

TECHNICAL VALIDATION

Omdia
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# V Smart Ads

## A new framework and measurement methodology for television advertising

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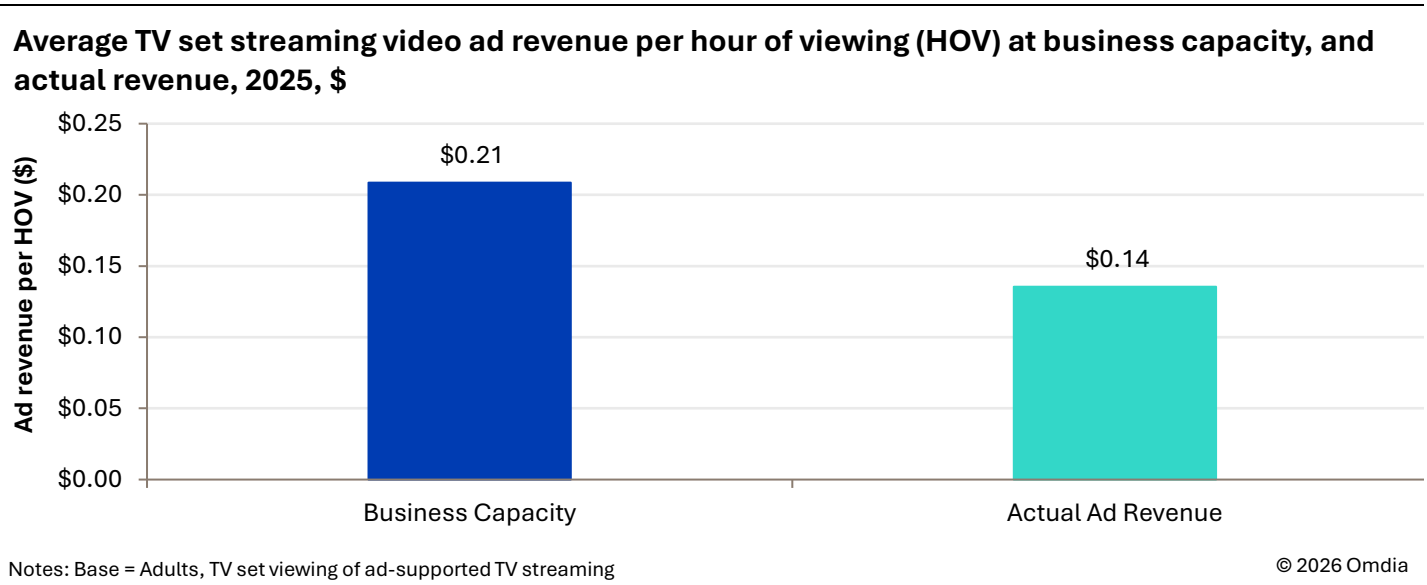
# Introduction

This Omdia Technical Validation examines Smart Ads, a new set of standards, frameworks, and methodologies proposed by V to modernize television (TV) advertising.

## Television industry context and market background

The TV and video industry faces a critical juncture in ad-based monetization. Streaming TV is growing rapidly and projected to surpass linear TV in the early 2030s. However, streaming TV's ad-supported segments are significantly more fragmented and complex than linear TV, involving diverse players providing media, navigation, and discovery experiences beyond traditional electronic program guides (EPGs). Understanding streaming TV advertising dynamics is essential for all ecosystem participants—from traditional broadcasters and media owners to Smart TV OS platforms, global digital companies, and the ad tech, measurement, and supply chain vendors supporting the value chain.

**Figure 1.** TV streaming video advertising is not fulfilling its potential[1]




*Source: Omdia*

As the industry evolves, there is a pressing need to streamline this complexity, establishing standardized frameworks and measurement methodologies that can simplify the advertising landscape; enable more efficient, transparent transactions across the ecosystem; and create more value from existing and/or potentially lower ad levels.

## Current challenges in TV advertising models

TV advertising today suffers from multiple structural deficiencies that make it inefficient, imprecise, and ill-suited for the modern viewing ecosystem. Outdated measurement systems like gross ratings points (GRP) and targeted ratings points (TRP) were built for single-TV households and rely on small sample sizes. Cost per mille (CPM), also called cost per thousand (CPT), was designed for web and mobile device viewing, assuming

[1] Source: Omdia Research Report, *Video Advertising KPI Benchmark Report Series: Report 1 – Monetization*, July 2026. All Omdia research references and charts in this Technical Validation are from this report.

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that streamed content on a device is being viewed by only one person at a time. Panel-based estimates like these lack clarity and precision and rarely reflect an accurate picture of the audience advertisements actually reach.

It's difficult to get equivalency across traditional measurement systems designed for linear TV and streaming TVs due to siloed buying teams. Linear TV ad buyers don't necessarily speak the language of digital and vice versa.

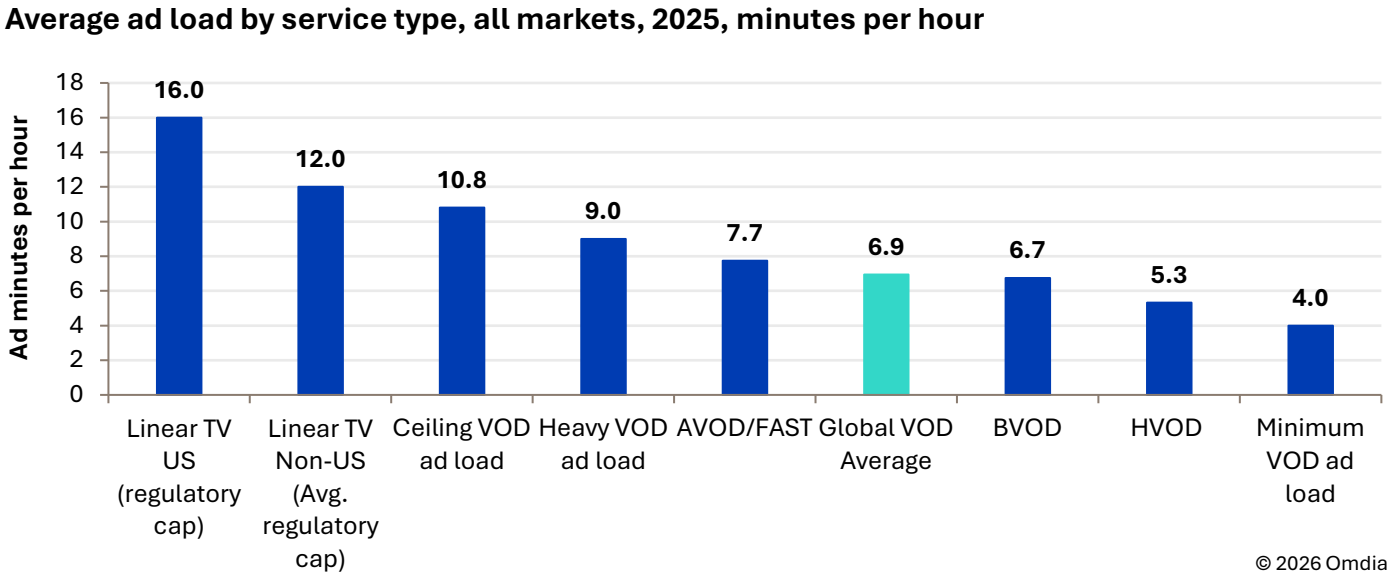
Using fixed measurement approaches in dynamic viewing environments causes a major disconnect. Neither multiple screens per household nor shared viewing experiences are being captured, and traditional measurements tend to count the same people multiple times when they fall into multiple categories.

Basing pricing on panel-based estimates rather than actual screens reached makes the planning and buying processes a black box for both agencies and advertisers, lacking transparent, real-time, verifiable data.

More than a third (35%) of streaming ads available for delivery on a TV set typically go unsold across major markets and platforms, rising to almost 40% for hybrid ad-supported streaming video on demand (SVOD), even though ad-supported tiers are becoming an increasingly essential part of the SVOD mix. Broadcast video on demand (BVOD) is often sold to TV ad buyers as TV and not as online video or digital video ad placements. Buyers believe that incremental reach, with well-established TV measurement solutions, justify the fill rate and premiums. This is driving digital-first new entrants to seek official measurement in key markets.

Said another way, low advertising fill rates are a symptom of structural, measurement, and trust gaps across TV and video—not oversupply of inventory.

**Figure 2.** Low fill rates are a symptom—not oversupply




*Source: Omdia*

Clearly, the TV industry needs a common framework and language to holistically support linear and digital TV advertising.

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## Omdia Technical Validation

Omdia examined the framework, standards, and measurements proposed by V and evaluated the potential benefits and value it could provide across the TV industry, including broadcasters, streamers, advertisers, agencies, and audiences.

### Smart Ads proposed solution framework

Smart Ads uses a methodology based on three major signals: the room the device is in, the size of the screen in the room, and the market context of the location of the device. Smart Ads is based on detailed statistical modeling developed by V that leverages data collected from smart TVs. The potential reach of Smart Ads covers tens of millions of TVs across hundreds of brand partners and global markets.

Smart Ads' three-signal measurement methodology and statistical modeling approach uses detailed contextual signal analysis with aggregate-level reporting.

The room signal, where available, informs the context of the TV's environment.

The screen signal leverages the size of the screen as a major element of viewing context proxy, in combination with correlated device-specific data collection.

The market context signal integrates statistical market data based on location. Knowing the country, region, and city provides valuable context to model the typical viewing audience. All data is aggregated and used in a privacy-preserving manner.

**Table 1** shows an example of how audience data might be inferenced from the device-specific data collected from smart TVs.

**Table 1.** Sample contextual data

| Inferenced data | Device-specific context |
|---|---|
| Room type | Number and size of devices in location |
| Income tier | Geographic location, number and size of screens |
| Device usage | Hours of usage by input (HDMI, USB, set-top box, etc.) |
| Streaming/App usage | Hours of usage for each app/service installed on the device |
| Linear TV viewing | Full visibility via FAST channel app |
| SVOD subscriptions | Time spent in each SVOD app, active subscriptions, and number of subscriptions |

*Source: Omdia*

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## Measurement framework overview

The signals are determined using V's measurement framework. The framework is composed of several metrics used to calculate pricing for targeted advertising.

### Verified Inch Price (VIP)

VIP is the foundational metric and represents the price for 1,000 appearances of an ad on a baseline-size device in a given market. This is somewhat analogous to a standard CPM but calibrated to screen size rather than treating all impressions as equal.

VIP is based on the market's standard price for 1,000 appearances divided by the average screen size in that market. VIP can be calculated at the country level or more granularly by city within a country. Inputs are public and transparent: The market CPM rate is drawn from existing streaming TV pricing data, and average screen size is inferenced from smart TV data.

### Verified device rating point (VDRP)

VDRP builds on VIP by layering in contextual signals about where and how a device is used and is intended to move beyond the assumption that every impression has equal value.

VDRP equals VIP multiplied by a room index, multiplied by audience size, multiplied by screen size in inches.

Room index is a weighting factor reflecting the value of the room type, enabling advertisers to target specific rooms with audiences that may be considered more valuable.

Audience size is approximated using average household size—obtained from public demographic data for the geographic location—and room type.

### VGRP and VTRP – Derived reach metrics

VGRP (verified reach) represents the unique devices reached divided by total active V devices in the country or city, multiplied by 100, multiplied by average ad frequency. One VGRP point equals impressions equal to 1 percent of the country's V device base.

VTRP (targeted reach) represents target devices reached divided by total target devices in the country, multiplied by 100, multiplied by average ad frequency, where the target segment is any combination of room type, screen size, city, and income signals.

Cost per VGRP and cost per VTRP are simply campaign budget divided by the respective metric.

### Representation and data sourcing

Every input into each of V's metrics is deliberately public and transparent: Market CPM benchmarks, average screen size statistics, and household size data are sourced from publicly available market research. This is a marked contrast to some industry claims that it is possible to identify individual viewers by age bracket. At its core, TV is a shared household device, and V's model is not designed to identify individuals.

Instead, V infers room-level context using signals like relative screen size ranking within a household, time-of-day usage patterns, and app consumption, combined with machine learning. This produces household-level, context-based targeting rather than individual-level identification, used in a privacy-preserving manner.

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## Why this matters

The TV advertising industry is fragmented and complex, with no common language across linear TV and digital advertising.

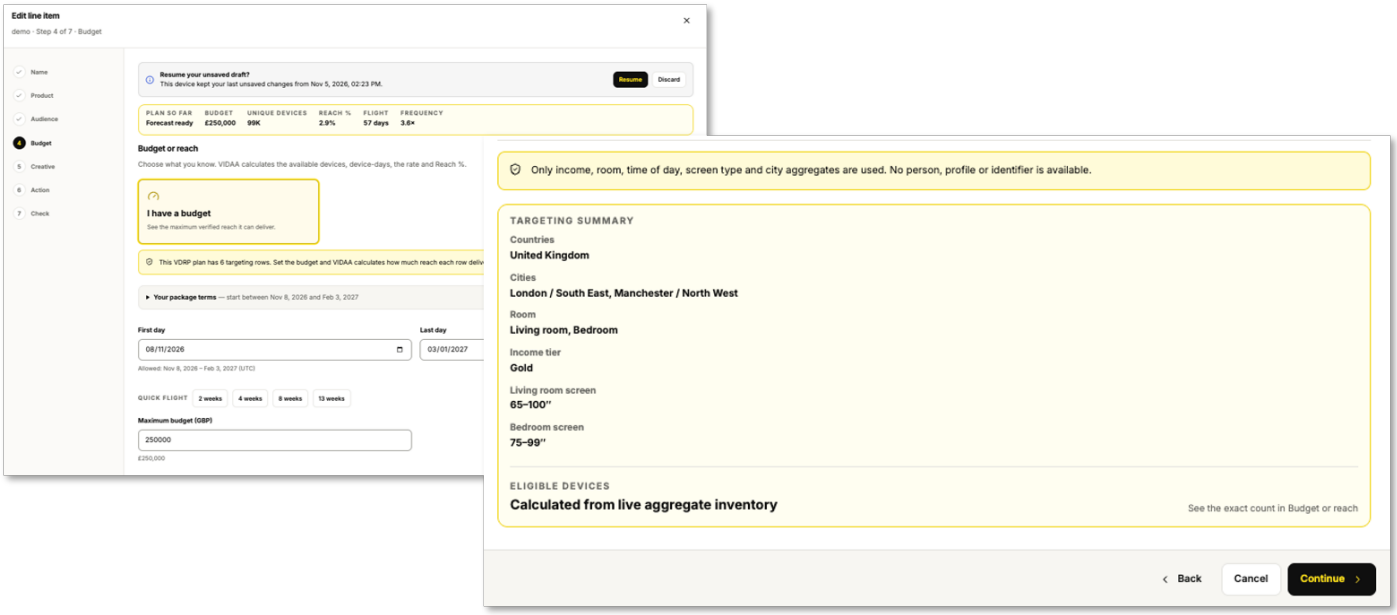
Omdia validated that Smart Ads by V presents a framework that could streamline this complexity and establish standardized measurement methodologies to simplify the advertising landscape.

Using detailed statistical analysis of data collected from smart TVs and inferencing audience viewing habits, interests, and demographics, Smart Ads presents a method by which aggregated reporting could be used to make purchases more transparent and effective for agencies and advertisers while protecting viewers' privacy.

## Demonstration

V shared an application built around a preliminary version of its new pricing model. The model and application used simulated data to show how the framework could be used to provide a simple, transparent methodology for advertisers and agencies to target and purchase advertising. Within the campaign and line-item targeting interface, Omdia saw how a user could set the budget for a campaign and define the audience by specific household and device attributes, using an easy-to-navigate, point-and-click interface.

**Figure 3.** Smart Ads interface



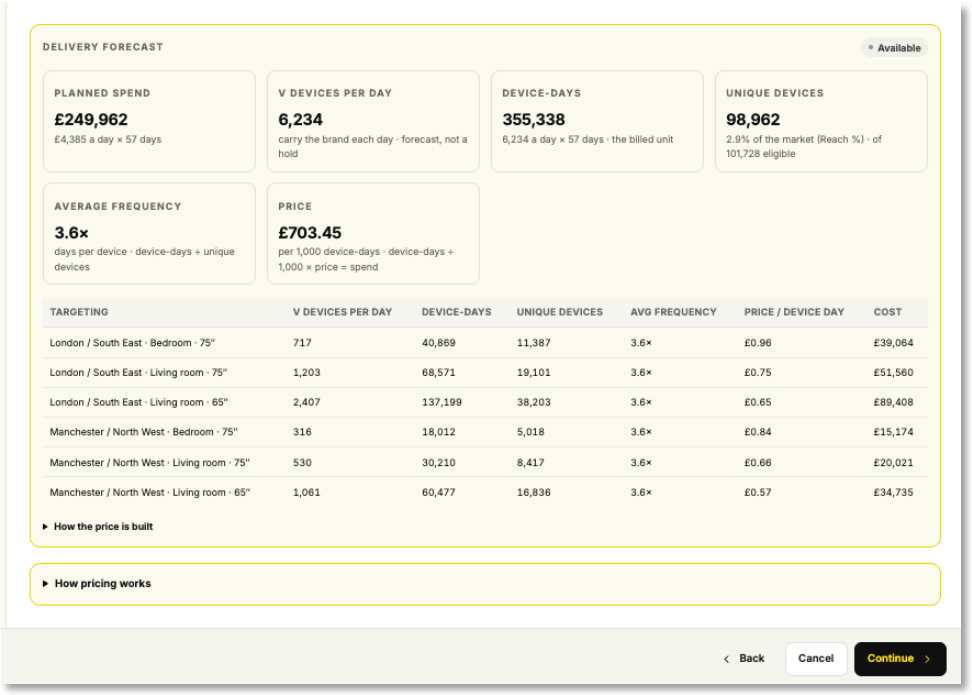

*Source: V and Omdia*

In our example, we selected *Living room* and *Bedroom* from a list of available rooms and selected a screen sizes for each room. The platform displayed the number of devices matching that target, along with the price per device, the VDRP, and the overall cost tied to each audience segment, broken down by screen size.

We also looked at range and tiering controls. A user could adjust targeting by audience tier and restrict frequency or reach range. The planner shows projected spending and price per day per device, so an agency user could see cost updates in real time as targeting parameters are adjusted.

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**Figure 4.** Smart Ads delivery forecast




*Source: V and Omdia*

This demonstration directly addresses several structural problems in TV advertising monetization. CPM is a legacy metric built for single-person device viewing that does not translate well to shared-screen TV environments, and panel-based planning and buying lacks transparent, real-time, verifiable data. V's mockup replaces that opacity with a live, interactive interface where an agency can directly see audience size, device count, price per device, and VDRP cost as it adjusts targeting criteria.

The app also operationalizes V's three-signal methodology, namely room type, screen size, and market context. Targeting the living room versus the bedroom and choosing specific screen sizes shows the room and screen signals being applied directly as concrete, buyable targeting parameters for advertisers and agencies.

## Why this matters

Low advertising fill rates are a symptom of structural, measurement, and trust gaps across TV and video. The TV industry needs a common framework and language to holistically support linear and digital TV advertising.

V's app is simple and intuitive, presenting an easy, visual, metric-driven interface as a way to bridge the divide between linear and connected TV advertising and make ad inventory easier to both sell and justify.

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## Value proposition analysis

### Benefits across the ecosystem

The Smart Ads framework is designed to deliver distinct value to each stakeholder group. Brands benefit from paying for actual screens reached rather than panel-based estimates, gaining access to targeted room-level reach where available, and seeing improved results with fewer ads. Agencies and broadcasters gain a unified planning and buying methodology that bridges linear and digital TV, supported by transparent, real demand data and a collaborative approach to adoption. Consumers, in turn, benefit from fewer ads that are better targeted to discrete audiences, meaning people see more of what interests them and less of what does not.

### A new standard for TV advertising

Smart Ads is positioned as a new industry standard built around context-aware advertising rather than panel-based assumptions. It offers enhanced measurement precision compared to legacy systems like GRP and CPM and carries industry-wide adoption potential as a common framework that could unify linear and connected TV advertising under a single, transparent methodology.

### Stakeholder engagement model

This standard depends on engagement across the full value chain. This includes broadcasters and streaming services that supply the inventory and viewing context, global and local agencies that plan and buy on behalf of advertisers, and both the buy-side and sell-side integration, ensuring that the framework can be adopted consistently across the entire transaction chain.

### Privacy-driven approach

V's approach is designed around the TV's shared device-level data, rather than individual user data. V has stated unequivocally that it is not its aim to identify individual viewers or build user-level profiles. V's methodology relies on contextual signals, combined with aggregated information about how the TV is used, statistical modelling of market-level income bands, and aggregated reporting, enabling V to deliver meaningful advertising insights without identifying the individuals behind the screens.

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## Conclusion

The TV and video advertising industry is at a significant point of transition. As TV streaming continues to grow, the ecosystem remains fragmented and affected by structural inefficiencies. Legacy measurement systems such as GRP, TRP, and CPM were designed for single-person, single-device viewing and do not align with today's shared-screen, multi-platform environment. Siloed buying teams, a lack of equivalency between linear and digital measurement, and reliance on panel-based estimates rather than actual screens reached have resulted in a planning and buying process with limited transparency for both agencies and advertisers. As a result, more than a third of streaming TV ad inventory typically goes unsold, not due to oversupply, but because of measurement, trust, and structural gaps across the industry.

Smart Ads, developed by V, addresses these challenges through a context-aware, three-signal measurement methodology based on room type, screen size, and market context, combined with aggregated insights on how the TV is used. Rather than relying on panel-based assumptions or unverifiable estimates, the framework incorporates publicly sourced inputs as well as aggregated device-usage inputs into a set of standardized metrics intended to provide advertisers and agencies with a common framework for planning and transacting across linear and connected TV. The interactive demonstration reviewed by Omdia showed this applied in practice: A user can define an audience by room and screen size and view device counts, price per device, and cost in real time, in place of a traditionally less-transparent buying process.

Across the value chain, Omdia identified several business benefits. Brands gain the ability to pay based on actual screens reached rather than panel-based estimates, with access to room-level targeting and the potential for improved outcomes from fewer, more targeted ads. Agencies and broadcasters benefit from a unified planning and buying methodology that connects linear and digital TV, supported by transparent demand data. Consumers may also benefit, encountering fewer, more relevant ads rather than repetitive or less-targeted ones. The model is designed to infer the TV’s shared-device-level context rather than identify individual viewers, using aggregated signals such as relative screen size, usage patterns, and app consumption in a privacy-preserving manner.

Overall, Smart Ads is intended to allow the TV advertising ecosystem to operate with greater efficiency and transparency than legacy measurement approaches, offering agencies and advertisers a more direct path to targeting and pricing decisions compared to relying on panel data alone. By applying a standardized, privacy-focused framework across the value chain, including broadcasters, streaming platforms, advertisers, and agencies, the solution is positioned as a potential basis for a more unified industry measurement standard.

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