, n=360

In CTV, targeting, along with cost and audience delivery, are now top factors in partner spend reduction/removal

Cost and audience delivery surged YoY to join targeting capabilities and business outcomes among the top reasons buyers reduce or remove spend with CTV streaming partners.

Due to the targeting issues mentioned previously, buyers are placing greater weight on understanding more precisely **which audiences drove performance** to help replicate or build on success in delivering business outcomes—and in the process use spend more effectively.

For SMBs*, at 60% (data not shown), targeting was by far the top reason—this is likely compounded by their need to reach niche audiences and macroeconomic-driven ad spend pressures.



*Q: When you reduce or totally remove spend from a particular streaming/network partner (e.g., CTV/OTT - Hulu vs. Roku vs. Paramount+ vs. HBO Max) what are the top characteristics of that partner, among this list, that contribute to that decision? Responses below 30% for 2026 not shown; Base: Total Respondents, n=360 *Small and mid-size spenders = annual ad spend < $50M*

Business Outcomes: Channel Performance Assessment

Large spenders rate CTV competitive with social video across the consumer journey while the smallest spenders favor social video by far

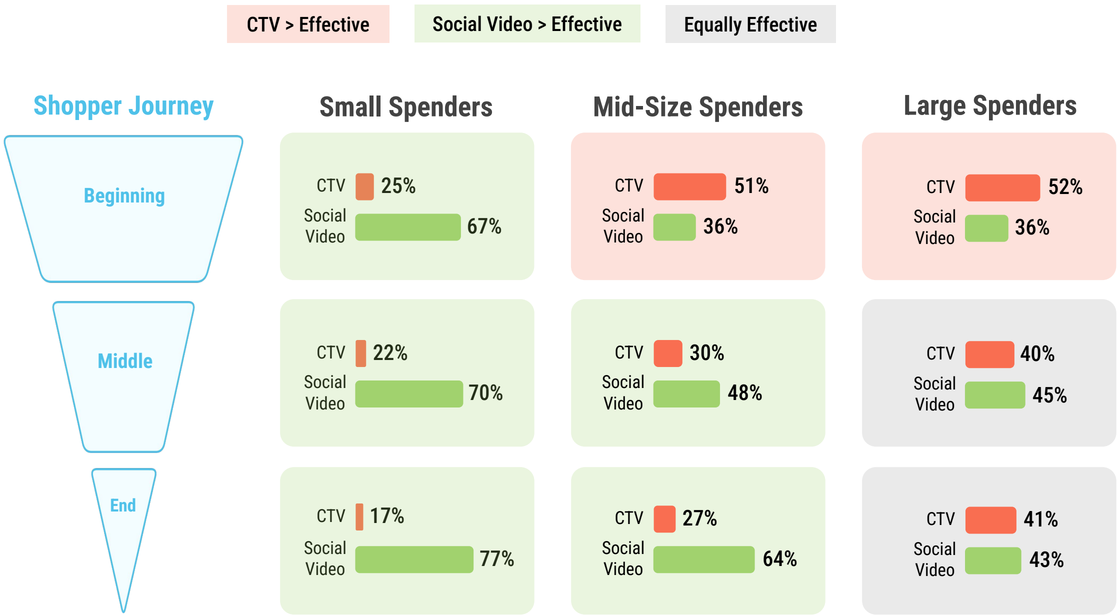
In assessing strength in driving outcomes, **large and mid-size spenders* favor CTV** at the top of the consumer journey, but diverge as it progresses. While large spenders find CTV and social video comparable at the middle and end stages, mid-size spenders shift toward social video.

Small spenders* favor social video at each stage.

Large spenders' relative confidence in CTV across the journey likely reflects a business outcome mix weighted toward awareness and brand equity rather than direct sales. Smaller spenders pursuing lower-funnel conversions gravitate to social's targeting precision and native commerce features.

OUTCOME PERFORMANCE ASSESSMENT: CTV & SOCIAL VIDEO

CHANNEL BUYERS FIND MORE EFFECTIVE IN DRIVING OUTCOMES



*Small spenders = annual ad spend < $10M; Mid-side spenders annual ad spend $10M-$50M; Large spenders = annual ad spend > $50M

Q: For driving upper-funnel outcomes such as brand awareness and brand perception, for driving mid-funnel outcomes such as consideration and preference, and for driving lower-funnel outcomes such as sales, store visits (online./offline), and lead-gen how would you characterize each format's strength relative to the others?

Base: Total Respondents, n=360

Buyers cite engagement capability gaps and conversion friction as CTV's top end-of-journey performance barriers

Two-in-five buyers cite a lack of interactive capabilities and the need for a second device to take action as CTV's biggest end-of-journey obstacles—a reminder that the lean-back experience that makes CTV so powerful for attention may work against it for conversions.

Limited shoppable formats and **platform fragmentation** compound the problem.

SMBs* feel it most acutely on the investment front, citing high CPA at nearly twice the rate of large spenders (44% vs. 28%; data not shown).

TOP FACTORS LIMITING CTV'S END-OF JOURNEY EFFECTIVENESS

39%
Lack of direct click through capability

38%
Needing a second device to take action

35%
Limited scale of shoppable formats

34%
High CPA

33%
Fragmented reach across platforms

**Small and mid-size spenders = annual ad spend < $50M*

Q: What limits the effectiveness of CTV for lower-funnel business outcomes?

Base: Rated CTV Effectiveness for Lower-Funnel as "In the Middle" or "Lags Behind the Other Two", n=237

The CPG, retail, fashion, and consumer electronics categories were most likely to cite limited scale in shoppable formats

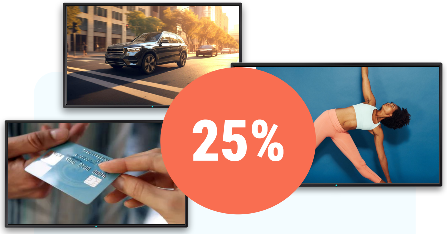
CPG, retail, fashion, and low-end electronics tend to have **shorter, low-consideration purchase journeys,** where a consumer moves quickly from awareness to purchase, making the absence of shoppable formats a direct, costly gap.

% THAT SAY LIMITED SCALE OF SHOPPABLE FORMATS LIMITS CTV'S END-OF-JOURNEY EFFECTIVENESS

BY CATEGORY

CPG, Retail, Fashion/Apparel, Consumer Electronics

Travel, Telecom, Media & Entertainment



Auto, Financial Services, Health/Wellness

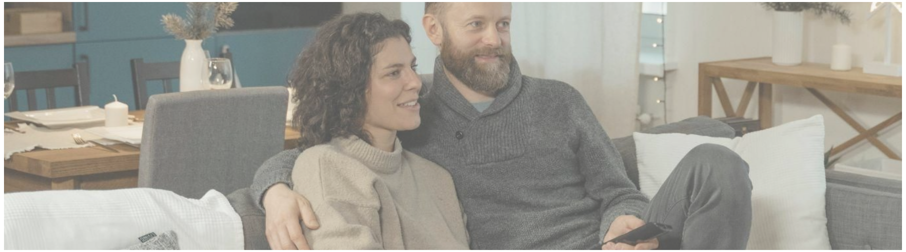
Q: What limits the effectiveness of CTV for lower-funnel business outcomes?
Base: Rated CTV Effectiveness for Lower-Funnel as "In the Middle" or "Lags Behind the Other Two" - CPG, Retail, Fashion/Apparel, Consumer Electronics, n=76; Travel, Telecom, Media & Entertainment, n=60; Auto, Financial Services, Health/Wellness, n=60

Buyers believe viewer mindset and ad interactivity are the strongest drivers of end-of-journey performance

Mindset and **interactivity** as leading factors suggests that viewer receptivity and the ability to act in the moment matter more than where or how content is consumed.

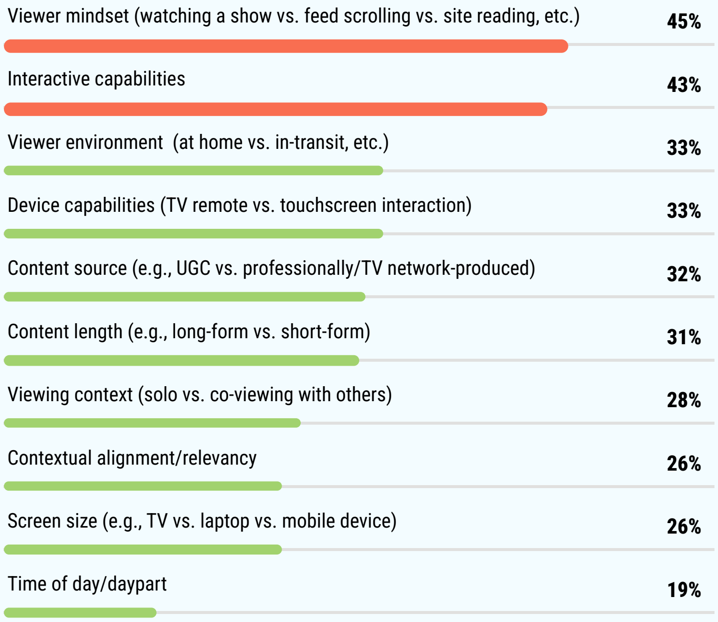
Viewing environment, device capabilities, and **content source** round out the top five, reflecting buyers' understanding that context and content still shape conversion even when mindset is right.

Notably, **small spenders** place greater weight on content length (47%) and daypart (30%, data not shown)—signaling that for buyers with tighter budgets capitalizing on the moment carries more weight.



FACTORS BUYERS THINK DRIVE PERFORMANCE

FOR LOWER-FUNNEL OUTCOMES



Q: Which of the following factors MOST shape your expectations for which lower-funnel business outcomes (e.g., sales, store visits (online/offline), and lead-gen) various digital video formats can deliver? Select up to 5.
Base: Total Respondents, n=360

Programmatic CTV: Transparency & Trust

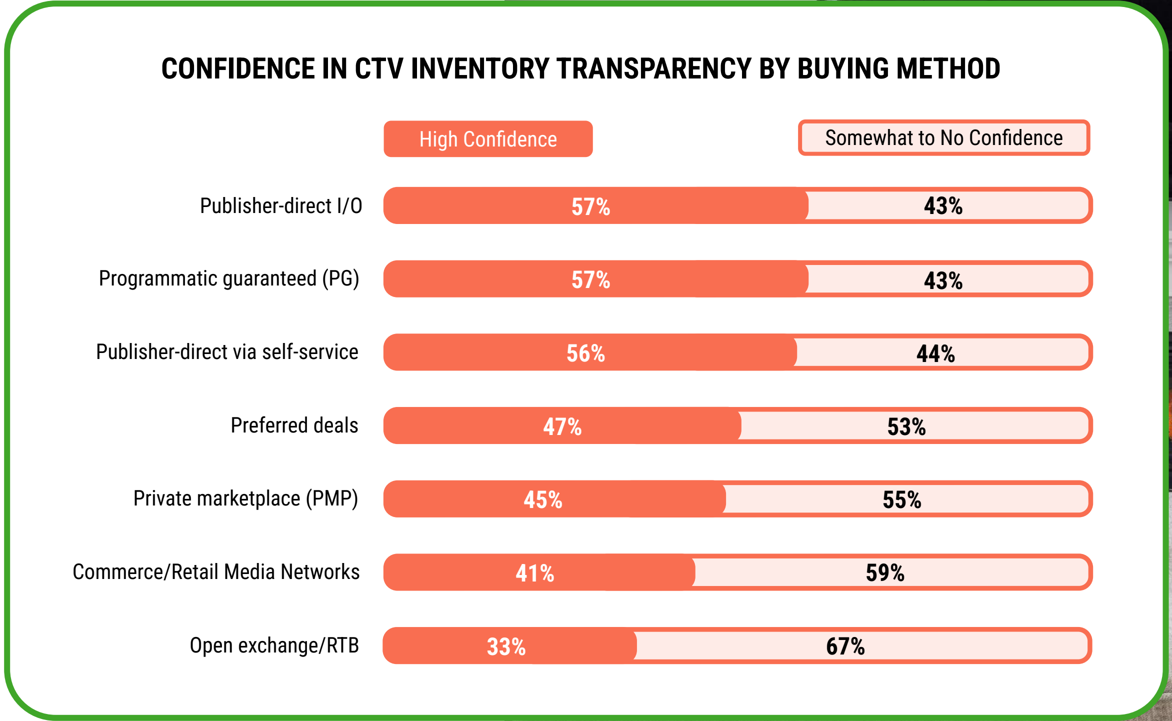
Regardless of activation method, a strong share of buyers lack confidence in where their CTV ads ran

Even the most trusted CTV buying methods, direct I/O, programmatic guaranteed, and self-serve, earn high confidence in inventory transparency, i.e., knowing the legitimacy, source, and placement of where their ads ran, from only 57% of buyers.

Confidence drops to less than half for PMPs and one-third for open exchange/RTB.

PMPs, despite their "private" label, often route through multiple intermediaries, exposing buyers to the same verification gaps as the open market.

Taken together, these findings reveal there's an industry-wide trust problem across the entire streaming programmatic ecosystem.

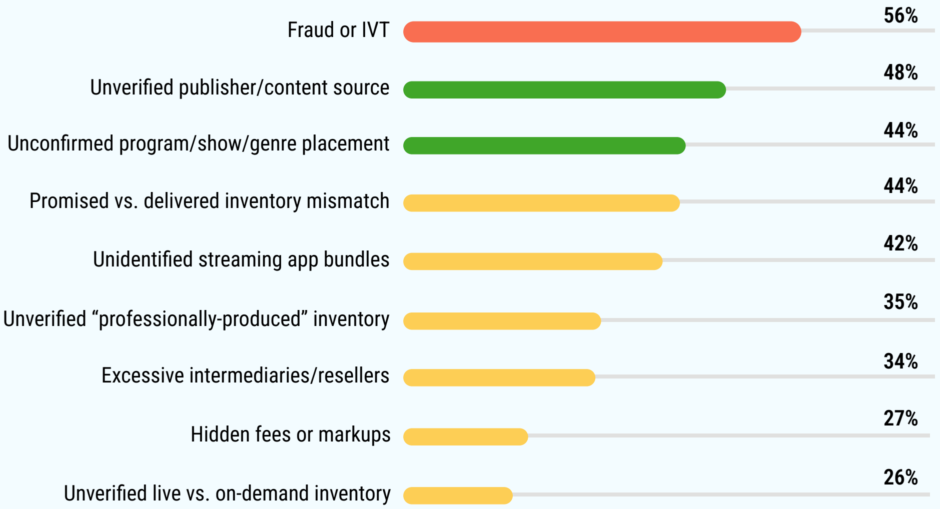


Q. When buying CTV inventory through each of the following methods, how confident are you in the transparency of the inventory (i.e., knowing the legitimacy, source, and placement of where your ads will run)?
Base: Users of Each Buying Method, n=floating base

In open CTV exchanges, fraud is the leading driver of buyer mistrust, followed closely by unknowns regarding content source and placement

KEY ISSUES REDUCING TRUST IN CTV PROGRAMMATIC INVENTORY TRANSPARENCY

BASE: THOSE WHO ARE NOT CONFIDENT IN OPEN EXCHANGE BUYS



While fraud tops buyer concerns, the inability to verify publisher sources or program-level placements are nearly as problematic.

Buyer trust is being eroded on two fronts: **(1)** bad actors inserting invalid inventory into the marketplace and **(2)** uncertainty around the origin and placement of otherwise legitimate inventory.

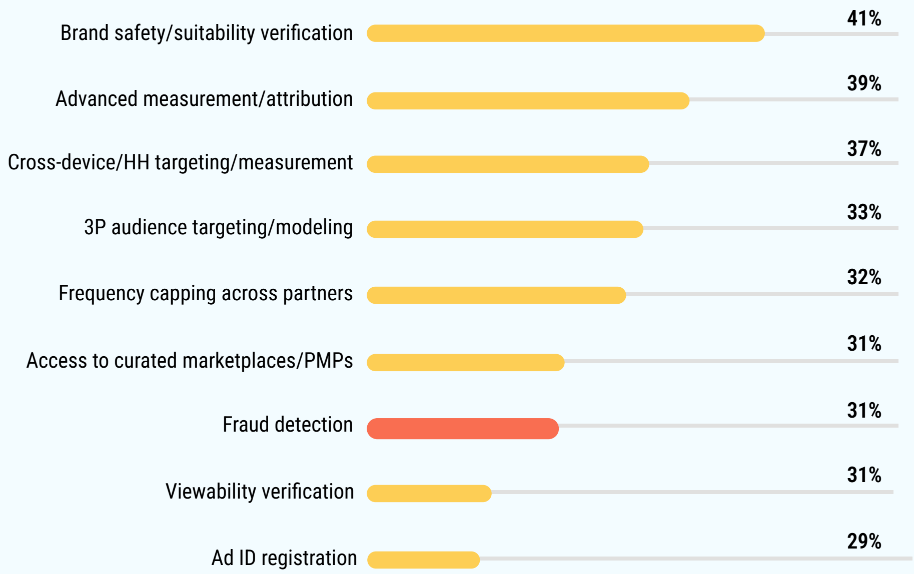
Q. What specifically within open exchange CTV programmatic activation MOST undermines your confidence in inventory transparency?
Base: Open Exchange/RTB Rated "Not too Confident" or "Not at all Confident", n=77

Although fraud drives the most mistrust, buyers are less willing to pay to prevent it

Buyers **reserve their premium spend** for services that protect them and measure performance, e.g., brand safety, measurement, and targeting.

The message is clear: buyers expect fraud protection to be built into the cost of doing business, and will pay a premium only for tools that demonstrably improve campaign performance and accountability.

SERVICES WORTH PAYING ADDITIONAL FEES FOR



Q. Which of the following services are valuable enough that you would be willing to pay additional programmatic adtech fees to access them?
Base: Total Respondents, n=360

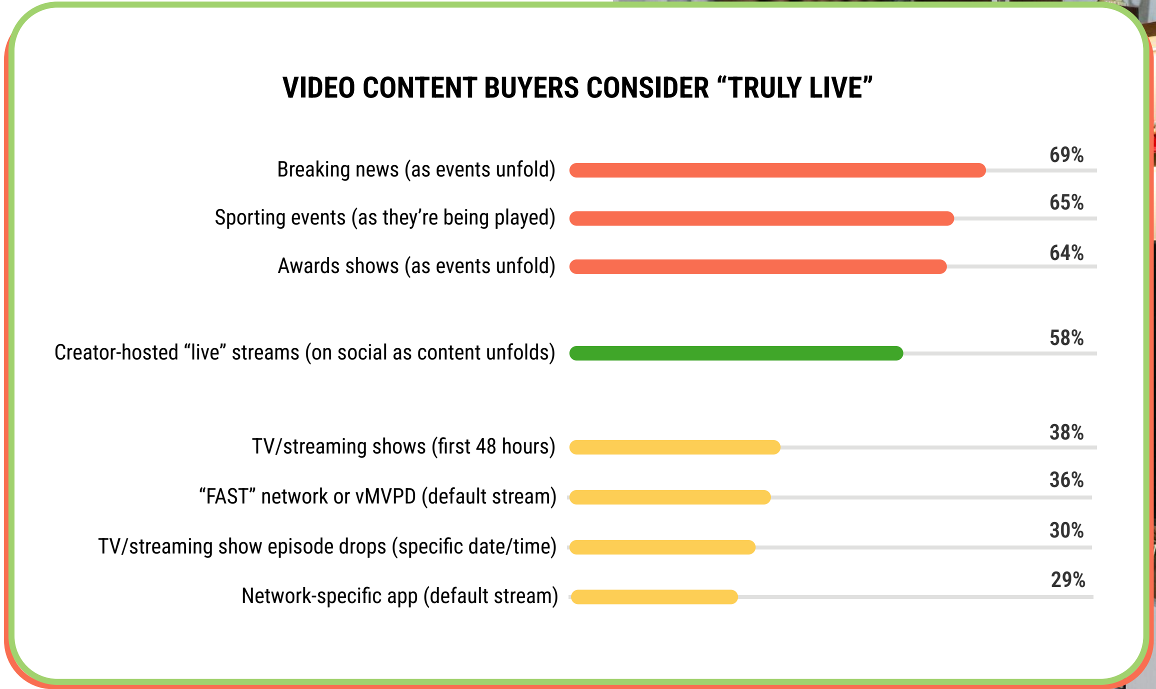
Live Content: How It's Defined & Valued

Breaking news, sports, and awards shows lead three tiers in an expanding definition of 'live' content

Breaking news, sports, and awards shows form a clear top tier of content that consumers feel **the need to watch as it happens.**

Creator-hosted live streams following closely reflects the growing recognition that live, personality-driven content carries similar **appointment-viewing energy**.

FAST and vMVPD "cable-like" streams, new episode drops, and network streaming apps represent content that **mimics live's scheduling and cadence** but **lacks its defining characteristic:** seeing unscripted content as it unfolds.



Q: The industry uses the term "live" to describe many different types of ad-supported, video content. Please indicate how you would classify each of the following? - "Truly live"
Base: Total Respondents, n=360

Buyers are nearly unanimous on live's value with viewer attention being its leading driver

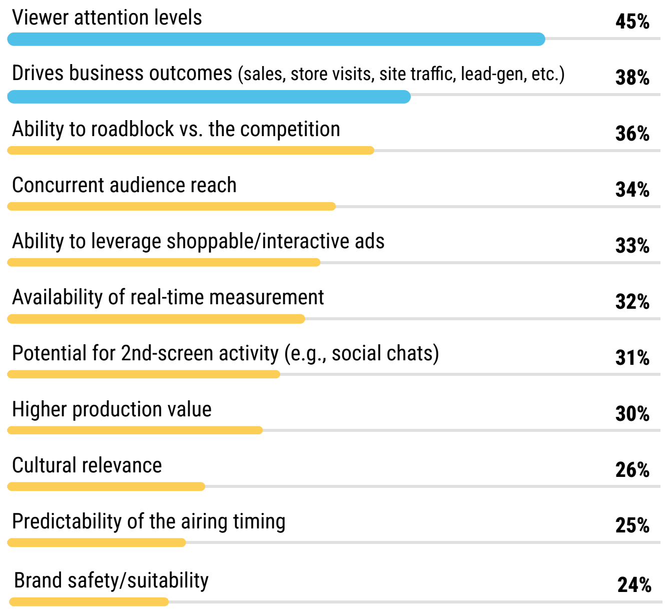
93% Say "Live" is more valuable than all other digital video content

Viewer attention is the clear driver of live content's perceived value, followed by business outcomes and the ability to "own" the moment against competitors.

Observation: With outcomes being a top driver while brand safety and cultural relevance rank at the bottom, thi suggests that buyers value live for what it delivers more than its implied messaging.

TOP DRIVERS OF LIVE CONTENT'S VALUE

BASE: THOSE WHO SAY LIVE IS SIGNIFICANTLY OR MODERATELY MORE VALUABLE



Q: Regarding the content that you labeled "truly live," which of the following best describes how you value this content vs. all other digital video content? Base: Classified At Least 1 Type of Ad Supported/Video Content as "Truly Live", n=350; Q: Which of the following characteristics are the KEY drivers of live content's value for you? Base: Those Who Say Live is Significantly More or Moderately More Valuable, n=271

Most buyers think live's pricing is fair—but a skeptical third of them point to outcomes and measurement as primary gaps in ROI

Though most think pricing equals the return (63%; data not shown), those who don't cite business outcomes as the #1 gap, followed by real-time measurement and shoppability/interactivity. Again, the importance of business outcomes is a key factor.

1/3

Say the Live premium is not justified relative to their return

TOP GAPS IN LIVE CONTENT'S ROI

BASE: THE 1/3 WHO SAY THE LIVE PREMIUM IS NOT JUSTIFIED RELATIVE TO THEIR RETURN

51%
Driving business outcomes

39%
Real-time measurement availability

38%
Interactive capabilities

Q: Regarding the content that you labeled "truly live," which of the following best describes how you value this content vs. all other digital video content? Base: Classified At Least 1 Type of Ad Supported/Video Content as "Truly Live", n=350; Q: Which of the following characteristics are the KEY drivers of live content's value for you? Base: Those Who Say Live is Significantly More or Moderately More Valuable, n=271

Auto and financial category buyers are 2x more likely to say "live's" pricing is higher than their return

Auto and financial consumer purchases typically involve **longer, more complex decision journeys where conversion is not turnkey**—so even a highly-engaged live audience is unlikely to drive direct, attributable return, making the steep premium harder to justify.

% THAT SAY THE LIVE PREMIUM IS NOT JUSTIFIED RELATIVE TO THEIR RETURN
BY CATEGORY

50%

Auto & Financial Services

33%

Travel, Telecom, Media & Entertainment

25%

CPG, Retail, Fashion/Apparel, Consumer Electronics

Q: Regarding the content that you labeled "truly live," which of the following best describes how you value this content vs. all other digital video content? Base: Classified At Least 1 Type of Ad Supported/Video Content as "Truly Live" - Auto & Financial Services, n=60; Travel, Telecom, Media & Entertainment, n=89; CPG, Retail, Fashion/Apparel, Consumer Electronics, n=118

Agentic AI for Digital Video Campaign Execution

Although nearly all buyers see a role for agentic AI in programmatic, consensus lacks on what that role will be

96% See a role for agentic AI in programmatic/RTB buying

Two-in-three buyers see agentic AI as an optimization layer improving bidding and execution within existing systems, yet half also see it as a potential replacement for the current model.

This points to a market that already sees a meaningful role for agentic AI, but given its nascency, has yet to settle on the scope of its eventual impact.

See the appendix (page 46) for how digital video buyers are **using Agentic AI across planning and activation.**

EXPECTED ROLE OF AGENTIC AI IN PROGRAMMATIC/RTB BUYING

63%
Optimization layer improving bidding

51%
Potential new model beyond auction-based

44%
Supply chain simplifier reducing intermediaries

39%
Independent alternative operating separately

Q. How do you think agentic AI workflows will relate to programming/RTB buying?
Base: Total Respondents, n=360

What agentic AI's role becomes may depend on whether it can show its work and prove its results to buyers

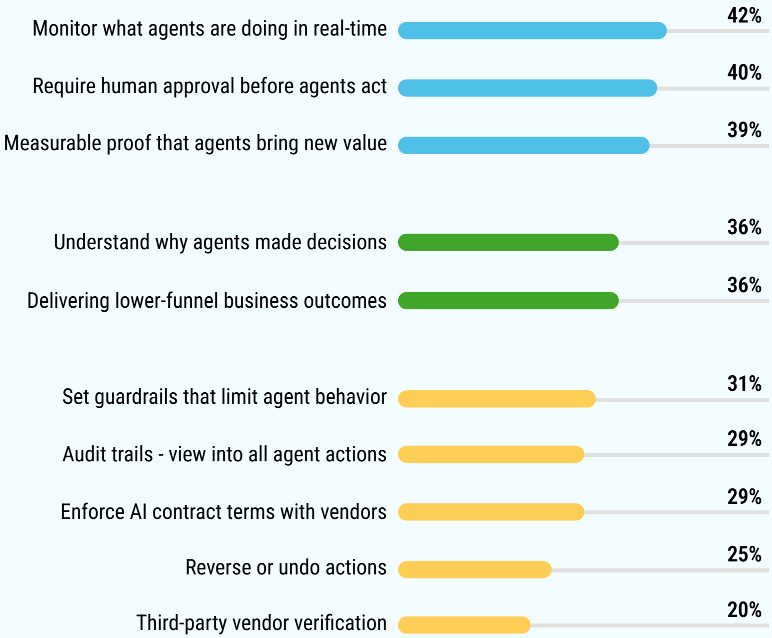
With agentic AI's role in programmatic yet to be defined (see previous page), trust is likely to be an important factor in shaping its trajectory.

To build trust, buyers want to see what's happening in real time and have final say on what actions will be taken.

Perhaps more telling is that they want measurable proof of their value and the rationale behind decisions vs. having guardrails and audit trails.

This suggests buyers are less focused on restricting what agents can do than on understanding how agents' decisions lead to outcomes: tracing how choices were made and whether they delivered results.

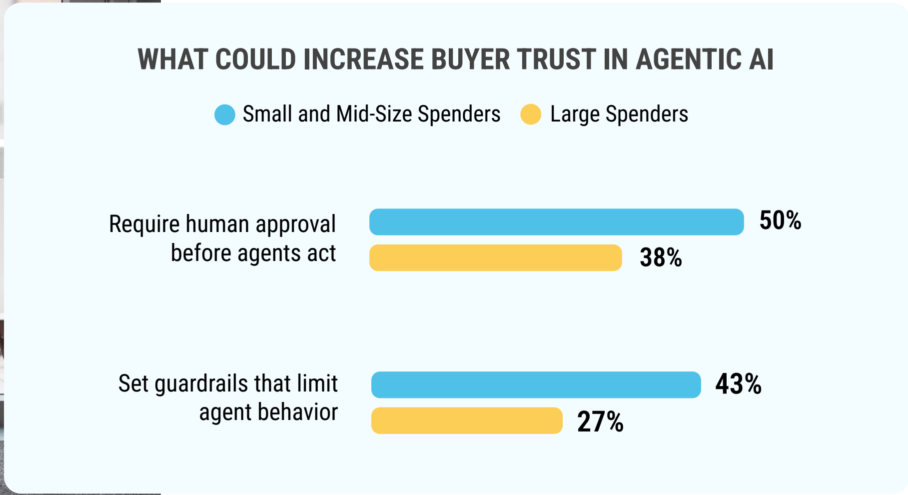
WHAT COULD INCREASE BUYERS' TRUST IN AGENTIC AI



Q. Which of the following capabilities could MOST increase your trust in agentic AI workflows for digital video planning and activation, if at all?
Base: Total Respondents, n=360

However, small spenders are much more likely to require human approval guardrails before granting agent autonomy

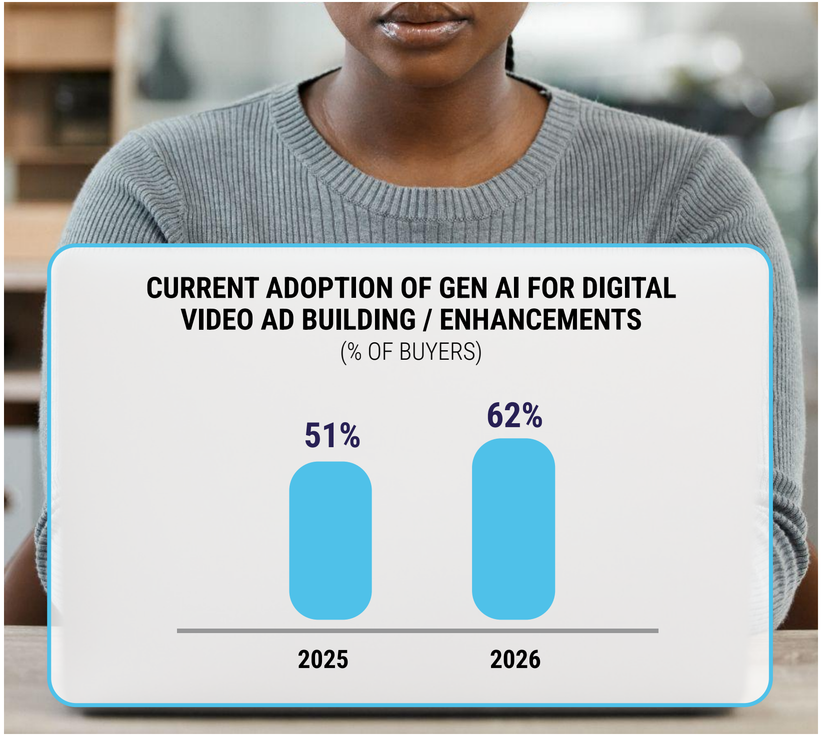
Compared with large spenders, small and mid-size buyers are significantly more likely to prioritize human approval and behavioral guardrails as agentic AI trust-builders. It's likely that organizations with fewer resources and less operational infrastructure require a higher degree of human oversight before they are comfortable entrusting agents with meaningful budget decisions.



Q. Which of the following capabilities could MOST increase your trust in agentic AI workflows for digital video planning and activation, if at all?
Base: Small and Mid-Size Spenders (<$50M Annual Spend), n=127; Large Spenders ($50M+ Annual Spend), n=233

Generative AI for Digital Video Creative

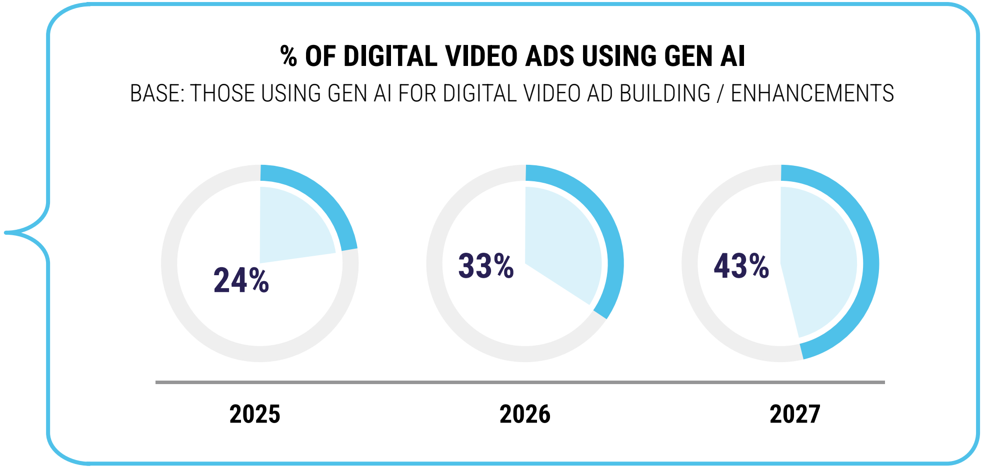
Accounting for 2 in 3 buyers, adoption of GenAI for digital video ads climbed 21% YoY



GenAI is evolving from an emerging capability into a core component of digital video ad production.

Nearly two-in-three buyers now use GenAI for digital video creative, up from half in 2025.

One-third of their ad assets will leverage GenAI this year, up from one-fourth in 2025—with the share projected to reach 43% by 2027.

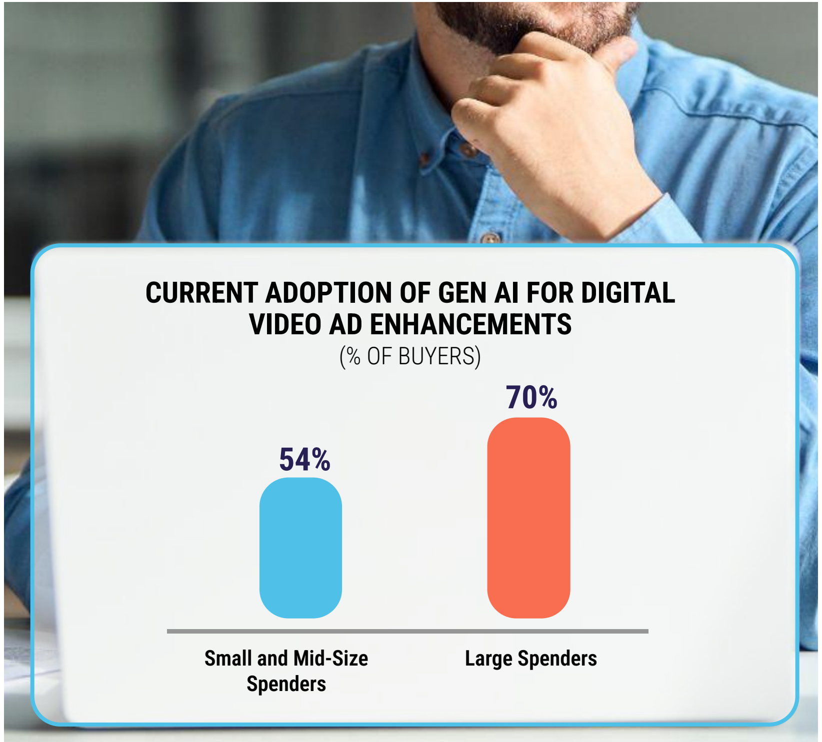


*GenAI defined as Quickads.ai, InVideo AI, Jogg AI, Topview, Veo, Sora, Runway, ChatGPT, Google Gemini, Midjourney, etc..
Q: Is your company using or planning to use generative AI tools for the following creative tasks in digital video? - Creative production and enhancements
Q: What percentage of your digital video ad creative was produced or adjusted using generative AI tools in 2025, and what percentage do you expect for 2026 and 2027?;
Base: Total Respondents, n=360

Large spenders are ahead of smaller spenders in using GenAI for digital video ads

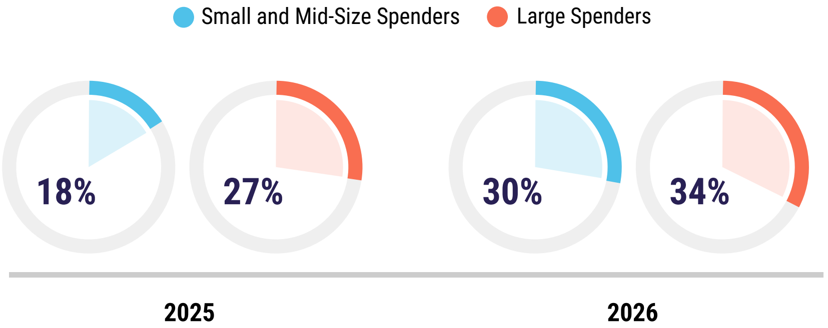
While GenAI usage was relatively consistent across companies a year ago, large buyers are now meaningfully ahead—**seven-in-ten are using it for creative enhancements vs. just over half of smaller buyers, and they are also using it across a greater share of their ads.**

This likely reflects the more established workflows and approval processes that larger organizations have in place to adapt, repurpose, and scale creative across environments.



% OF DIGITAL VIDEO ADS USING GEN AI

BASE: THOSE USING GEN AI FOR DIGITAL VIDEO AD BUILDING / ENHANCEMENTS



*GenAI defined as Quickads.ai, InVideo AI, Jogg AI, Topview, Veo, Sora, Runway, ChatGPT, Google Gemini, Midjourney, etc..
Q: Is your company using or planning to use generative AI tools for the following creative tasks in digital video? - Creative enhancements
Q: What percentage of your digital video ad creative was produced or adjusted using generative AI tools in 2025, and what percentage do you expect for 2026 and 2027?;
Base: Small and Mid-Size Spenders (<$50M Annual Spend), n=127; Large Spenders ($50M+ Annual Spend), n=233

Smaller buyers lag in GenAI usage due to a lack of proven performance and integration challenges

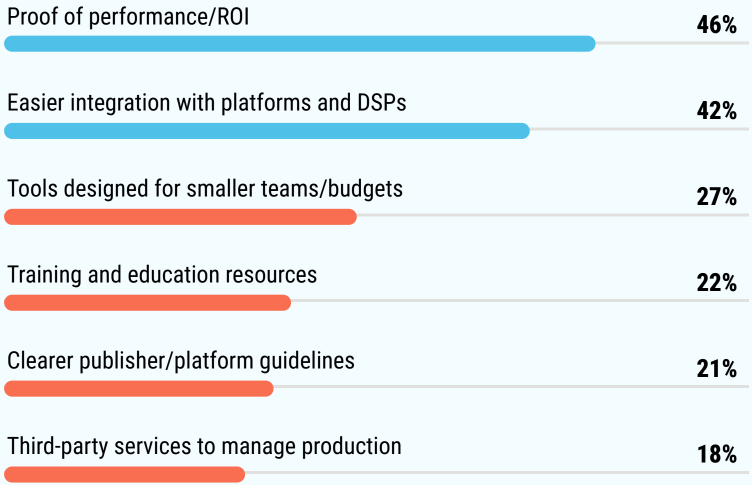
96%

of SMBs* are not satisfied with their current level of GenAI use for creative ad production

Proof of performance, including case studies and benchmarks, along with easier integrations are by far the top 2 things that would help smaller buyers increase usage and satisfaction.

This mirrors their perspective on agentic AI: smaller buyers are not resistant to new technology—they need more guardrails and evidence it delivers results (see page 28) before they are willing to commit.

WHAT WOULD MOST HELP SMALLER SPENDERS INCREASE THEIR GEN AI USAGE



Q: What would most help your organization increase or improve your use of generative AI for ad creative production?
Base: Small and Mid-Size Spenders (<$50M Annual Spend), n=84 - Average

Recap

This report reveals a digital video market where **outcome delivery alone no longer guarantees partner success.** Cost, audience delivery, and targeting have surged to join business outcomes among the top reasons buyers cut streaming partner spend. And as signal loss and AI-driven traffic erode targeting reliability, knowing which audiences drove performance matters more.

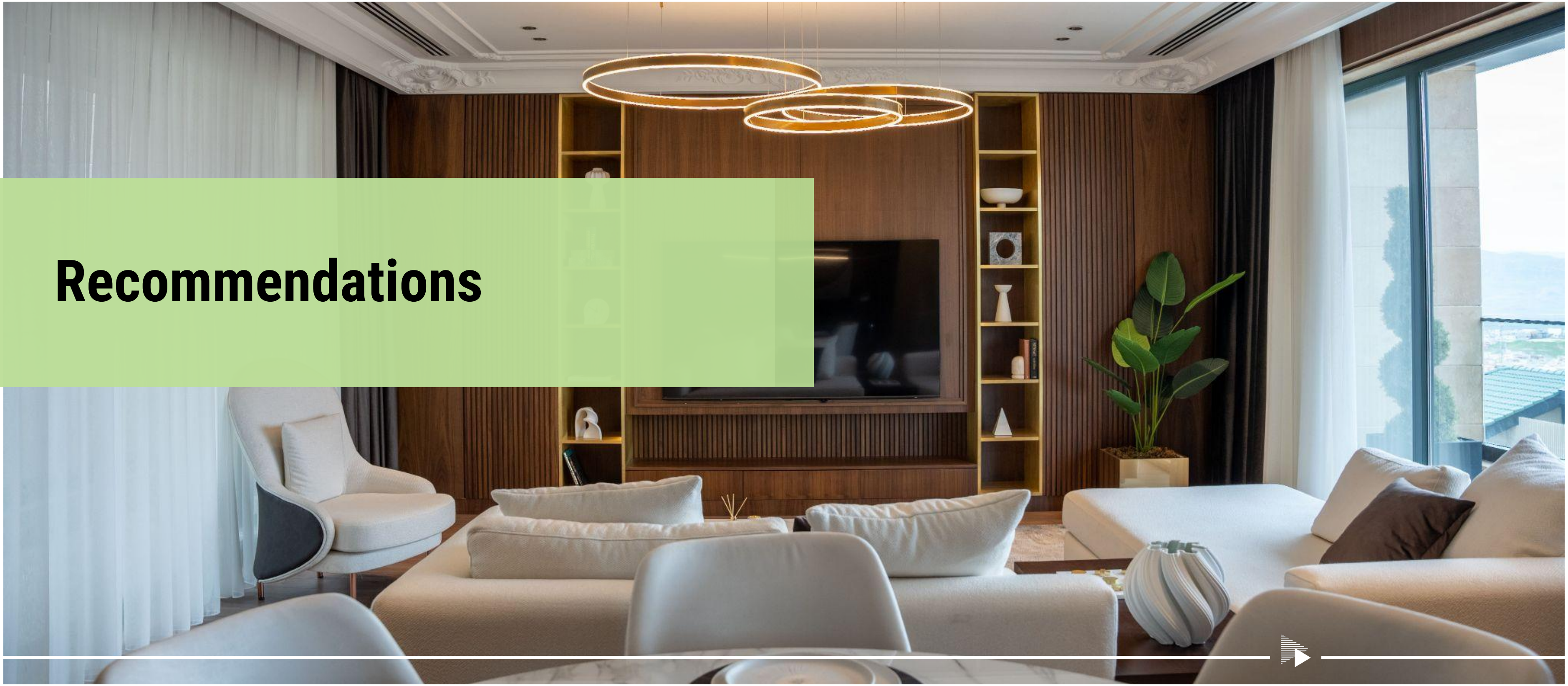
CTV is earning its place as a performance channel, with large spenders rating it competitive with social video across the consumer journey—though SMBs represent a significant opportunity.

Social video's continued ascent tells an equally important story. It holds a commanding lead in SMB outcome assessments at every consumer journey stage driven by targeting precision, native commerce, and an AI-optimized creative stack.

Trust in programmatic inventory remains a pressing structural challenge, as buyers demand greater transparency regardless of how they activate.

Meanwhile, **agentic** and **generative AI** are reshaping campaign execution and creative production, with adoption accelerating. Buyers want visibility and proof of value—and the partners who deliver both will have a clear edge.

Recommendations



Key Focus #1: Business Outcomes

The opportunity is not just more shoppable formats, but enabling consumers to act without leaving the TV screen. Buyers cite limited interactivity and the need to switch devices as key barriers to CTV conversions. The lean-back experience drives attention but can hinder action—especially given fragmented platforms, limited shoppable formats, and lack of scaled commerce-enabled inventory.

The core issue is where the action happens: keeping it on the TV reduces friction.

RECOMMENDATIONS

- Evaluate native, on-TV actions via remote and voice such as, "click OK to add to cart," "hold to save offer," or "say 'buy now' or 'send to my account'" to enable seamless, in-stream engagement without disrupting the viewing experience.
- Standardize and scale CTV ad formats across platforms.
- Integrate commerce and measurement signals (e.g. **ECAPI**, retail data, identity) to directly connect CTV viewing to outcomes.

RESOURCES

- **IAB Tech Lab's CTV Ad Portfolio** standardizes 6 core CTV formats (Pause, Menu, Screensaver, Overlay, In-Scene, Squeezeback) to reduce fragmentation and enable scale.
- **IAB Tech Lab CTV Programmatic Guide** operationalizes the portfolio, showing how to actually scale formats in market.
- **IAB's CTV CAPI Guidebook** outlines how CTV can deliver the same performance outcomes marketers expect from other channels like search and social.

Key Focus #2: Programmatic CTV

Buyers lack confidence in CTV inventory transparency across the ecosystem, creating a persistent trust gap. While fraud is a core concern, the greater opportunity is moving beyond risk mitigation toward solutions that deliver clearer accountability and stronger performance.

Transparency becomes a monetizable differentiator when it's linked to performance, not just protection.

.

RECOMMENDATIONS

- Implement **OM SDK** to enable independent, standardized measurement of ad delivery and viewability, increasing transparency and helping verify that impressions are valid and fraud-free.
- Link transparent inventory signals (publisher, placement, supply path) directly to outcome measurement to enable continuous optimization toward accountable CTV spend.
- Consolidate toward more transparent, efficient supply paths and trusted partners to reduce opacity and improve performance.

RESOURCES

- IAB Tech Lab standards (e.g. **OM SDK**) and emerging updates like **SupplyChain v1.1** help you gain full visibility into the supply path and enable more transparent, performance-driven CTV.
- **IAB's General Terms & Conditions** embed clear transparency, reporting, and accountability requirements into CTV transactions and reduce friction across partner investment.

Key Focus #3: Live Content

Live CTV captures high, real-time attention at scale, creating shared moments that drive stronger recall, engagement, and brand impact.

Its immediacy and cultural relevance increase resonance by aligning advertisers with what audiences are watching in the moment—making it uniquely positioned to command premium value when paired with actionable, measurable outcomes.

RECOMMENDATIONS

- Use programmatic live content for precision within high attention moments, layering audience, data, and contextual signals on top of live inventory to improve targeting beyond traditional live inventory broad reach buys.
- Take advantage of real time reporting to shift spend toward the best performing live events, publishers, or time windows.

RESOURCES

- **IAB Tech Lab Programmatic Live (LEAP) Framework** standardizes how live and moment-based inventory is defined, packaged, and signaled in OpenRTB, enabling consistent buying of real-time events, premieres, and appointment viewing at scale

Key Focus #4: Agentic AI

Nearly all video buyers see a role for agentic AI in programmatic, most commonly as an optimization layer, while many also view it as a potential evolution of auction-based buying.

Agentic AI isn't "plug and play" yet. It needs to prove itself through structured testing before it scales. Buyers want real-time visibility, control over decisions, and clear proof of how agents drive outcomes.

RECOMMENDATIONS

- Establish controlled agentic test frameworks with clear parameters, guardrails, and success metrics before scaling usage.
- Keep humans in the loop. Maintain oversight and final decisioning, especially for bids, budget allocation, and brand safety controls.
- Benchmark against existing strategies: Run side-by-side tests vs. traditional optimization to quantify incremental lift, not just performance in isolation.

RESOURCES

- **IAB Tech Lab's Agentic Advertising and AI Initiatives** define a framework using existing protocols to enable interoperable, transparent, and scalable AI-driven buying and selling.
- **IAB AI Transparency and Disclosure Framework** establishes industry standards for when and how AI use in advertising should be disclosed, balancing transparency with consumer trust and operational practicality.
- **IAB Guidelines for Redesigning Work in the AI Era** provides a practical framework to help organizations move beyond AI experimentation and redesign how work gets done.

Appendix:
Definitions & Methodology

Key Insights

Released in Part 1 of this Study (May 2026)

01

U.S. digital video* ad spend will surpass $80B in 2026–double the volume from only five years ago.

Growing 11% YoY in 2026—nearly 20% faster than the total ad market—digital video (incl. CTV, social video, and OLV) will for the first time exceed 60% of total TV/video spend, even as post-COVID acceleration gives way to a maturing market.

02

Agentic AI for digital video is quickly moving from experimental to operational.

Two-in-three buyers are live (21%), testing (20%), or planning to use (25%) agentic AI for digital video campaigns in 2026. With another 28% actively investigating it, nearly all digital video buyers are in market or on a near-term activation path.

03

Small-to-mid-size spenders diverge from large spenders in using agents for digital video.**

Smaller spenders lean heavily into uses like creative testing***, pre-planning, and performance analysis—replicating infrastructure they lack. Large spenders prioritize inventory discovery and evaluation to navigate fragmentation across many deal types and partners.

04

Social video notably overtook CTV in spend volume in 2025–a lead likely to grow in 2026.

Social video's 13% growth is helped by continued AI-enabled innovation in personalization and a growing creator economy. Yet, CTV's 11% growth is strong as its fueled by live and "Hollywood-produced" content and a strengthening track record in outcome delivery.

05

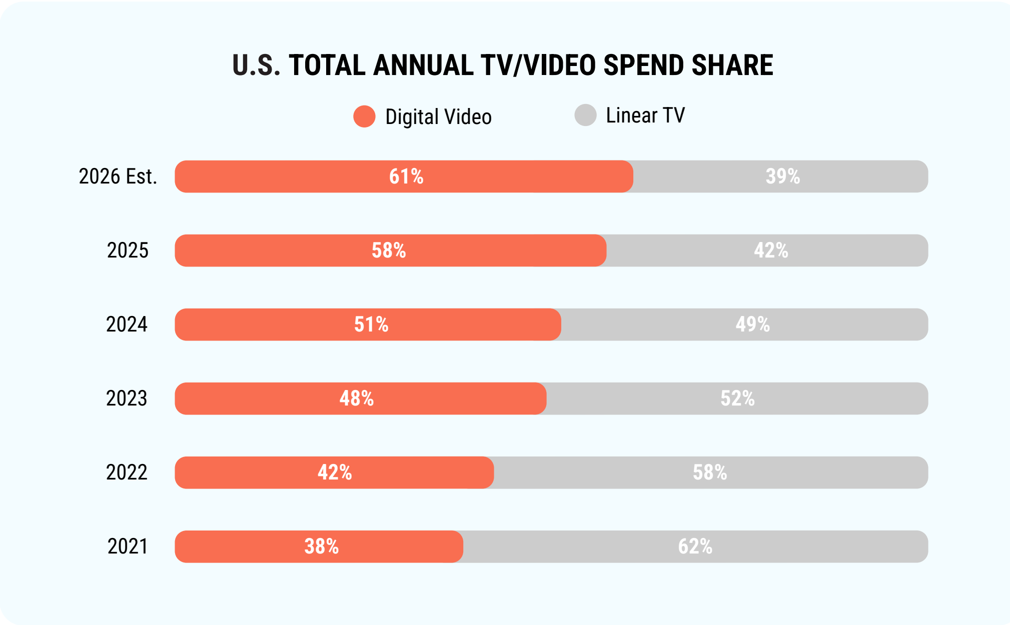
Targeting (+10 pts YoY) over-took content quality as the top criteria for TV/video buys.

Targeting's rise reflects growing urgency as IP degradation and AI-driven traffic erode fidelity. Small-to-mid-size spenders** are driving the shift (+23 points YoY) while remaining most exposed to open-market identity challenges.

*Including CTV, social video, and online video (aka "OLV"); **Small and mid-size spenders = annual ad spend < $50M vs. Large spenders = annual ad spend > $50M;
***Note, that in these instances, the agents leverage generative AI

Digital video will, for the first time in 2026, account for more than 60% of the total TV/video ad spend market

Released in Part 1 of this Study (May 2026)



Digital video will continue expanding share in 2026 despite major cyclical events, incl. the Olympics, World Cup, and midterm elections, which typically anchor spend in linear. Further accelerating the shift is that these major events are becoming more widely available programmatically on streaming platforms. Although the shift pace will slow to 3 points YoY (vs. 7 in 2025), the **consistent movement into digital regardless of cyclical events reinforces how foundational this movement is**.

Source: Guideline estimates of total digital video ad spend

CTV's ad spend is increasingly driven by traditional media–particularly the broadcast networks as they continue to expand their streaming opportunities

Released in Part 1 of this Study (May 2026)

FUNDING SOURCES FOR INCREASED CTV SPENDING

BASE: THOSE INCREASING CTV SPENDING IN 2026

Linear TV	54%
Other traditional (e.g., print and radio)	40%
Social media	38%
Incremental ad budget	38%
OLV (excl. YouTube)	36%
Display	26%
Digital audio/podcasts	23%
OOH (digital and traditional)	23%
Paid search (SEM)	21%
Gaming	17%
Non-media budget	5%

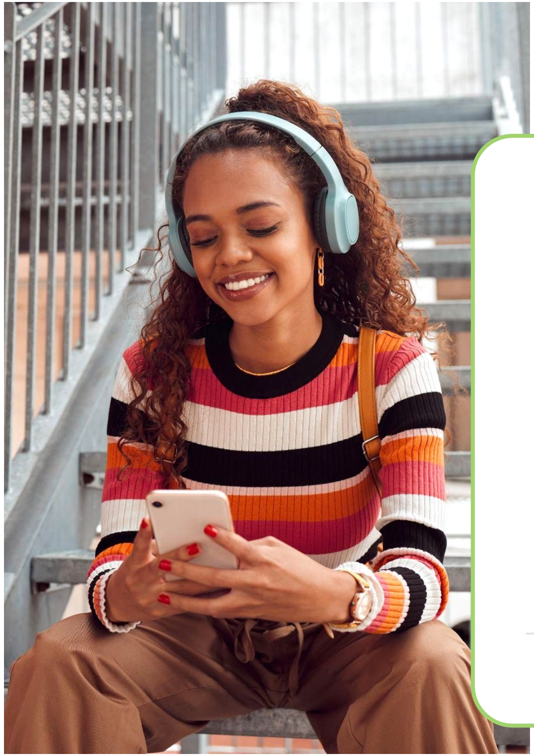
Though 2026's major events concentrate spend in linear, **the structural shift of sports rights to streaming**—e.g., the NBA on Amazon, NFL on Peacock and Netflix, MLB across platforms—continues to drive the move to CTV. Reallocation from print and radio also increased 7 points YoY, reflecting the broader shift out of traditional into digital channels more adept at measuring and delivering business outcomes.

Also powering the growth is greater **investment from small spenders** as the number of them investing in CTV has increased from 60% in 2024 to 85% in 2026 with self-serve platforms lowering the entry barrier.

. Q: How will you fund increased CTV/OTT ad spending?
Base: Increasing CTV/OTT spend, n=149

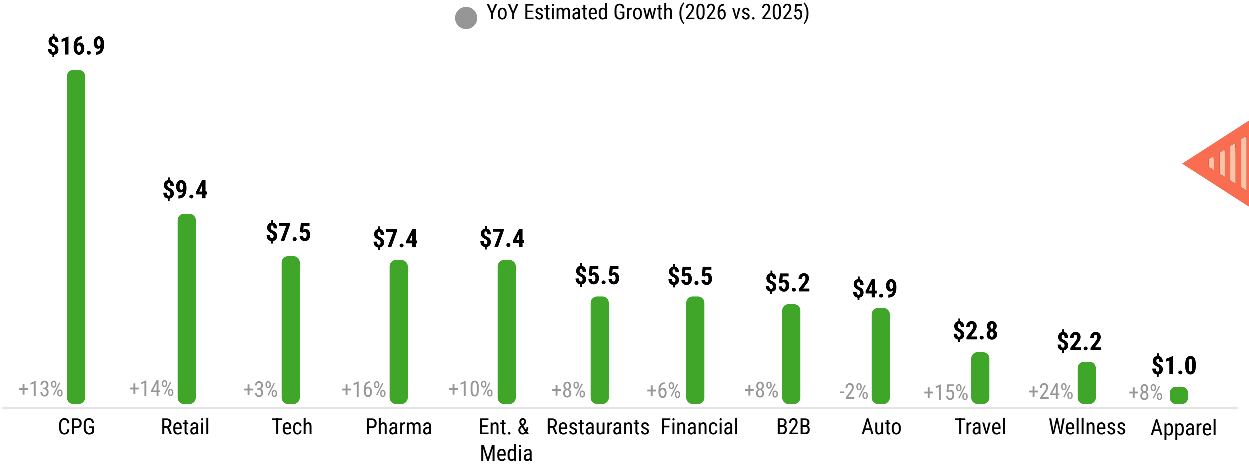
Digital video ad spend will grow across nearly every category

Released in Part 1 of this Study (May 2026)



CPG and retail continue to lead investment, followed by tech, pharma, and entertainment—**categories where high consideration and frequency make digital video's cross-screen reach especially effective.** Auto is the lone exception, declining 2% YoY amid elevated prices and interest rates, a softening job outlook, and tariff pressures.*

U.S. 2026 ESTIMATED DIGITAL VIDEO AD SPEND BY CATEGORY ($B)



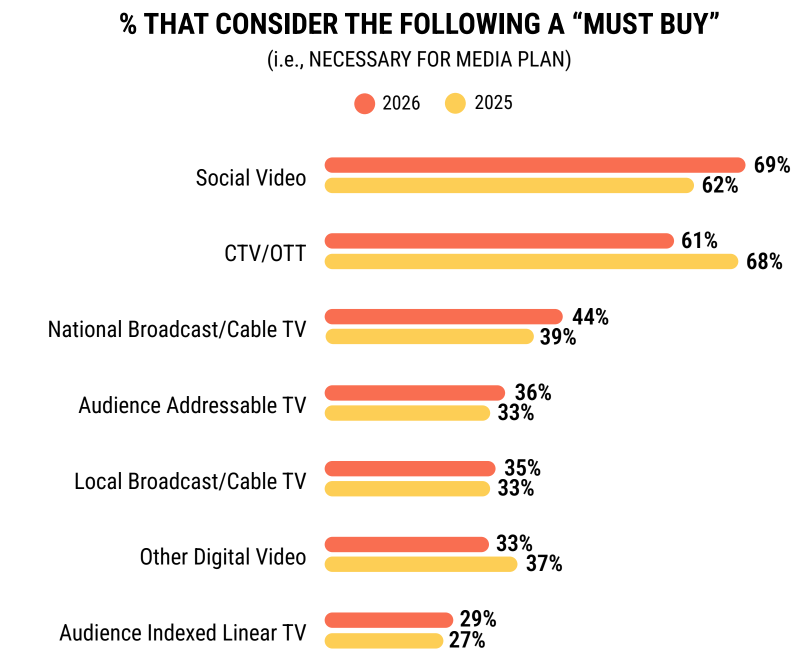
*Axios, April 2026; Business Insider, March 2026; The Detroit Free Press, March 2026
Source: Guideline estimates of total digital video ad spend

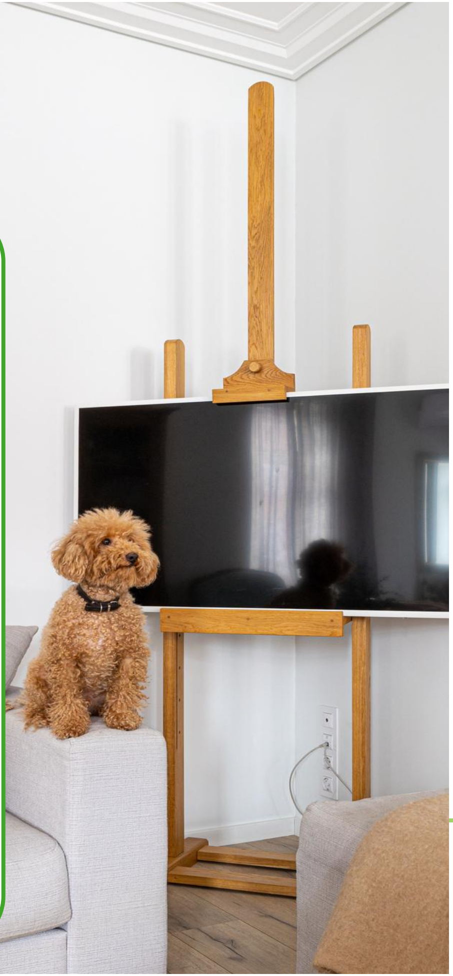
Social video has reclaimed its spot as the #1 "must buy" over CTV

Released in Part 1 of this Study (May 2026)

Social video rose 7 points YoY to lead all formats as a "must-buy," driven by its blend of **AI-powered measurement** and **optimization, creator presence,** and **native commerce capabilities.**

CTV's 7-point decline reflects a growing share of large advertisers exercising budget discipline amid rising media costs*—not a loss of channel confidence. It remains a strong #2 and a must-buy for nearly two-thirds of buyers.





*Per IAB's 2026 Outlook Study in which the % of buyers citing concerns in"having the budget to increase CTV ad spend" jumped 9 pts. YoY

Q: Keeping in mind your largest/most important brand that you select media for, which of the following best describes your opinion of each of the following advertising types? – "Must Buy"

Base: Total Respondents, n=360

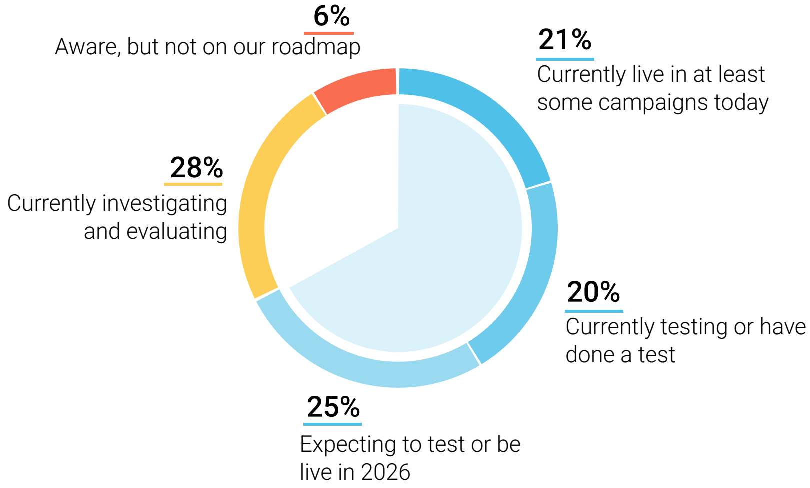
Two-in-three buyers are already live, testing, or planning to use agentic AI for digital video campaigns

Released in Part 1 of this Study (May 2026)

In fact, when factoring in the additional 28% who are actively investigating, **nearly all buyers are already in market or on a near-term path to adopting agentic AI** for digital video campaigns.*

This suggests that AI is rapidly moving from experimental to operational in digital video.

AGENTIC AI: ADOPTION FOR DIGITAL VIDEO CAMPAIGN EXECUTION



*Includes AI agents that support planning, inventory discovery, creative optimization, campaign activation/ bidding, budget optimization, performance analysis, etc. with no or limited human intervention.

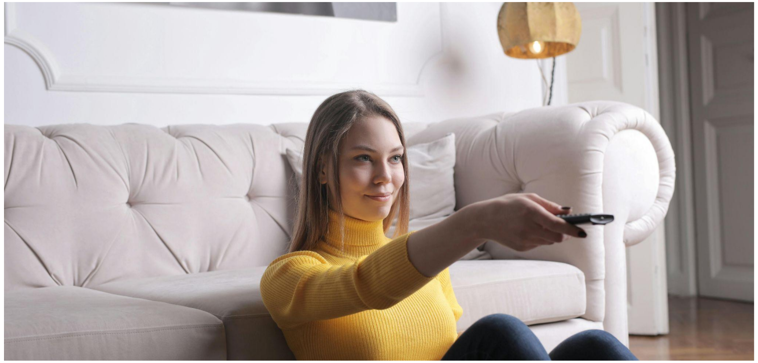
Q: Which of the following best describes your current awareness and/or adoption of agentic AI workflows for digital video ad buying and campaign execution?
Base: Total Respondents, n=360

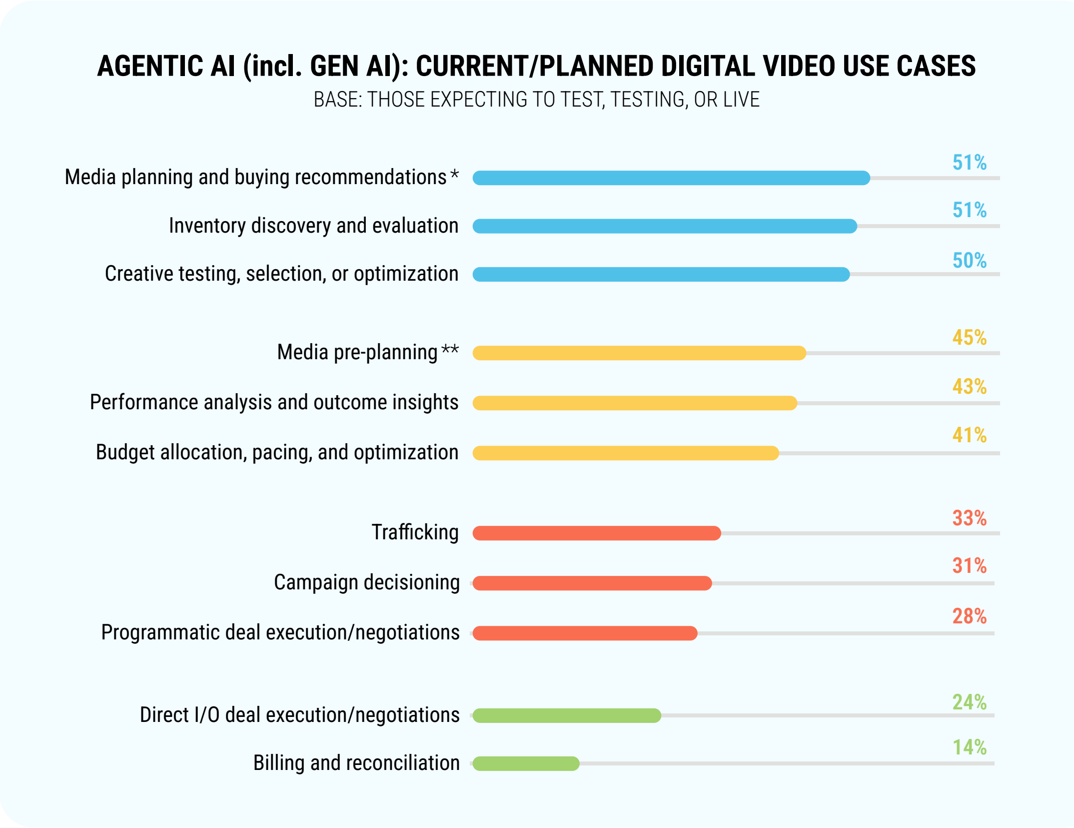
Agentic AI adoption is currently centered on decision support rather than the purchase decision itself

Released in Part 1 of this Study (May 2026)

Agentic AI adoption (which can leverage generative AI) is concentrated in internal-facing workflows — **planning, inventory discovery, and creative optimization — where AI informs decisions before dollars are committed**.

Usage declines as processes become more external-facing, suggesting human judgment remains critical when money is on the line.





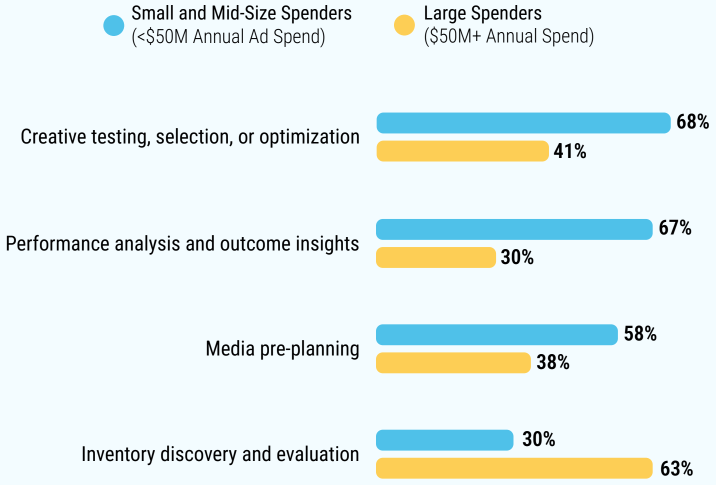
**Media planning and buying recommendations includes channel mix, budget recommendations, targeting strategy, etc.*
***Media pre-planning includes parsing client briefs, insight generation, strategy development, etc.*
Q: Which digital video ad planning and activation functions are you currently using or planning to use agentic AI workflows for?
Base: Expecting to test, testing, or live with agentic AI, n=236

Small-to-mid-size spenders diverge with large spenders on AI use cases in a few key areas

Released in Part 1 of this Study (May 2026)

AGENTIC AI (incl. GEN AI): CURRENT/PLANNED DIGITAL VIDEO USE CASES

BASE: THOSE EXPECTING TO TEST, TESTING, OR LIVE

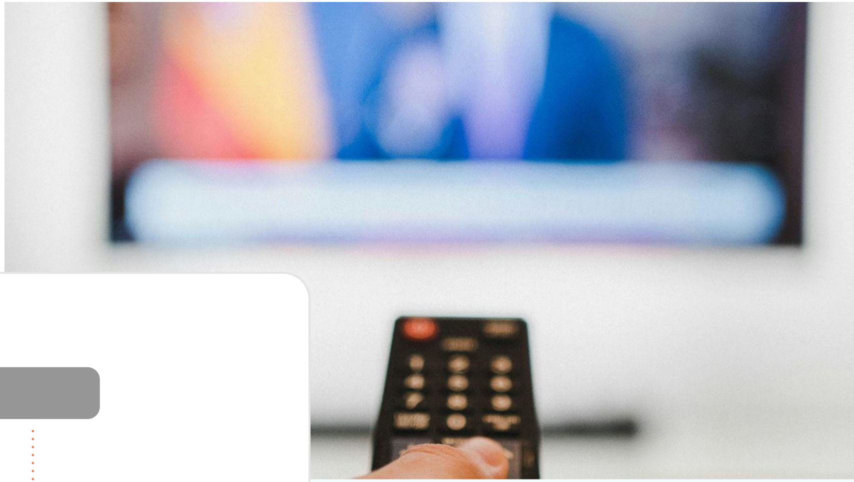


Small-to-mid-size spenders are leaning into agentic AI (which can leverage generative AI) for execution-heavy use cases as they often lack the infrastructure that these tools replicate. With more accessible solutions and simpler operations, they can quickly streamline workflows and drive immediate impact.

Larger spenders, by contrast, focus on inventory discovery and evaluation. Fragmentation across deal types—e.g., PMPs, direct, and open auction—creates complex consideration sets that are difficult to assess manually, making them well-suited for agent-driven automation.

Q: Which digital video ad planning and activation functions are you currently using or planning to use agentic AI workflows for?
Base: Expecting to test, currently testing, currently live with agentic AI - Small and Mid-Size Spenders, n=84; Large Spenders, n=152

TV/Video Classification Guide



TV/ Video Market

- **Digital Video**
  - CTV
  - Social Video
  - Online Video
- **Linear TV**
  - Audience-Based Linear
    - Audience-Addressable
    - Audience-Indexed Linear
  - Non-Addressable
    - National Broadcast/Cable
    - Local Broadcast/Cable

TV/VIDEO TYPE KEY

- Audience-Based Addressable
- Non-Addressable

For detailed definitions
see the next page

TV/Video Classification Guide: Detailed Definitions

TV/VIDEO TYPE KEY

- Audience-Based Addressable
- Non-Addressable

Digital Video

CTV

"TV-like" Internet-delivered content, typically long-form and delivered via a Smart TV or OTT device, via subscription or non-subscription streaming video services. Some inventory may be distributed in the mobile or desktop environments and includes the following:

- **AVOD** or advertising-based video on demand:
  - Free ad-supported streaming TV services, aka FAST (e.g., Pluto TV, Tubi, Xumo)
  - Ad-supported paid subscription video services (e.g., Hulu, Paramount+)
- **vMVPDs** or virtual multichannel video programming distributor (e.g., Hulu Live TV, YouTube TV, Sling)

Social Video

Short-form video shared on social platforms, including TikTok, Instagram, Facebook, Snap, Twitter, YouTube.com, and others

Online Video

Short-form video from web/app-based publishers

Note: Commerce media network buys are classified within CTV, Social Video, or OLV based on the serving environment of the inventory.

Linear TV

National Broadcast/Cable TV

Traditional linear TV, bought for distribution nationally. Households viewing the same shows see the same ad. This includes any data-driven linear TV bought for distribution.

Local Broadcast/Cable TV

Traditional linear TV, bought for local (metro-level) programming; aka Spot TV. Households viewing the same shows see the same ad.

Audience-Based Linear

Audience-Addressable

Allows advertisers to dynamically serve specific ads to specific households during scheduled linear TV programming, based on first-, second-, or third-party data such as location, behavior and demographics.

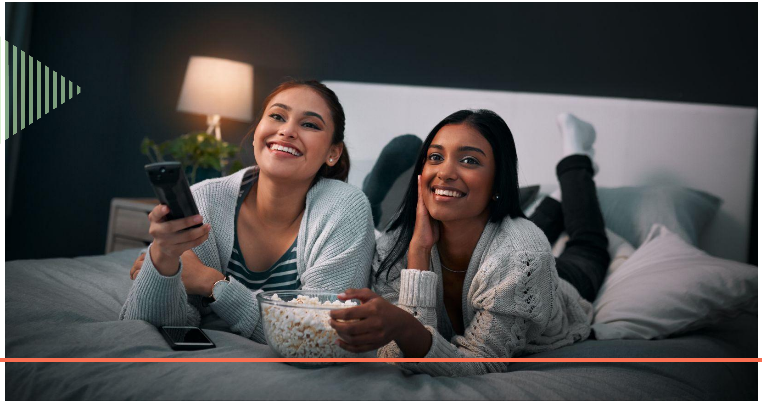
Audience-Indexed Linear

Enables buyers to identify programs, networks, and dayparts with a high composition of the advertiser's target audience and build an ad buy more likely to reach that audience.

APPENDIX

Methodology

Now in its thirteenth year, IAB's **Digital Video Ad Spend & Strategy Report** report provides a lens into the trends within the U.S. TV/video market and offers guidance for buyers and sellers on how they can position and differentiate their strategies based on the market opportunity.



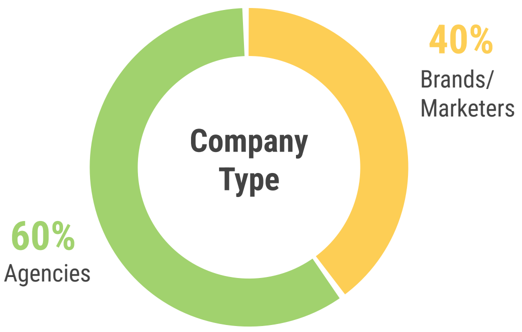
Advertiser Perceptions Quantitative Sample Generated and Execution

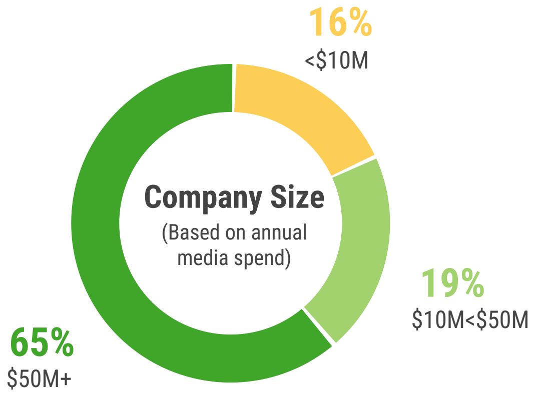
- Fielded: February 20, 2026 – March 13, 2026
- 15-minute anonymous online survey, n=360
- Advertiser Perceptions leveraged its Ad Pros community and trusted third-party partners to recruit verified industry leaders, identified as those who:
    - Are involved in recommending, specifying, or approving advertising spending in digital video
    - Spent at least $1M on advertising in 2025
    - Work at agencies or directly for a brand marketer

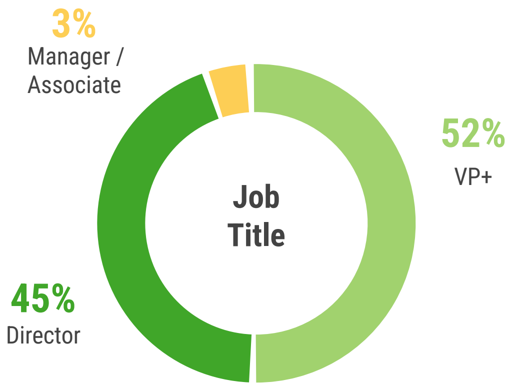
Guideline's Market Size and Growth Rate Methodology

- Guideline's' digital video ad spend market size and growth rate estimates are based on Guideline's Pool of ad billing data, including Forward Bookings (i.e., future, pre-booked media), the IAB-commissioned Advertiser Perceptions quantitative survey, interviews with industry leaders, and other market estimates.
- The Guideline pool's coverage of the U.S. advertising market is based on deterministic, census-level total media billings for all spending by the largest ad agencies, includes all six U.S. major holding groups and most of the largest independents.

Respondent Profile







Market Sectors

8%	Automotive	8%	Retail	8%	Fashion / Apparel/ Accessories	8%	Travel
8%	CPG	8%	Telecom	8%	Home Furnishing / Furniture / Appliances	8%	Tech/Consumer Electronics
8%	Financial Services	8%	Media and Entertainment	8%	Health/Wellness	9%	Other

*Numbers may not add up to 100% due to rounding.

About IAB

The Interactive Advertising Bureau (IAB) empowers the media and marketing industries to thrive in the digital economy. Its membership comprises more than 700 leading media companies, brands, agencies, and the technology firms responsible for selling, delivering, and optimizing digital ad marketing campaigns. The trade group fields critical research on interactive advertising, while also educating brands, agencies, and the wider business community on the importance of digital marketing.

In affiliation with the IAB Tech Lab, IAB develops technical standards and solutions. IAB is committed to professional development and elevating the knowledge, skills, expertise, and collaboration of the workforce across the industry. Through the work of its public policy office in Washington, D.C., the trade association advocates for its members and promotes the value of the interactive advertising industry to legislators and policymakers. Founded in 1996, IAB is headquartered in New York City.

About IAB Media Center

The IAB Media Center's mission is to accelerate the seamless transition from traditional analog media channels to dynamic digital platforms. By doing so, we aim to empower innovative business models while fostering a captivating and consumer-centric media and advertising experience. The IAB Video Board plays a pivotal role in advancing the growth of the converging television and digital video marketplace, acting as a crucial link between buyers and sellers. It dedicates itself to providing best practices, setting industry standards, and creating forums that catalyze market development. Board members play a pivotal role in initiating key projects, influencing best practices in TV and video marketing, gaining early access to research, expertise, and tools from the IAB, and enjoying exclusive participation in industry events and discussions.

IAB Video Board of Directors Member Companies

Amazon Ads
Ampersand
Bayer
Bloomberg Media
Butler/Till
dentsu
Disney
FreeWheel
General Motors
GSTV
Harmelin Media
Horizon Media
Infillion
Innovid

Magnite
Mindshare
Mondelēz International
National Football League
NBCUniversal
Netflix
Nexstar
Omnicom
Papa John's Pizza
Paramount
Prudential Financial
Publicis Media
PubMatic

Quigley Simpson
Roku
RPA
Samsung Ads
Spectrum Reach
Spotify
TelevisaUnivision
The Coca-Cola Company
TikTok
Unilever
Warner Bros. Discovery
WPP Media
Wurl

About Advertiser Perceptions

Advertiser Perceptions is the global leader in research-based business intelligence for the advertising, marketing, and ad technology industries. Our experienced staff delivers an unbiased, research-based view of the market, competing brands, and their customers with analysis and solutions tailored to each client's specific KPIs and business objectives – providing them with the confidence to make the very best sales and marketing decisions, driving greater revenue and increased client satisfaction.

About Guideline

Guideline is a global provider of ad intelligence and media plan management technology powering the strategy, planning, and management of advertising buying and selling for the world's leading enterprises. Our solutions deliver the industry's most comprehensive and timely insights, enabling enterprises from publishers, agencies and brands to investors and consulting firms to optimize media performance and drive superior business outcomes. Our media planned management solutions administer over $300 billion in media budgets, representing 60,000 media plans and 10,000 active users across many of the world's top brands and agencies. Our proprietary spend and pricing data represents approximately $200 billion in annual media investment across 65 countries worldwide, providing the most complete and transparent view of the global advertising marketplace available today.

For more information, visit www.guideline.ai.

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