

THE FUTURE OF TV IS WITH OTT

MARKETERS' EDITION

Perspectives and insights from marketing leaders in
2023 across Singapore, Indonesia, and Thailand.

 theTradeDesk Intelligence | milieu

ON-DEMAND IN DEMAND: HOW ARE MARKETERS CAPITALISING ON OTT?

OTT advertising has emerged as a game changer in recent years, offering brand new opportunities to engage consumers with greater precision and measure results with more granularity than ever before.

Over-the-top (OTT) is one of the fastest-growing media channels, with over 200 million viewers in Southeast Asia,¹ and marketers are eyeing this channel to reach their target audience more effectively.

In this report, senior marketers in the region were surveyed to gain a deep understanding of their perspectives about the adoption and effectiveness of OTT advertising. This report provides a comprehensive overview of the current state of OTT advertising, shedding light on its unique advantages and revealing potential areas for growth.

¹The Trade Desk, *The Savvy Marketer's Guide for OTT Advertising in Southeast Asia*.

Methodology

This report is based on a custom quantitative study commissioned by The Trade Desk and conducted by the Southeast Asia market research company, Milieu Insight, with mid-senior-level marketers with influence over their brands' media buying decisions. There were 100 respondents each from Singapore, Thailand, and Indonesia (N = 300 overall). The study assesses the adoption and effectiveness of OTT advertising in comparison to other digital media channels – including social media and traditional linear TV – and highlights key challenges and areas for growth in the OTT advertising space.

Fieldwork was conducted from 6 June to 21 June 2023 via Milieu Insight's proprietary online panel.

For more information, contact us at info@thetradedesk.com

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EPISODE 1

MARKETERS ARE INVESTING IN OTT MORE THAN EVER

The way viewers consume TV has significantly transformed with the rise of OTT. The flexibility to watch content from anywhere, anytime through different devices not only provides convenience for viewers but also a new opportunity for marketers to understand their audience at a much deeper level than what traditional linear TV offers. In this chapter, we look at OTT usage patterns in Singapore, Thailand, and Indonesia and how marketers are responding to this shift.

Episode 1

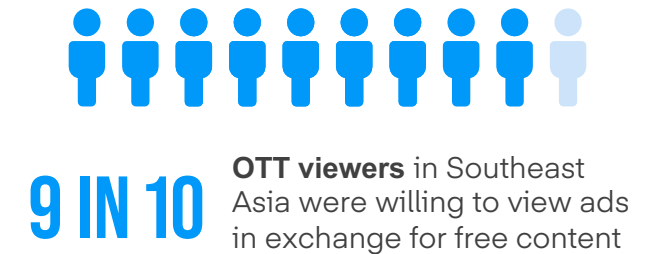
Marketers Are Investing in OTT More Than Ever

RIDE THE SHIFT FROM TRADITIONAL LINEAR TV TO OTT WITH VIEWERS

With its growing usage, OTT advertising is catching the eye of marketers, with about **7 in 10 of them expressing the importance of having OTT as part of their marketing strategy**, while nearly a third (32%) believe it to be very important.



It's a win-win situation for both viewers and marketers: about 9 in 10 (89%) OTT viewers in Southeast Asia were willing to view ads in exchange for free content.²



THE TRADE DESK TIPS:

It's easy to get started with OTT advertising

If you haven't tried OTT advertising yet, an easy way to get started is to simply use existing video assets. Through programmatic advertising, your campaign can be live within days.



²The Trade Desk, *The Future of TV: A Report on the State of OTT in Southeast Asia*.

Episode 1

Marketers Are Investing in OTT More Than Ever

MARKETERS ARE STAYING COMMITTED, SIGNIFYING A PROMISING FUTURE FOR OTT ADVERTISING



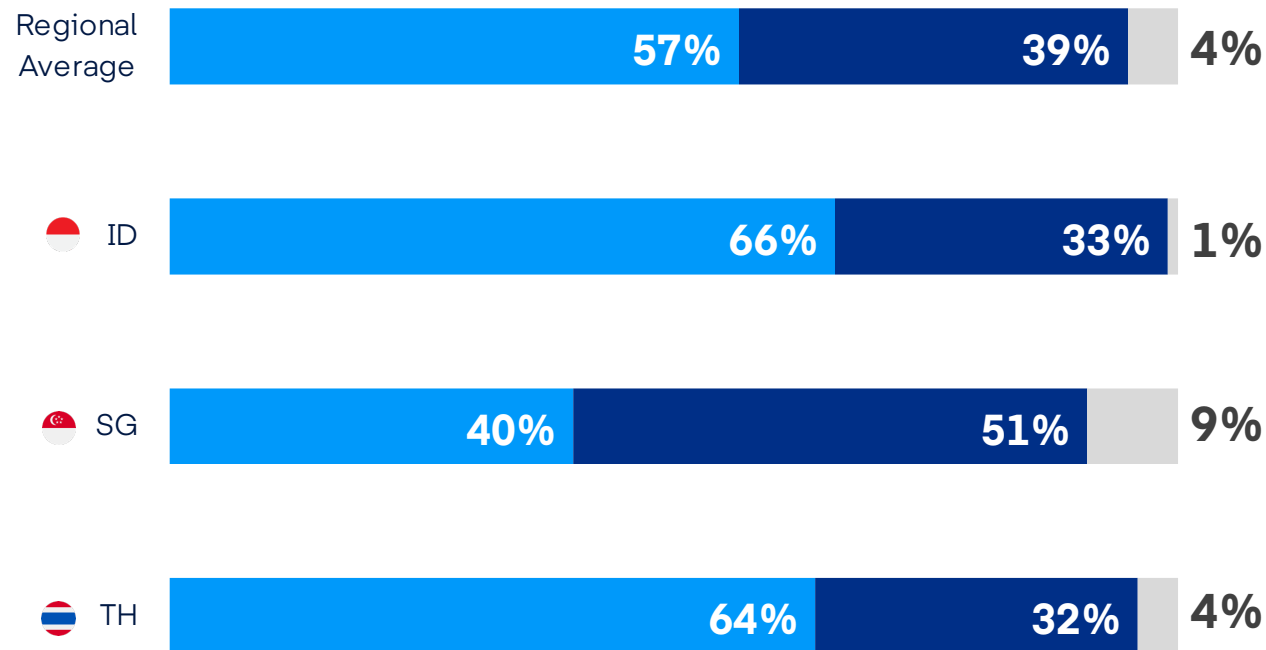
Expected to increase or maintain OTT/CTV spend in next 12 months across the three countries

The appeal of OTT advertising is rising significantly among Thai and Indonesian marketers, with 64% and 66%, respectively, expecting to increase spending in the next 12 months.

It is worth noting that 6 in 10 marketers cited budget constraints as a reason for not increasing OTT spend. It is highly possible that budget expansions in the future could possibly translate to higher OTT ad spending as the economy stabilises.

EXPECTED CHANGES IN BRAND/AGENCY OTT/CTV SPENDING IN THE NEXT 12 MONTHS

● Increase ● Same ● Decrease



Q: How do you expect your brand or your agency's OTT/CTV spending to change in the next 12 months?



EPISODE 2

WHAT DRAWS BRANDS TO ADVERTISE ON OTT?

The successes of OTT in capturing viewers' attention naturally translate to opportunities for marketers to engage viewers in unprecedented ways – but how exactly has it made a difference to brands? Delving into the experiences of industry experts, we look at the top reasons why marketers choose OTT advertising and how OTT advertising:

- Is more effective than linear TV
- Leads to more impactful business outcomes: from ad recall to purchase
- Drives better ad performance

TOP 5 REASONS WHY MARKETERS CHOOSE OTT

Unlike traditional TV advertising, OTT allows for targeting beyond just demographics, including the ability to target based on interest data, first-party data such as past purchases and conversion data, thus equipping marketers with the ability to deliver more relevant ads, ultimately resulting in a better ad experience.



THE TRADE DESK TIPS:

Expand your reach
to new potential
customers

Did you know that by leveraging look-a-like audiences, you can expand your audience reach to find new potential customers who have a similar profile to your existing customer database?

TOP 5 REASONS WHY BRANDS AND AGENCIES USE OTT/CTV FOR ADVERTISING AND MARKETING

1



Effective way to reach target audience

2



Professionally produced content

3



Better ad experience and greater relevancy for consumers

4



Wide range of ad formats available

5



Accurate way to track and measure campaign attribution

Episode 2

What Draws Brands to Advertise on OTT?

MARKETERS FIND OTT ADVERTISING MORE EFFECTIVE THAN LINEAR TV

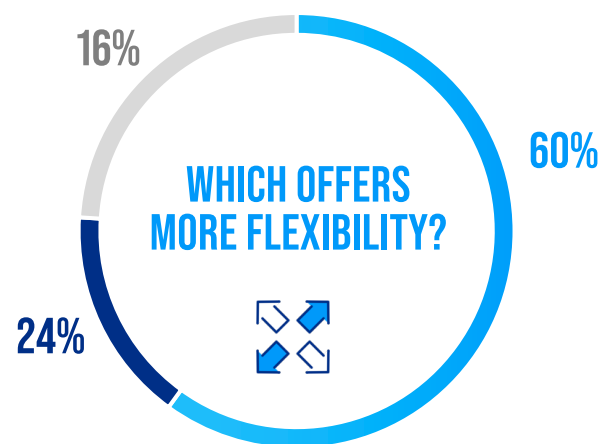
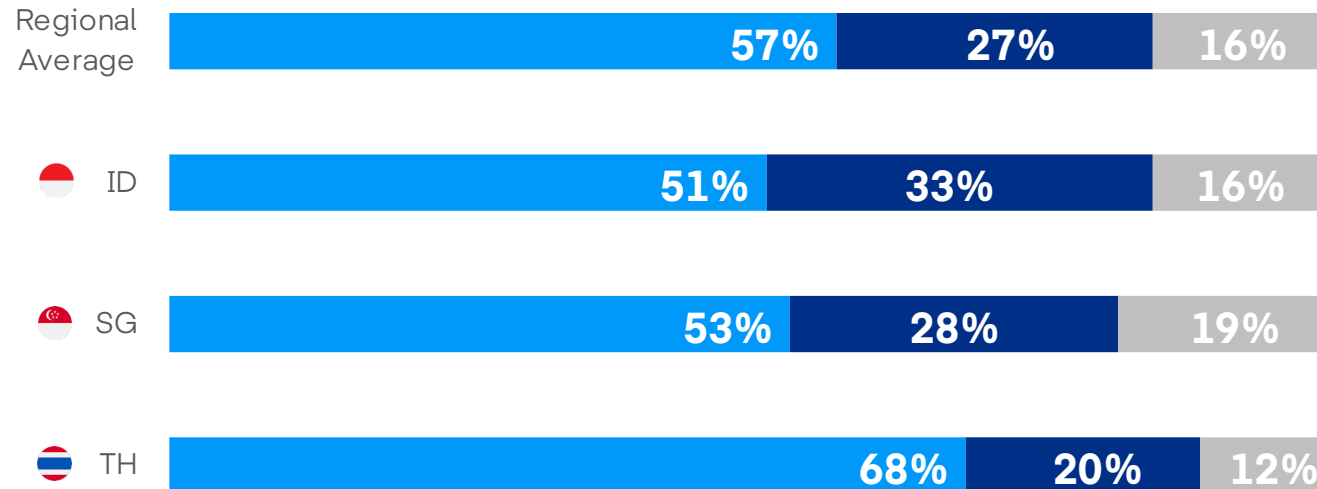
84%

of marketers indicate that OTT advertising is equal to or more effective than linear TV

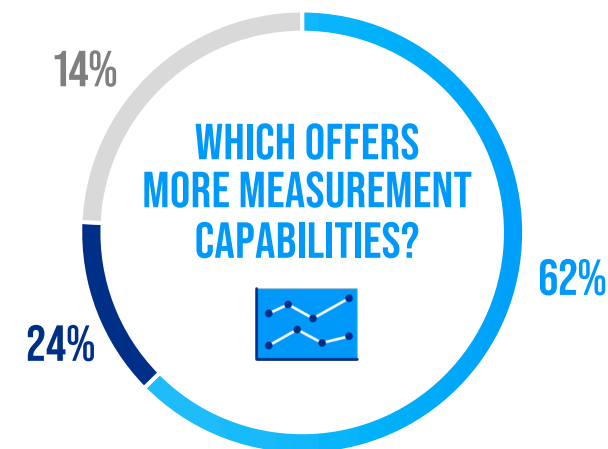
OTT advertising is transforming the way marketers manage their advertising campaigns, allowing for more flexibility and advanced measurement capabilities compared to traditional linear TV.

OTT/CTV VS LINEAR TV - WHICH IS MORE EFFECTIVE?

● OTT/CTV ● Both, equally ● Linear TV



Q: Between OTT/CTV and linear TV, which form of advertising content delivery would you say offers advertisers more flexibility in how we manage our advertising campaigns?

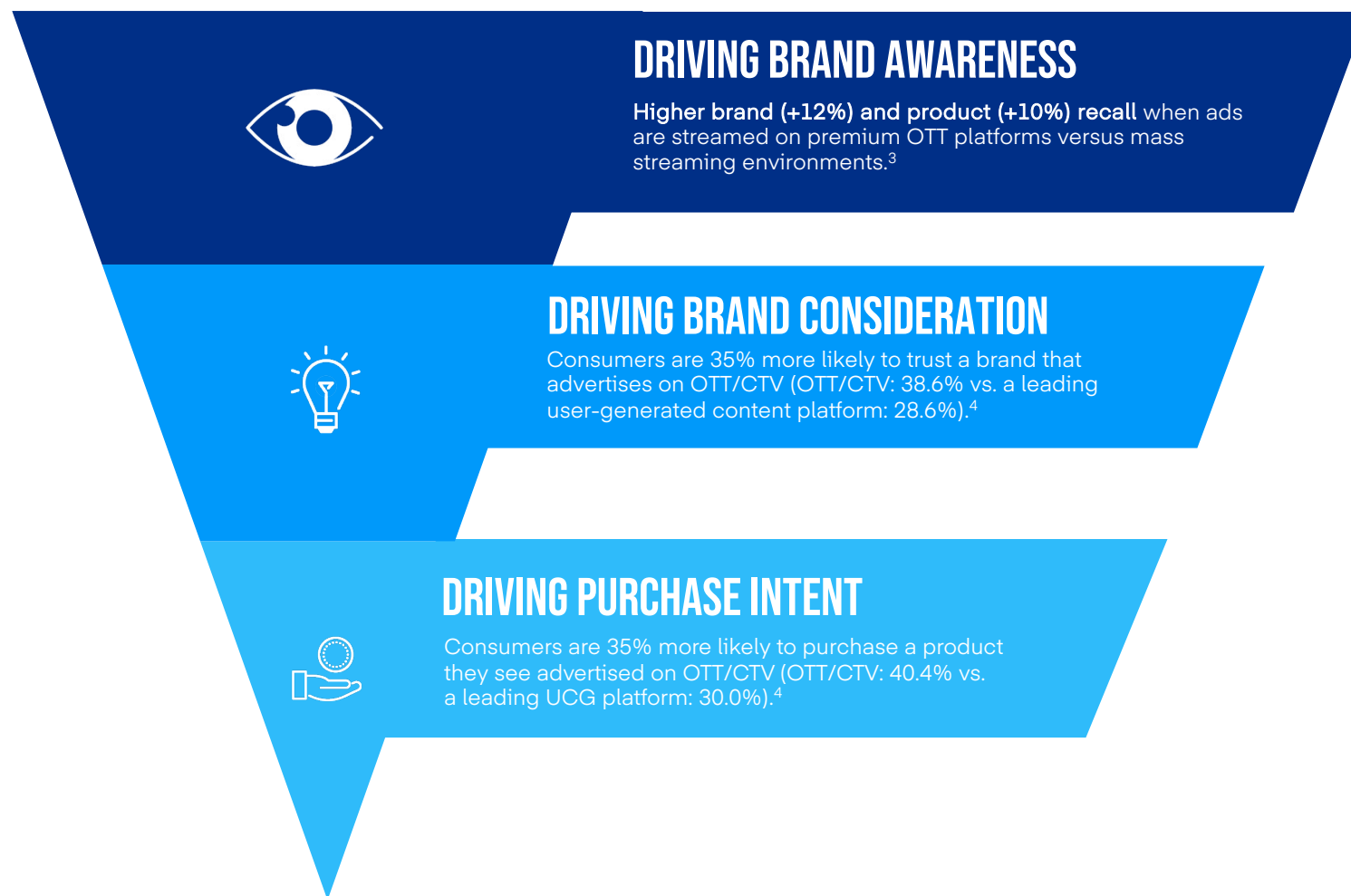


Q: Between OTT/CTV and linear TV, which form of advertising content delivery would you say offers more measurement capabilities in how we manage our advertising campaigns?

OTT IMPACTS THREE KEY STAGES OF THE MARKETING FUNNEL

OTT/CTV advertising has become an integral part of the marketing funnel, where research has shown its impact on key marketing metrics and overall campaign performance. One of the top reasons why brands and agencies choose OTT/CTV for advertising is because of the **high-quality content**, which in turn provides **access to engaged viewers**.

Advertising alongside premium content not only gives credibility to brands but also provides a brand-safe environment.



³Avia, *Premium OTT – Building Its Rightful Place in the Digital Market*.

⁴The Trade Desk and Kantar: *Gateway to the Open Internet (APAC edition)*.

Episode 2

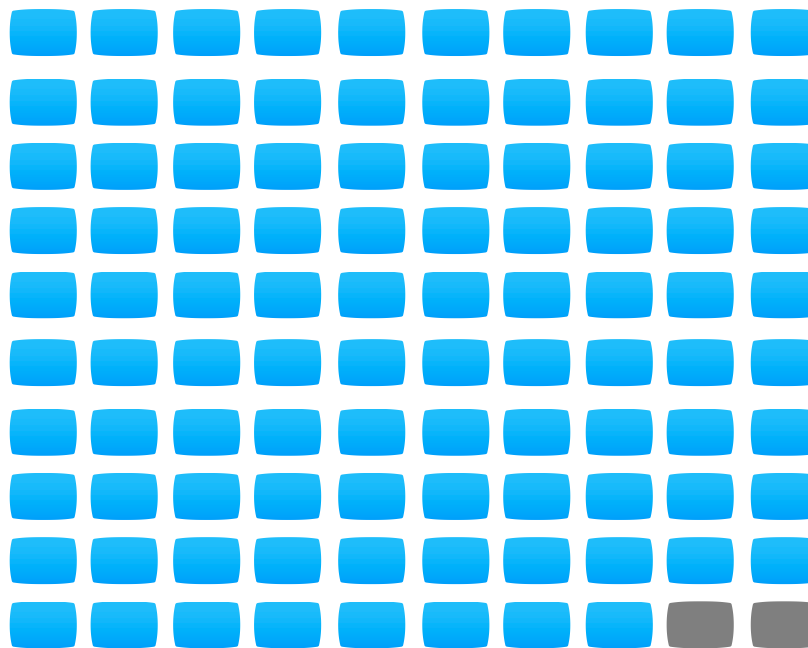
What Draws Brands to Advertise on OTT?

RECIPE FOR SUCCESS:

OTT PROVEN TO DRIVE BETTER AD PERFORMANCE

Across Southeast Asia, 98% of marketers who included OTT into their media mix saw improved performance in their overall advertising strategy, with nearly 1 in 4 saying that doing so had significantly improved their advertising performance.

Not only is this a testament to the channel's potential to significantly add value to brands' marketing efforts, it also reflects OTT as a complementary addition to other advertising channels, enabling marketers to diversify how they reach their target audience.



98%

of marketing leaders surveyed saw **improved brand performance** with OTT inclusion into media mix



THE TRADE DESK TIPS:

TVQI is the new measurement that can help drive higher ROI

Did you know that TV Quality Index (TVQI) can improve engagement and ROI for your next campaign? TVQI is a new metric to help advertisers prioritise their ad spend towards more premium ad experiences, achieving both reach and quality that can help lead to better engagement and higher ROI.



EPISODE 3

UNLOCK THE POWER OF OMNICHANNEL CAMPAIGNS WITH OTT

Consumers' digital journeys are spread across tens to hundreds of touchpoints and multiple devices every day. Of marketers who used OTT, 45% cited it as part of their omnichannel strategy, showing that many brands find OTT advertising to be a complement to their overall marketing plan. Learn more about the benefits of OTT advertising as a part of your omnichannel strategy:



Cost effectiveness
through cross-channel
ad frequency



Transparent and
objective performance
measurement



Connect digital
campaigns to sales
with retail data

COST EFFECTIVENESS THROUGH CROSS-CHANNEL AD FREQUENCY

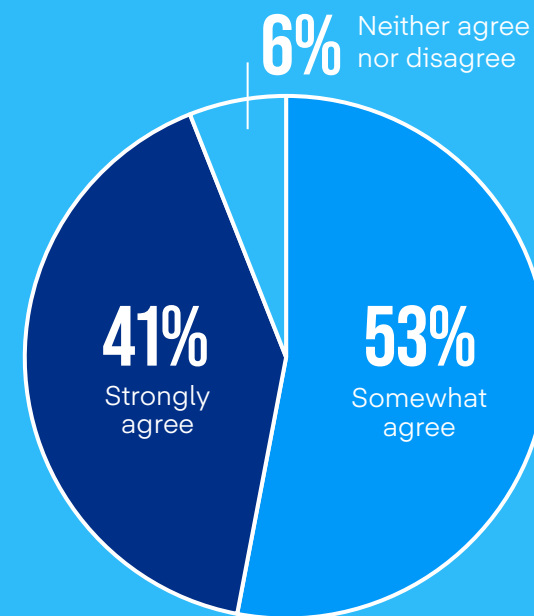
1.5x to 1.8x more efficient reach with OTT than Facebook and YouTube¹

Buying campaigns in silos across different platforms can mean losing control of audience exposure. By having control over how often people see your ads across publishers and devices, your campaign can achieve efficient reach, allowing for cost savings.

94%

of marketers agreed that it is necessary to manage ad frequency.

.....
'It is necessary to manage the frequency of our ads across channels to ensure a balanced and effective advertising experience for our target audience.'



THE TRADE DESK TIPS:

Effective frequency for your target audience

With universal frequency control on The Trade Desk, you can also control the frequency distribution across every publisher and channel to make sure every household sees the ad with the ideal frequency, which can be much more effective than capping alone.

¹The Trade Desk, *The Savvy Marketer's Guide for OTT Advertising in Southeast Asia*.

TRANSPARENT AND OBJECTIVE PERFORMANCE MEASUREMENT

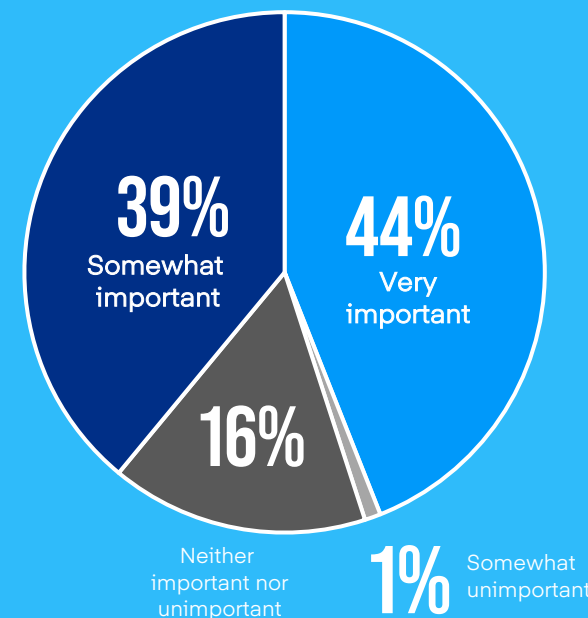
83%*

of marketers indicated that it is important to have measurement tools that are accurate and unbiased to understand campaign effectiveness

Transparent and unbiased reporting provides trust and credibility, which can only be attained through third-party measurement partners. These partners can measure the impact of each channel and understand how they interact across channels to contribute to the overall success of marketers' omnichannel strategy.

*83% of 300 respondents rated 4 or 5 on a 5-point scale.

IMPORTANCE OF HAVING MEASUREMENT TOOLS THAT ARE ACCURATE AND UNBIASED WHEN UNDERSTANDING CAMPAIGN EFFECTIVENESS



THE TRADE DESK TIPS:

Is your measurement data provided by an independent partner?

Working with third-party measurement partners ensures that your results are accurate and unbiased so that you can make informed decisions on your marketing strategy. The Trade Desk's platform offers full transparency in proving and optimising the impact of your campaign. With our marketplace of third-party measurement partners, you can get measurements from brand lift to foot traffic to sales.

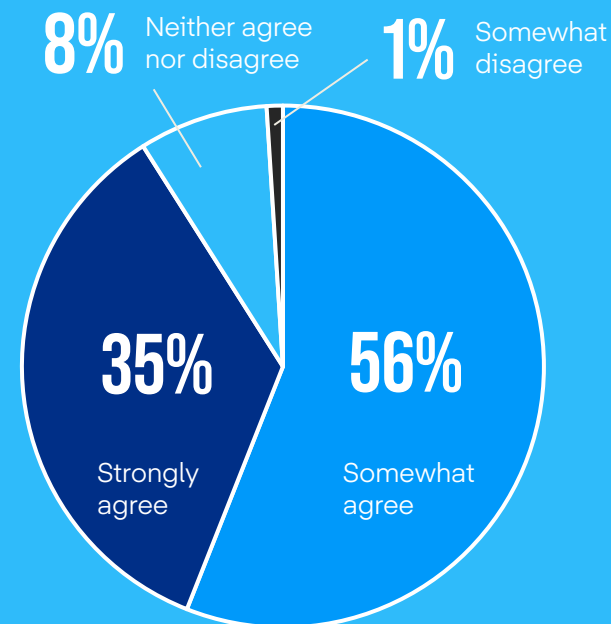
CONNECT DIGITAL CAMPAIGNS TO SALES WITH RETAIL DATA

Many brands are met with the challenge of connecting digital marketing efforts to in-store sales. Retail data enables brands to gain valuable insights into the impact of OTT advertising. By analysing retail data in conjunction with OTT advertising efforts, leading brands are revolutionising their approach to audience targeting and measurement.

91%

of marketers agreed that being able to accurately predict the return on advertising spend (ROAS) is of top priority for them.

.....
'Being able to accurately predict the ROAS is of top priority for my brands or the brands I manage.'



THE TRADE DESK TIPS:

Understand sales performance through retail data

Have you considered incorporating retail data into your omnichannel strategy? The Trade Desk's unique retail data and measurement integration with leading retailers such as FairPrice and Tokopedia will help you understand the impact of your ads on online and offline sales.

SUCCESS STORIES

Explore case studies and be inspired by some of the innovative brands working with The Trade Desk.



11.5%

Lift in ad recall

[READ MORE](#)



11%

Lift in ad recall

zendesk

[READ MORE](#)



17x

Increase in brand recommendation

[READ MORE](#)



2x

Better click-through rate than market benchmark

[READ MORE](#)

Find other success stories:

[READ MORE](#)

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WHY IS OTT ADVERTISING ON THE TRADE DESK MORE EFFECTIVE?



Data-Driven
Media Buying

An unbiased view for your media dollars

Without any owned media, our integrated platform always puts your campaigns first to help you reach your goals.

[READ MORE](#)



First-Party Data

More possibilities with your own customer data

Easily leverage your own customer data and find highly relevant net-new audiences using our retargeting and look-alike capabilities.

[READ MORE](#)



Identity Graph

Personalised marketing with a unified identity graph

Maximise scale and targeting precision using Identity Alliance, our industry-leading solution that combines all people, households, and devices into a single, unified graph.

[READ MORE](#)



Frequency Capping

Give your customers a better ad experience

Control exactly how often people see your ads across publishers and devices to improve consumer experience.

[READ MORE](#)



Measurement &
Reporting

Verified results you can trust

Through our suite of measurement partners and solutions, form a holistic view of your OTT/CTV campaigns across publishers, from reach to online/offline sales.

[READ MORE](#)

KEY TAKEAWAYS

01



OTT advertising is key to marketers

Marketers are now investing in OTT more than ever to reach their target audience.

02



Include OTT into your media mix to improve overall marketing performance

Most marketers reported improved marketing performance after including OTT into their media mix.

03



OTT advertising is integral to your omnichannel strategy

OTT advertising provides audience targeting and insights that can be used seamlessly with your overall strategy.



The Trade Desk helps brands and their agencies advertise to audiences across millions of ad-supported apps, websites, and streaming providers — all around the world.

The media buying platform is focused solely on the buy side, empowering advertisers with data, transparency, and precision to reach and grow their audience everywhere. This helps to power the content that fuels the free and open internet.



Milieu Insight is a leading consumer research and data analytics company in Southeast Asia renowned for its expertise in providing brands and businesses with valuable insights and market research data.

Operating in Singapore, Malaysia, Thailand, Indonesia, the Philippines, and Vietnam, Milieu Insight's industry-transforming solutions have received several prestigious awards, including Campaign Asia's Market Research Agency of the Year (Gold) and Tech MVP 2022. Its one-stop insights platform, Canvas, offers tools for analysing and visualising consumer opinion data across a multitude of lifestyle topics and sectors, empowering businesses to make better, more impactful decisions and strategies.

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