

Italy

The State of Video & Connected TV

Viewing Trends, Top Content
& Advertising Preferences

CRITEO

Video and connected TV bring new opportunities to reach engaged audiences

Consumers are spending many hours of their day watching video streaming services, and this presents a big opportunity for advertisers. We surveyed 9,000 consumers globally, including 1,000 in Italy, to learn more about their viewing habits and advertising preferences for video streaming services. The top survey findings include:

- **3 in 5 viewers now watch more paid video services, and over half are watching more free streaming services.** 59% spend over 5 hours watching paid content and one-third spend over 5 hours watching free content per week.
- **Nearly half of Italian viewers say they enjoy video streaming because it allows them to watch new or original content.** The majority of viewers agree that the content on video streaming services is more entertaining and gets them a better value for their money than cable or satellite TV.
- **54% say subscription cost is their top consideration for using a video streaming service.** 3 in 4 viewers are happy to watch video streaming services with a fully or partially ad-funded subscription.
- **Video is the preferred ad format for Italian viewers.** Half say they like video ads because they find them more engaging, and more viewers prefer pre-roll ads than mid-roll ads.
- **2 in 5 consumers say that video streaming services have influenced their purchasing decisions in the last 12 months.** 2 in 3 confirm they search for featured products and services on their laptop, tablet, or smartphone, and over half confirm purchasing the product/service after watching a video ad.

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Key Terms

Connected TV (CTV)

Any device used to stream content from video providers via the internet.

Examples: Smart TVs, internet TV devices, connected gaming consoles, connected set-top boxes

Online Video (OLV)

A blanket term for all types of digital video.

Examples: Video streaming services, videos on social media, on-demand videos on publisher sites and apps

Paid Video Streaming Services

Paid subscriptions used for accessing content from streaming companies or networks via the internet. May or may not include ads.

Examples: Netflix, Prime Video, Orange Cinema Series, Apple TV

Internet TV Devices

A device that plugs into a non-smart TV to connect it to the internet and gives access to streaming services.

Examples: Apple TV, Amazon Fire TV Stick, Google Chromecast, Android TV Box

Free Video Streaming Services

Free subscriptions used for accessing ad-supported content from streaming companies or networks via the internet.

Examples: YouTube, MyCanal, Facebook Watch

Video Game Live Streaming

Live footage of gamers playing video games streamed to an online audience.

Examples: Facebook Gaming, YouTube

[Click here for a full glossary of connected TV terms](#)

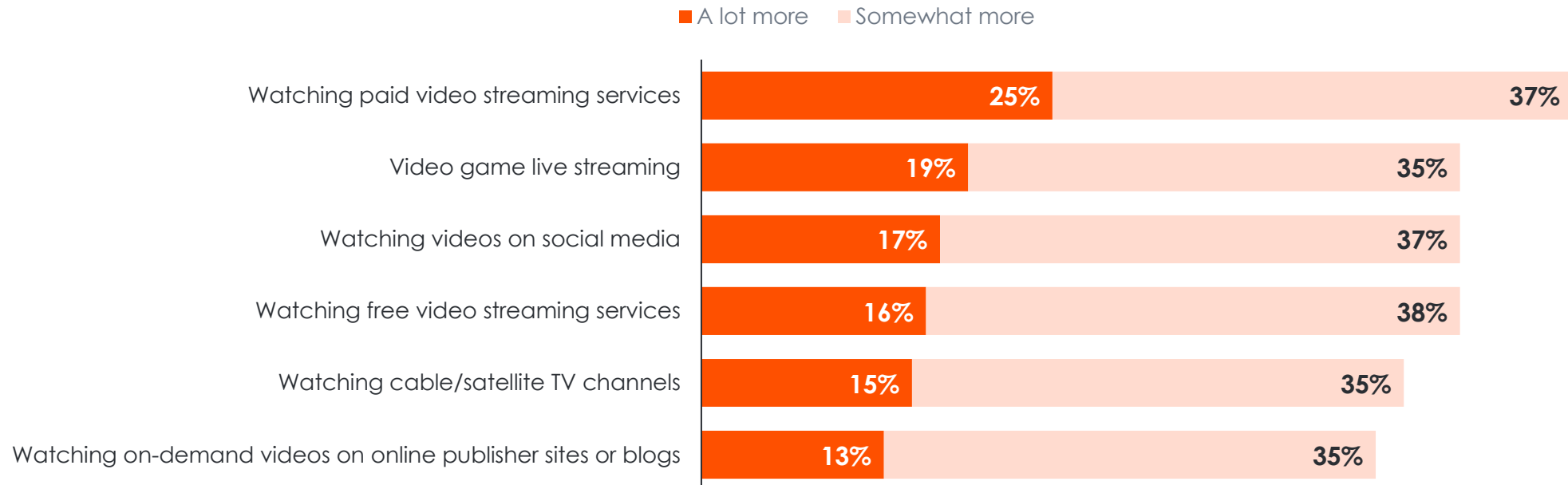


The Rise of Video Streaming

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Video viewing of all types accelerated in 2020

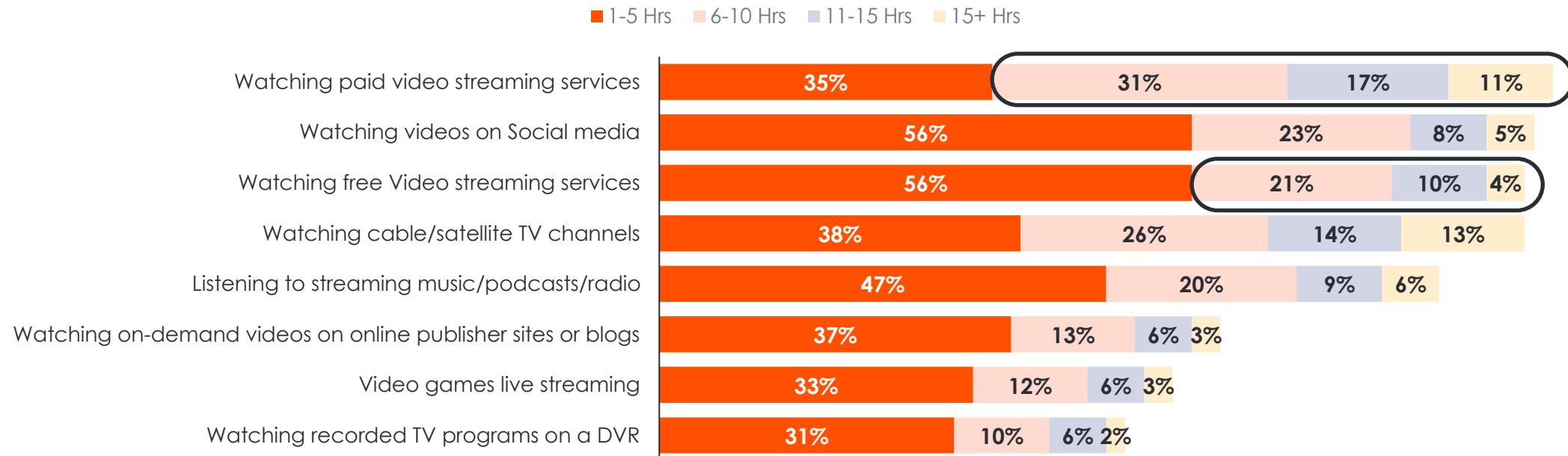
How much has the time you spend on the following changed since the start of COVID-19 as compared to before?




Paid video streaming saw the highest viewing increases, with 3 in 5 viewers saying they watch more paid streaming services such as Netflix, Prime Video, and Apple TV.

3 in 5 users watch paid video services for over 5 hours every week

In a typical week, how many hours do you spend on the following activities?



 One-third also spend more than 5 hours streaming **free video services** every week.

Being able to watch new or original content is the top driver of increased video viewing

Which of the following are reasons you're now watching more video streaming services?

Reasons for watching more video streaming	Gen Z	Millennials	Gen X	Boomers	Overall
Allows me to watch new or original content	52%	50%	45%	42%	47%
Because of staying at home more due to COVID-19	51%	41%	45%	49%	46%
Allows me to watch anytime and anywhere	47%	47%	42%	45%	45%
Offers a great selection of free content	38%	35%	39%	42%	38%
Allows me to watch exclusive content and live events	23%	19%	25%	23%	23%
Better value for money than cable/satellite TV plans	26%	23%	16%	17%	20%
Offers a great selection of content to buy/rent	23%	16%	21%	14%	18%
App experience is great	19%	13%	11%	5%	11%

Viewers also enjoy the flexibility to stream video content as per their convenience - while they are spending more time at home due to COVID-19.

Source: Criteo State of Video & Connected TV Survey, Italy, Q2 2021, N=1013 Definition of age groups: Gen Z: born after 1996 (under 25 years old); Millennials: born between 1983 and 1996 (25-38 years old); Gen X: born between 1967 and 1981 (39-54 years old); Boomers: born between 1948 and 1966 (55-73 years old)

More than half of Italian viewers use their smartphones to watch video streaming services

What devices do you use for watching video streaming services?

Device used for watching OTT	Gen Z	Millennials	Gen X	Boomers	Overall
Smart TV	73%	84%	85%	87%	83%
Laptop/PC	77%	60%	53%	51%	59%
Mobile phone	77%	66%	53%	37%	56%
Tablet	44%	44%	46%	35%	42%
Game console	33%	23%	15%	6%	18%

In addition to streaming on their Smart TVs, most **Gen Zers** use their computers and mobile phones to stream video content. Also, one-third confirm using their game consoles to watch video streaming services.

Source: Criteo State of Video & Connected TV Survey, Italy, Q2 2021, N=1013 Definition of age groups: Gen Z: born after 1996 (under 25 years old); Millennials: born between 1983 and 1996 (25-38 years old); Gen X: born between 1967 and 1981 (39-54 years old); Boomers: born between 1948 and 1966 (55-73 years old)

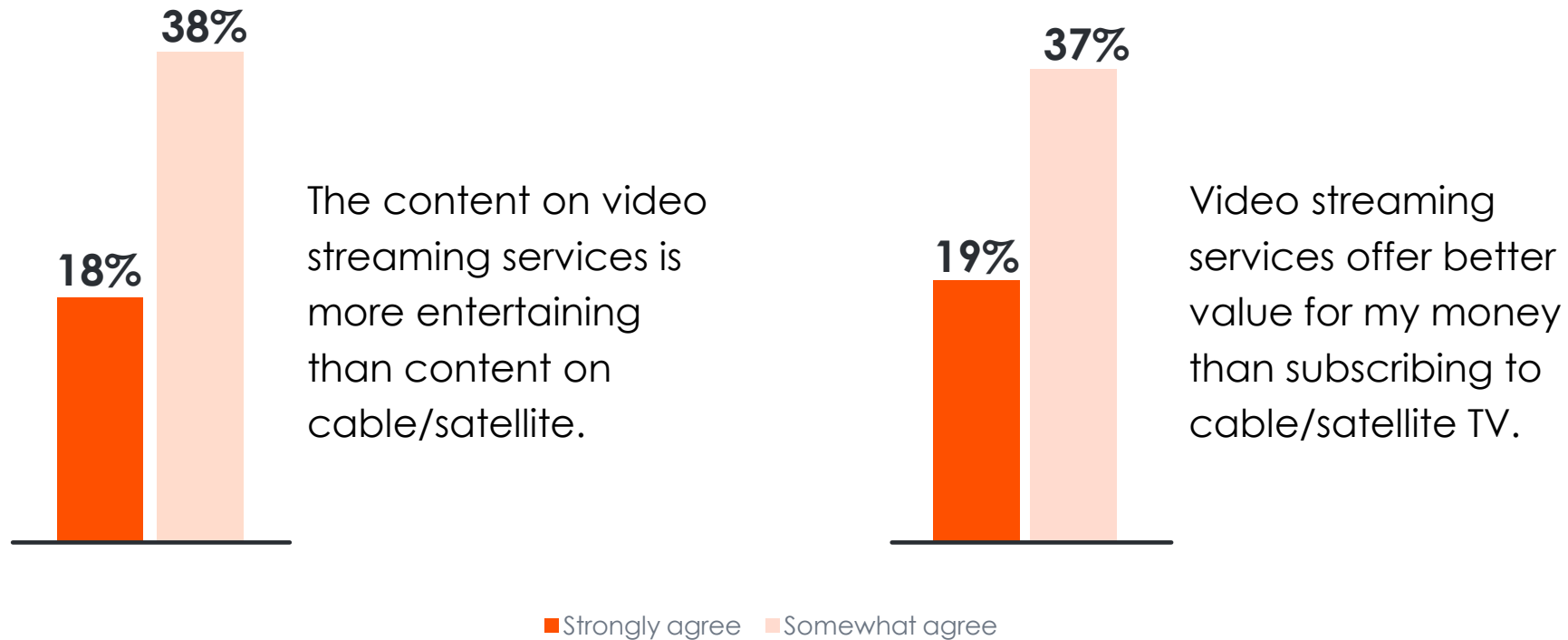
The background is a solid orange color. It features several abstract shapes: a large white rounded rectangle tilted diagonally in the upper left; a thin white outline of a rounded rectangle in the lower left; a thin white outline of a circle in the top left; and a solid dark blue semi-circle at the bottom center.

What Consumers Watch

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Over half of the viewers think that video streaming services offer better value than cable

How much do you agree with these statements?



Cost, quality and flexibility are the top considerations for using video streaming services

What is important to you for using video streaming services?

Important considerations for OTT services	Gen Z	Millennials	Gen X	Boomers	Overall
Subscription cost	54%	44%	57%	61%	54%
Access to high-quality content	59%	45%	53%	53%	51%
Ability to cancel my subscription anytime	51%	46%	48%	49%	48%
Smooth and seamless streaming experience	57%	39%	41%	41%	43%
Availability of free content	37%	35%	38%	44%	38%
Helps me discover new content	43%	34%	33%	23%	32%
Context mix and variety for all age groups	36%	33%	34%	24%	31%
Context mix and variety just for me	29%	30%	21%	33%	29%
Availability of premium content to buy or rent	17%	19%	14%	13%	15%
User-friendly interface	23%	19%	12%	7%	14%

Source: Criteo State of Video & Connected TV Survey, Italy, Q2 2021, N=1003 Definition of age groups: Gen Z: born after 1996 (under 25 years old); Millennials: born between 1983 and 1996 (25-38 years old); Gen X: born between 1967 and 1981 (39-54 years old); Boomers: born between 1948 and 1966 (55-73 years old)

Consumers want access to live content for free, but they'll pay for TV series and movies

Select the content type that you enjoy watching on paid and free video streaming services.

Favourite OTT Content Type	Free Service	Paid Service
Live news	70%	9%
Live awards shows	59%	12%
Live and non-live videos on social media apps	59%	11%
Live gaming	57%	10%
Live sports	42%	23%
TV series	30%	41%
Movies	28%	40%

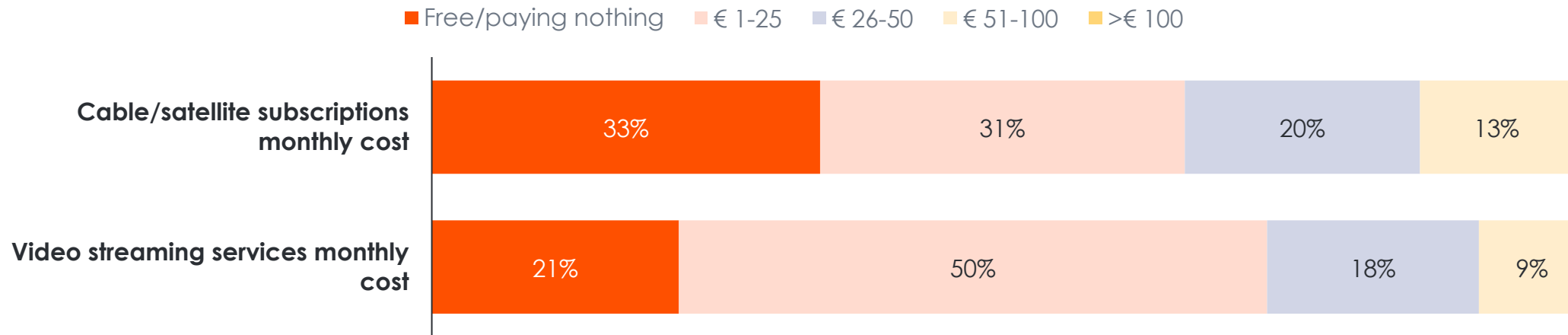
Netflix, YouTube and Amazon Prime Video are the most used video streaming services in Italy

Which of the following video streaming services do you use?

1	Netflix	66%	11	Google Play	16%
2	Prime Video (Amazon)	55%	12	NOW TV	15%
3	YouTube	54%	13	Facebook Watch	11%
4	Rai Play	43%	14	CHILI	11%
5	DAZN	29%	15	Twitch	11%
6	Mediaset Play	27%	16	Eurosport	11%
7	Disney Plus	24%	17	Apple TV	8%
8	Sky	23%	18	Dailymotion	7%
9	TimVision	20%	19	Discovery Plus/Networks	6%
10	Amazon IMDb TV	16%	20	Vevo	6%

Most Italian consumers spend €25 or less per month on video streaming services

How much are you spending per month for all your cable/satellite and video streaming services?



When consumers do pay for services, they tend to pay more for cable than for video streaming. Half of video streaming viewers pay less than €26 per month, while only 3 in 10 spend less than €26 per month for cable/satellite.

3 in 5 use the same email to log in across all websites and apps

What method do you mainly use to login/access video streaming services on various devices?	Gen Z	Millennials	Gen X	Boomers	Overall
Use my same email ID to log in on all services	46%	49%	52%	54%	51%
Use different email IDs to log in on various services	43%	44%	40%	35%	40%
Watch without logging in	11%	8%	8%	11%	10%

Do you use the same email to log in on other online websites/apps (e.g., Facebook, Amazon, etc.)?					
Yes	61%	53%	61%	57%	58%
No	39%	47%	39%	43%	42%

Most Italian consumers are using the same email ID to access video streaming services and shop online.

This means that marketers have the opportunity to connect video viewing with shopping behaviors across devices and channels using privacy-safe hashed email addresses.

Source: Criteo State of Video & Connected TV Survey, Italy, Q2 2021, N=1013 Definition of age groups: Gen Z: born after 1996 (under 25 years old); Millennials: born between 1983 and 1996 (25-38 years old); Gen X: born between 1967 and 1981 (39-54 years old); Boomers: born between 1948 and 1966 (55-73 years old)



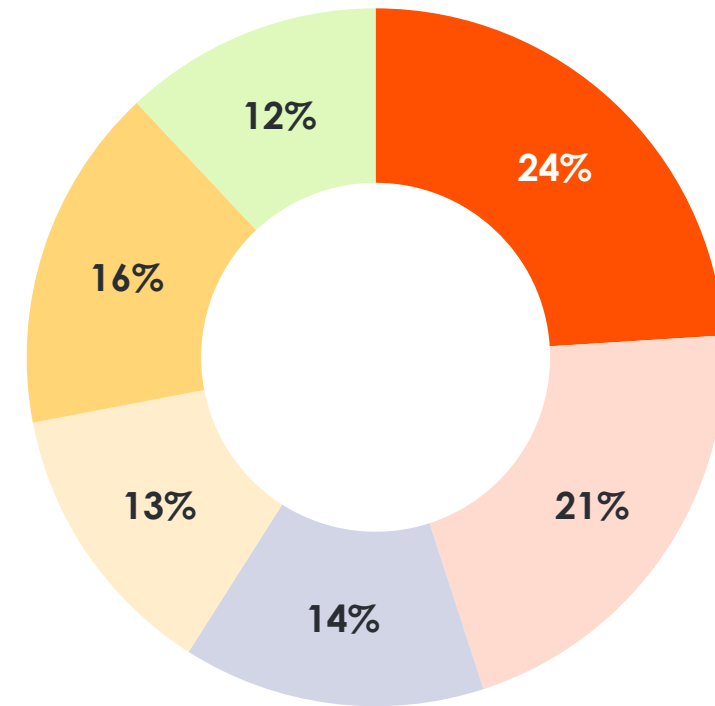
Video Advertising Preferences

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Video is the preferred ad format for Italian consumers

They prefer that ads appear before or after video content, rather than interrupt it.

What type of online ads do you prefer most?



- Video ads that play after the video content I want to watch
- Video ads that play before the video content I want to watch
- Video ads that play in the middle of the video content I want to watch
- Text only ads
- Text and image-based ads
- Native ads

Consumers think video ads are engaging

Why do you like video ads more than other ad types?

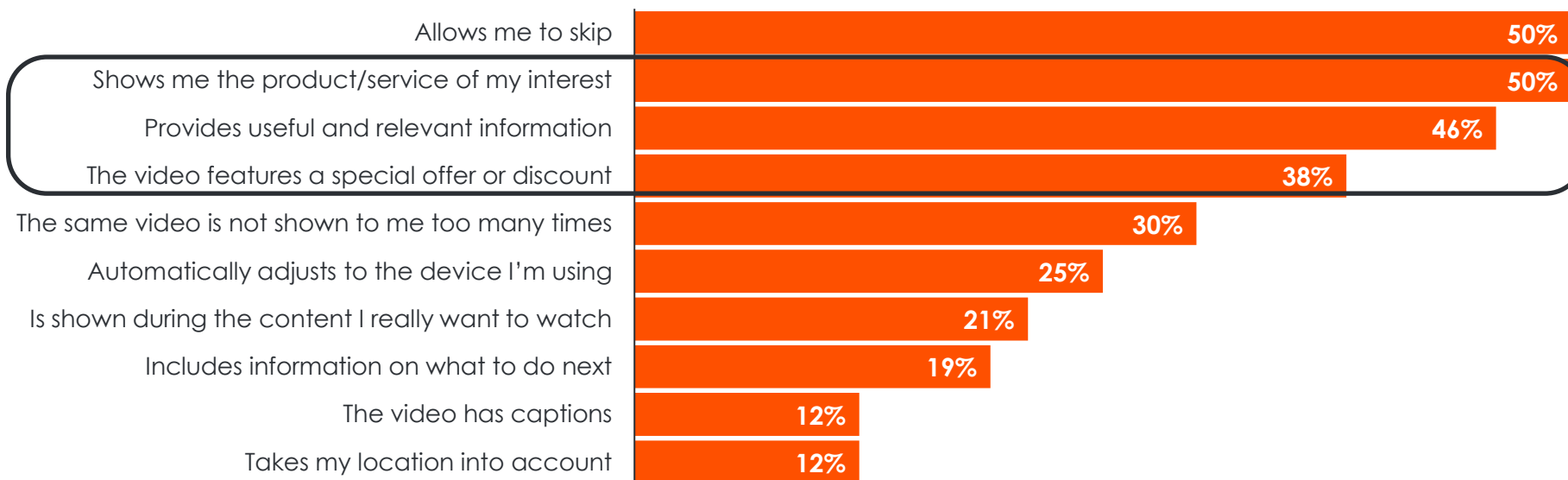
Reasons to like video ads	Gen Z	Millennials	Gen X	Boomers	Overall
Video ads are more engaging	60%	42%	41%	55%	48%
Video ads are more entertaining	39%	32%	39%	49%	39%
Video ads provide more information	41%	34%	36%	43%	38%
Video ads have music/audio	45%	35%	30%	37%	37%
Video ads are more interactive	41%	36%	33%	27%	34%
Video ads have a storyline	28%	21%	31%	20%	25%

Also, 1 in 3 agree that video ads provide more information than other types of ads.

Source: Criteo State of Video & Connected TV Survey, Italy, Q2 2021, N=478 Definition of age groups: Gen Z: born after 1996 (under 25 years old); Millennials: born between 1983 and 1996 (25-38 years old); Gen X: born between 1967 and 1981 (39-54 years old); Boomers: born between 1948 and 1966 (55-73 years old)

Viewers like to see video ads showing products and services that interest them

Please tick all that is important to you while watching a video ad.



2 in 5

want to see video ads that provide useful and relevant information.

1 in 3

want to see video ads with a special offer or discount.

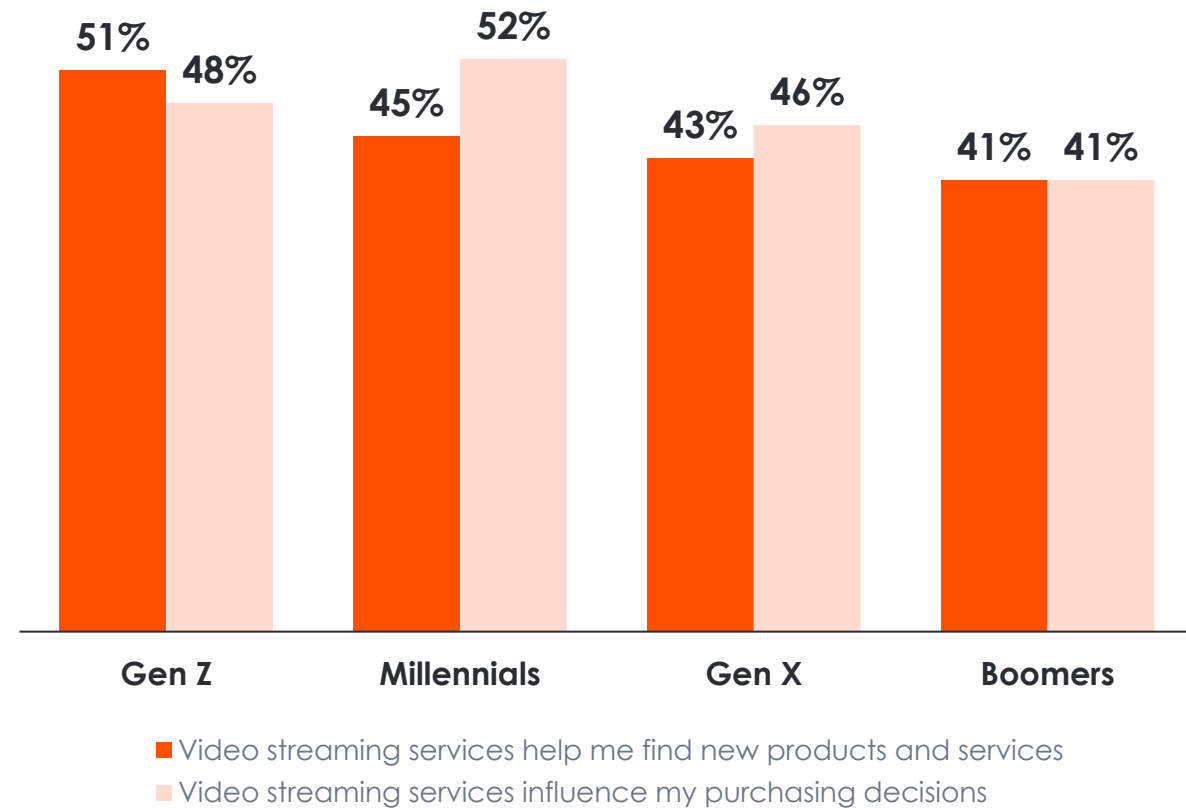
3 in 4 consumers would choose a viewing option with ads to save money

What way do you prefer to watch video streaming content?

OTT Service Payment Preference	Gen Z	Millennials	Gen X	Boomers	Overall
Pay a premium price to watch all content without ads	27%	31%	22%	27%	27%
Pay nothing for accepting to watch all content with ads	24%	18%	22%	27%	23%
Pay for basic subscription to watch content with ads and option to buy/rent premium content without ads	29%	37%	37%	32%	34%
Pay nothing for accepting to watch content with ads and option to buy/rent premium content without ads	20%	14%	19%	15%	16%

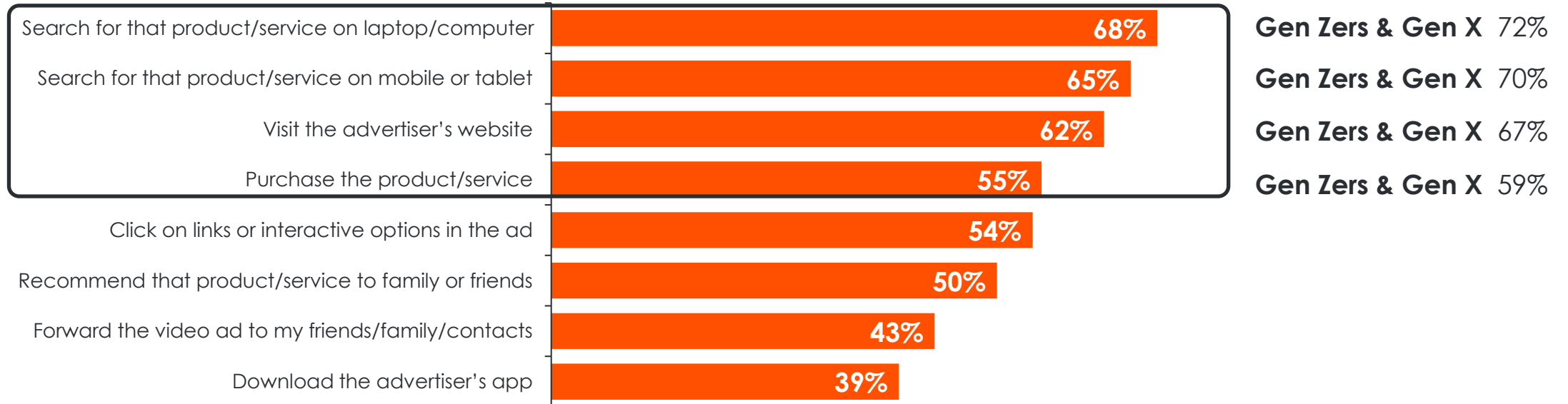
Source: Criteo State of Video & Connected TV Survey, Italy, Q2 2021, N=1011 Definition of age groups: Gen Z: born after 1996 (under 25 years old); Millennials: born between 1983 and 1996 (25-38 years old); Gen X: born between 1967 and 1981 (39-54 years old); Boomers: born between 1948 and 1966 (55-73 years old)

Video streaming services influence product discovery and purchasing decisions across generations



Video ads drive searches and purchases

What consumers do after watching a video ad:

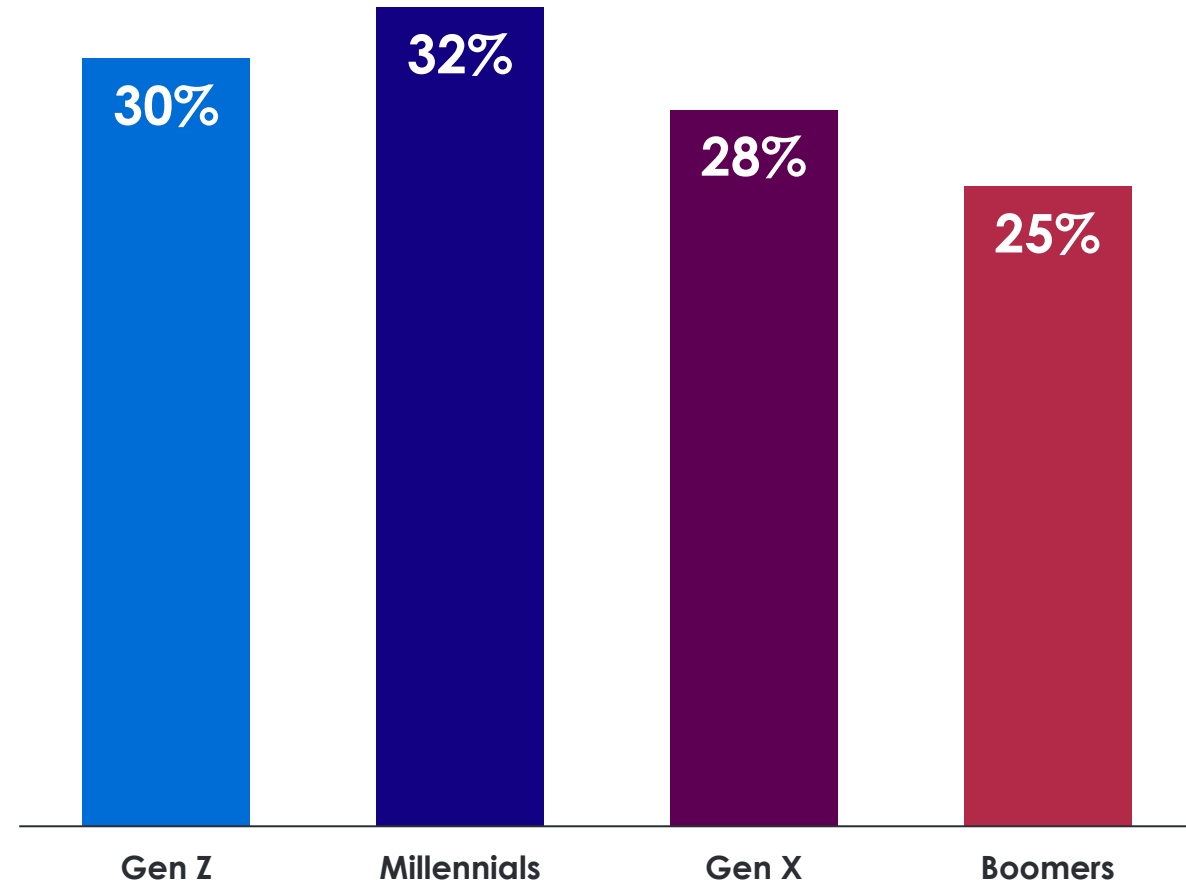


2 in 3 viewers will search for the products and services they see in video ads. Almost 3 in 5 consumers confirm purchasing the products they see in video ads.

3 out of 10 consumers are willing to share their data to receive more relevant video ads

Among the age groups, Gen Zers and Millennials are most willing to share their data.

Percent of consumers willing to share their data with advertisers in order to see more relevant and personalized video ads:



Source: Criteo State of Video & Connected TV Survey, Italy, Q2 2021, N=1003 Definition of age groups: Gen Z: born after 1996 (under 25 years old); Millennials: born between 1983 and 1996 (25-38 years old); Gen X: born between 1967 and 1981 (39-54 years old); Boomers: born between 1948 and 1966 (55-73 years old)

Most consumers are willing to share demographic data to see more relevant video ads

What data are you willing to share with advertisers in order to receive more personalized and relevant ads that match your interests?

Data willing to share	Gen Z	Millennials	Gen X	Boomers	Overall
Age range	70%	56%	68%	67%	65%
Gender	56%	45%	61%	61%	56%
Online shopping data	33%	29%	32%	32%	31%
Location data	24%	23%	23%	26%	24%
Email ID	24%	17%	15%	25%	19%

3 in 10

are willing to share their online shopping data—which allows advertisers to personalize ads based on recent shopping behaviors.

Source: Criteo State of Video & Connected TV Survey, Italy, Q2 2021, N=770 Definition of age groups: Gen Z: born after 1996 (under 25 years old); Millennials: born between 1983 and 1996 (25-38 years old); Gen X: born between 1967 and 1981 (39-54 years old); Boomers: born between 1948 and 1966 (55-73 years old)



Key Takeaways

Think Audience-First

Consumers are watching a variety of ad-supported video content across different streaming services and devices. For example, our research revealed that most viewers prefer any type of live content to be free and include ads.

Before thinking about channels, devices, or ad formats, the first step to building video campaigns is to pick the right audience for each objective.

Look for an advertising partner that can help you apply your first-party data to build audiences, as well as enhance your data with additional commerce data showing behavior and purchase intent to get a 360-degree view of consumers.

2

Create a Commerce Media Strategy

Our study shows that video ads influence consumers across the customer journey, from discovery to purchase.

Commerce media is a new approach to digital advertising that combines commerce data and intelligence to target consumers throughout their shopping journey and help marketers and media owners drive commerce outcomes (sales, revenue, leads).

Advertisers should run awareness, consideration, and conversion campaigns at the same time through the same technology partner to drive audiences from one stage of the customer journey to the next.

2

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Measure Video Campaigns Holistically

Though each video campaign will have its own set of KPIs, it's important to track how video ads push customers down the purchase funnel and influence business results like sales, revenue, and ROI.

The reporting you get through your advertising partner should show the flow of your campaign audiences from the first video view to the point of sale. This allows you to connect your advertising spend directly to sales.

Our findings show that 3 in 5 consumers in Italy use the same email ID to log into video streaming services and to make purchases, which gives marketers the opportunity connect video viewing directly to transactions. Look for an advertising partner with a strong identity graph to connect viewing habits across channels and devices to specific online shopping activities.

Appendix



Italy N=1013

Survey data

Survey respondents are consumers who own a smart TV or an internet TV device and watch a paid or free video streaming service.

Definition of age groups

Gen Z: born after 1996 (under 25 years old)

Millennials: born between 1983 and 1996 (25-38 years old)

Gen X: born between 1967 and 1981 (39-54 years old)

Boomers: born between 1948 and 1966 (55-73 years old)

