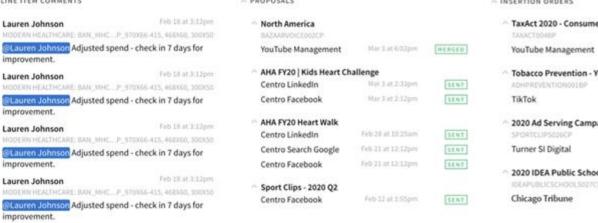
Thank you for joining. We'll begin shortly... Basis Technologies Reality Check: 2025 Advertising Trends

## Basis Technologies

The industry's most comprehensive and automated digital media platform.

#### **■** Basis Dashboard LINE ITEM PACING 96 LINE ITEM KOLDERFORMANI LINE ITEM STATUSES Under 90% @ Over 110% 9 line items 02/18/20 - 02/24/20 4,000 90%-110% 4 line items 02/18/20 - 02/24/20 - LINE ITEM COMMENTS - PROPOSALS - INSERTION ORDERS



YouTube Management

Tobacco Prevention - Y

2020 Ad Serving Camp

2020 IDEA Public School

Turner SI Digital

Chicago Tribune

TikTok



# **Noor Naseer**

VP, Media Innovations + Technology



Kaitlin O'Brien

Manager, Media Innovations + Technology



# Reality Check: 2025 Advertising Trends

Aligning the Speed of Innovation with Today's Advertiser Expectations

OBSERVATION #1

# Industry Mouthpieces are Wearing Advertisers Thin





# Lofty Expectations Distract from Legitimate Solutions





**OBSERVATION #3** 

# The Industry's Path Forward Must Differ From the Past



## Radical Change is a Series of Events, Not a Big Moment

WE DIDN'T GO FROM THIS:



1844: First U.S. Telegraph

TO THIS, OVERNIGHT



2004: Gmail Launches





TV'S TURNING POINT

COMMERCE MEDIA RISING AI IN THE IN BETWEEN

SEARCH WITHOUT BORDERS





Late 1990s: The Screen Begins to Crack

Early 2000s: A New Way to Watch Emerges

2010s: Streaming Grows FAST + Skinny

2020s: TV Nears Full Transformation



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**1998:** Netflix launches DVD service

**1999:** DVR (TiVo) and IPTV released



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**1998:** Netflix launches DVD service

1999: DVR (TiVo) and IPTV released

2005: YouTube launches, Apple iTunes enables video downloads

**2006:** Amazon Prime Video Launches

2007: Netflix launches as internet-enabled VOD, Apple TV + iPhone released

2008: 1st Gen Roku released, Hulu launches



Late 1990s: The Screen
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2005: YouTube launches, Apple iTunes enables video downloads

**2006:** Amazon Prime Video Launches

2007: Netflix launches as internet-enabled VOD, Apple TV + iPhone released

2008: 1<sup>st</sup> Gen Roku released, Hulu launches

**2010**: 4G, fiber internet enabled, SmartTVs hit mass market

2013-14: Chromecast + Amazon Fire Stick release, Tubi, Pluto TV, CBS All Access (Paramount+) launch

**2015:** Sling TV, Fubo TV, YouTube premium launch

**2017**: YouTube TV, Hulu Live Launch

**2018-19:** Apple TV+, ESPN+ (with ads) and Disney+ launch



Late 1990s: The Screen Begins to Crack

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2020s: TV Nears Full Transformation

2020: Peacock, HBO Max launch, signal loss gets real

**2021**: Paramount+, DirecTV Stream launch, HBO Max = ads

2022: Streaming passes Cable time spent, Disney+ and Netflix = ads, Amazon launches TNF

**2023:** Max (WBD) rebrand, Netflix password crackdowns

2024: Disney password crackdowns, Amazon Prime Video = Ads



# CTV's Sliding Scale of Progress



#### **Problem: Solved**



Access to cost-effective, high-quality inventory



Accurate, granular audience targeting



Standardized, transparent data capture and reporting



Ability to drive purchases from TV ads



Cross-channel measurement



Universal currency transaction



**Problem: Persists** 



## **Key Growth Areas for CTV in 2025**

#### INVENTORY

Premium opportunities reach scale, while standardization emerges as a focal point

#### **ADDRESSABILITY**

Improved data quality and access open more avenues to reach audiences

#### **MEASUREMENT**

Measurement solutions built exclusively for streaming TV haven't fully materialized



# **Problem Solved**

Access to Premium, Ad-Supported Inventory 80%

of consumers now use ad-supported streaming offerings



# Problem Solving Standardizing CTV Inventory Classification

#### STANDARDIZATION IS NECESSARY FOR

Frequency Capping

Ad Format Delivery

Measurement

Verification







#### **PREDICTION**

Ad loads will increase + the industry will establish new inventory standards.



## Signal Loss Forced the Ad Industry to do Addressability Well

In 2022, **poor data quality** resulted in wasted ad spend or inaccurate targeting

For 1 in 3 advertisers



#### 3 EVENTS FUELED IMPROVEMENT

- 1 Consumers go AVOD
- 2 Streaming adopts AdTech
- 3 Data sources diversify



#### **Diversified Data Sources Create Legitimate Addressability**

Sources of Reliable Audience Data

Streaming Platforms

**Device Manufacturers** 

Advertiser 1P Data



Seller Defined Audiences

Contextual

Al Modeled







#### **PREDICTION**

Contextual will be the dominant targeting approach.



**MEASUREMENT** 

## "The Future Does Not Fit Into Containers of the Past"

- Rishad Tobaccowala



#### Legacy Measurement Approaches Aren't a Perfect Fit for CTV



#### LINEAR METHODOLOGY

Reach/Frequency

GRP, TRP



#### DIGITAL METHODOLOGY

Multi-Touch, First-Touch, Last-Touch, Closed-Loop

Clicks, impressions, views, completion rates



# Retrofitting the System: Making CTV Measurement Work For You

What business outcome(s) do you want to capture?

What solution measures for that outcome?

What is the composition of your buy? How does that inform measurement goals?





CTV: MEASUREMENT

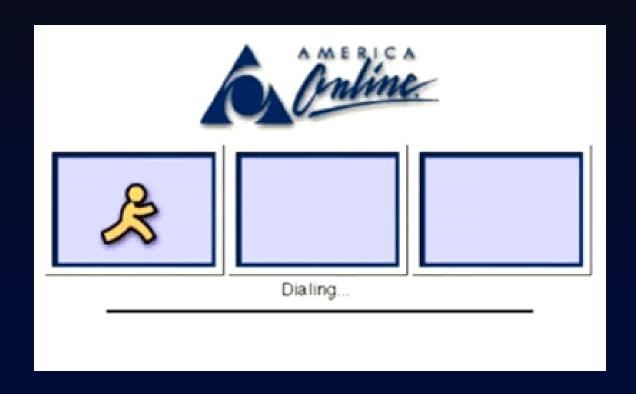
#### **PREDICTION**

Savvy CTV advertisers will focus heavily on solving for measurement.





#### **Incremental Progress Precedes Momentous Occasions**



#### INTERNET GROWTH MILESTONES

**AOL's Internet Discs** 

**User-Friendly Browsers** 

**Instant Messaging** 

Search Engines + Social Media

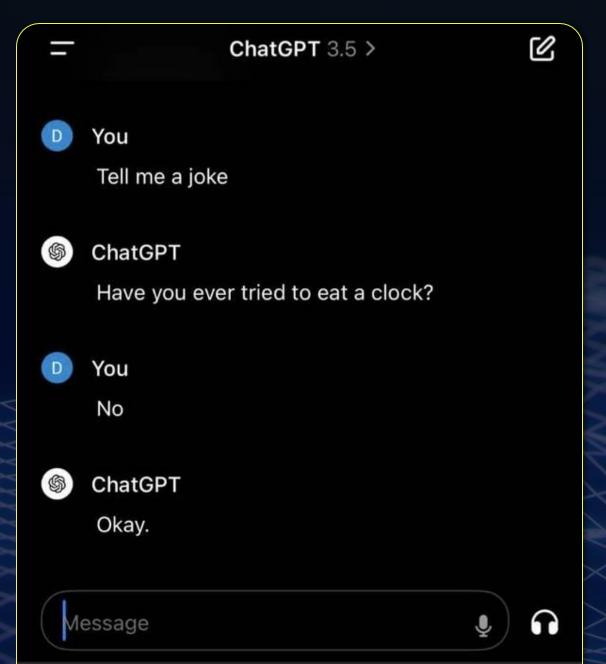
Mobile Internet + Apps

WiFi Connectivity



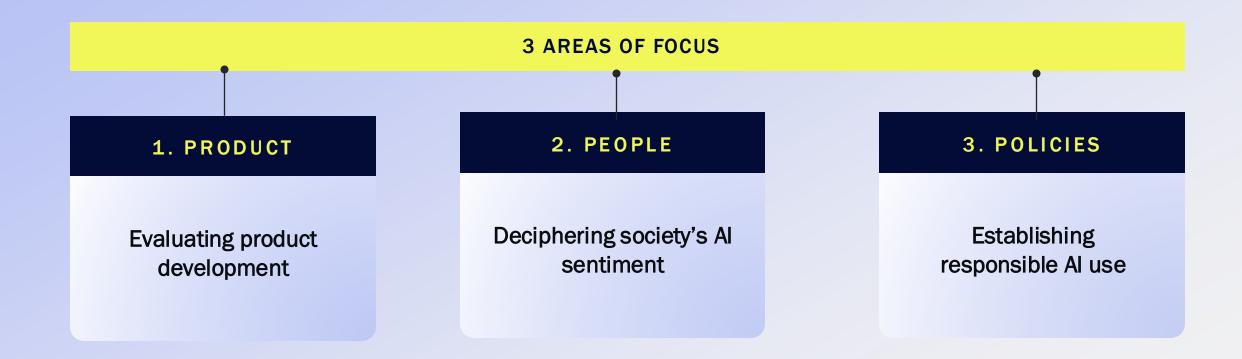
# Emerging Tech Must Go Through Growing Pains

And honestly, growth is awkward



Basis

#### The Current State of Al in Advertising





### Billions are Pouring into Al Product Development











\$200 Billion

Estimated investment in 2024 alone



#### Point Solutions Will Be Integrated Into Existing Workflows









#### **PREDICTION**

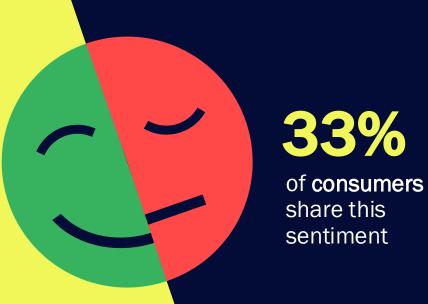
Fully integrated, end-to-end Al workflows are 2 years away.



STATE OF AI: PEOPLE

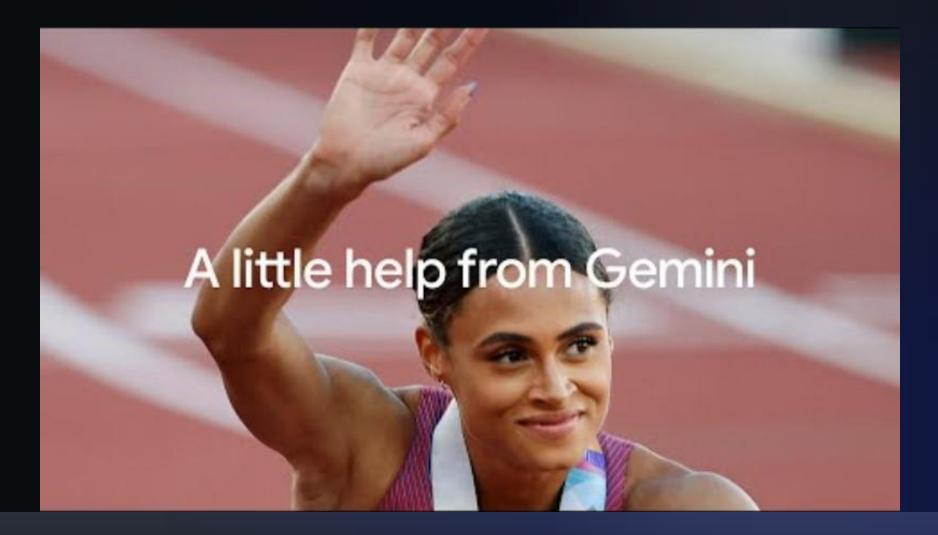
Consumers
Don't Share
Advertiser's Al
Enthusiasm

77%
of advertisers
view Al positively





## Al Resistance is Rooted in Removal of Humanity





#### STATE OF AI: PEOPLE

Al Resistance is Rooted in Removal of Humanity

+ Insufficient Utility

# techradara

Meta's celebrity AI avatars go from celeb status to no-shows after they fail to hit the mark









### **PREDICTION**

Advertisers won't flinch at Al within the next year – and that's a good thing.



### Tenets of Responsible Al Use For Advertisers

1. Risk Management Strategy

2. Transparent Communication

**3.** Subject Matter Experts







### **PREDICTION**

Agencies and brands will onboard Al specialists, establish working groups.





Transcending retail roots to usher in advertising's next era

Consumers Are Telling Us
About Themselves Through
Their Purchasing

102k

Transactions occurred every minute in the U.S.





# Are You Listening?



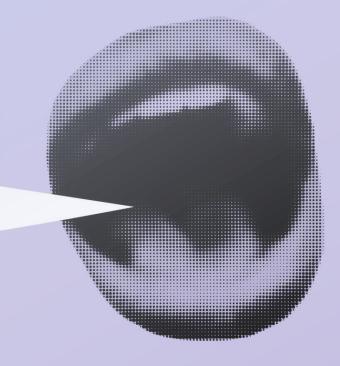




# Retail Media has commanded a lot of conversation, for a long time

TO BE FAIR

Retail + CPG capture **nearly half** of all digital ad spend





Leaving the other half of advertisers out in the cold





### Retail Media Isn't Universal, but its Fundamentals Are

COMMERCE MEDIA ADOPTS RETAIL FUNDAMENTALS:

Marketers Want: quality data access

Brands Want: new revenue streams

Consumers Want: privacy + personalization

60%

of marketers are investing in strategies that don't involve third-party cookies



## Distinguishing Retail from Commerce Media

### RETAIL MEDIA

Data Exclusive to Retailers

On-Site Media

**Closed-Loop Attribution** 

1P Transaction
Data

Data Clean Rooms

On-Site + Off-Site Media

### **COMMERCE MEDIA**

Audience Cohorts

Off-Site Media

MTA/MMM/Modeled Attribution



# The Next Era of Advertising Will Be Characterized By

1

Audiences sourced from the supply side

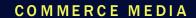
2

The open web becomes a curated web

3

Data collaboration occurs within clean rooms







### **PREDICTION**

Commerce media will be for every advertiser.





# Desachelyddede





## Brand Discovery is Happening Outside the Search Engine



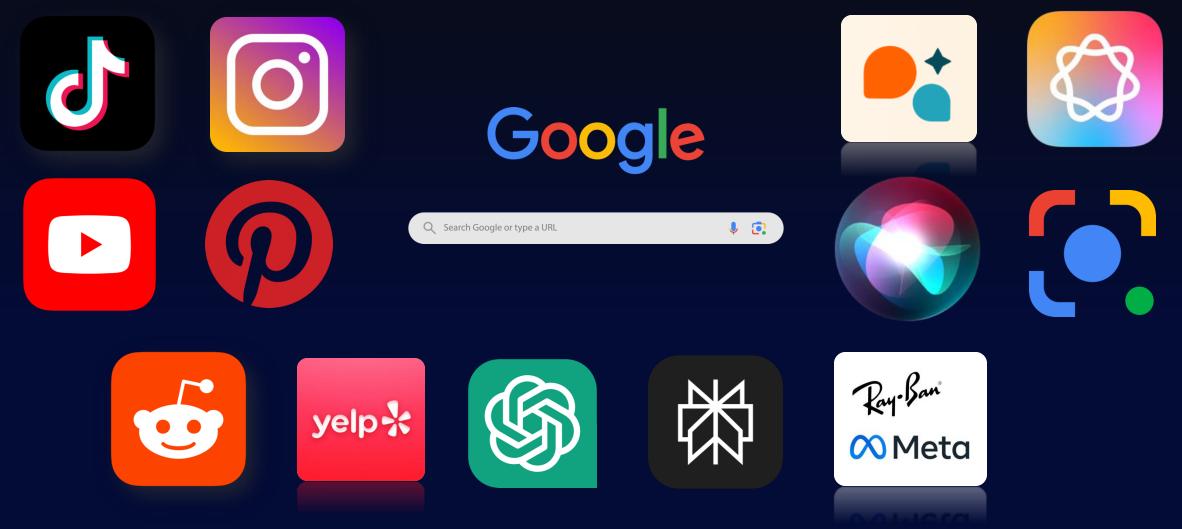
Q Search Google or type a URL





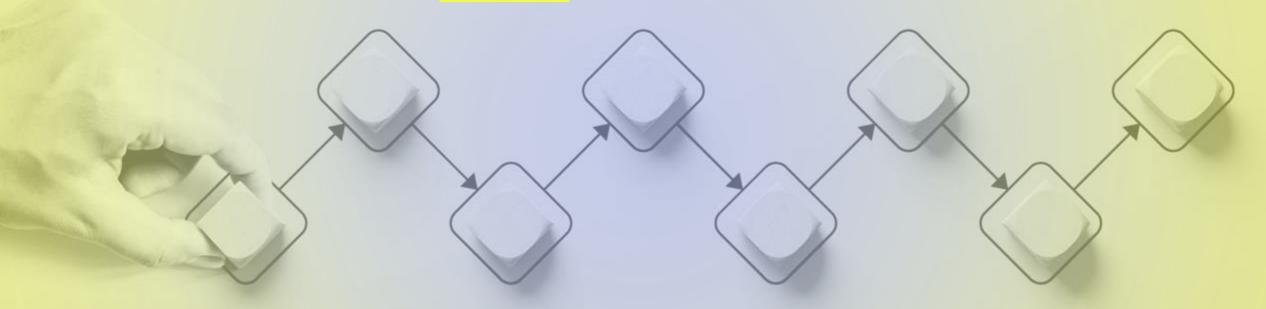


# Brand Discovery is Happening Outside the Search Engine



## Today's Consumer Seeks Diversified Perspectives

# We curate our search journey



to ensure confidence + control over our outcomes







### **PREDICTION**

Future search and social ad products will facilitate search as discovery.



# Legacy search strategies need a refresh



# Your Brand Has Been Intercepted



# **Taking Back Control**

SEARCH WITHOUT BORDERS: REFRESH #1

### WHO HOLDS THE BALL

Identify who is talking about your brand – and on what platforms

### WHAT THEY'RE SAYING

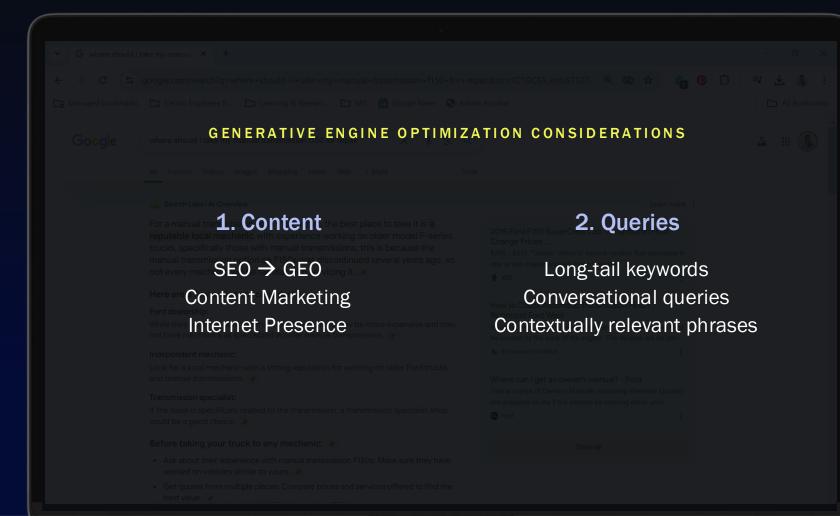
Is there content or insight you can use for a campaign?

### TAKE THE BALL BACK

Join the conversation or take it back with revised SEO strategies

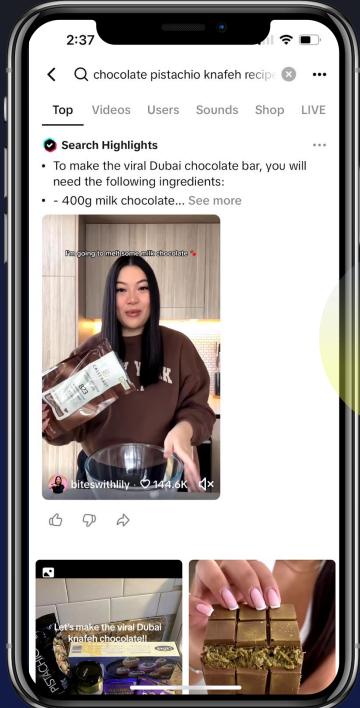


# Seamative Engine Optimization





# Social Search Engine Optimization

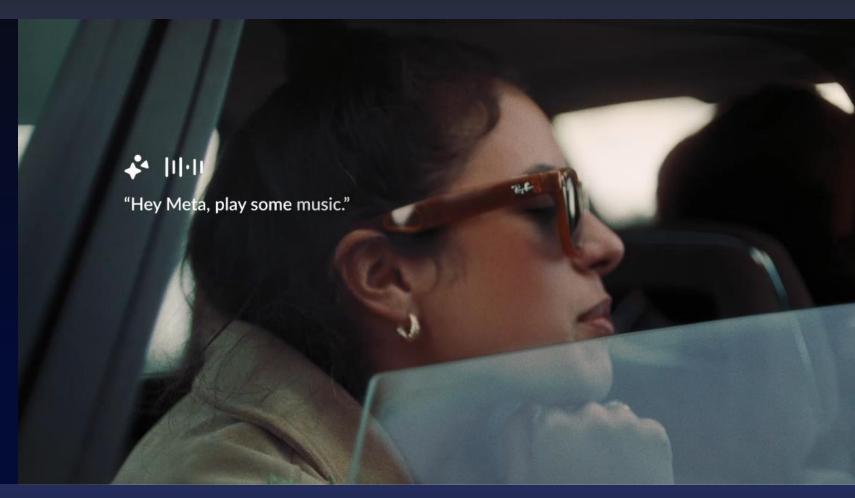






# Search Becomes Multimodal

Combining text, image, audio, video inputs



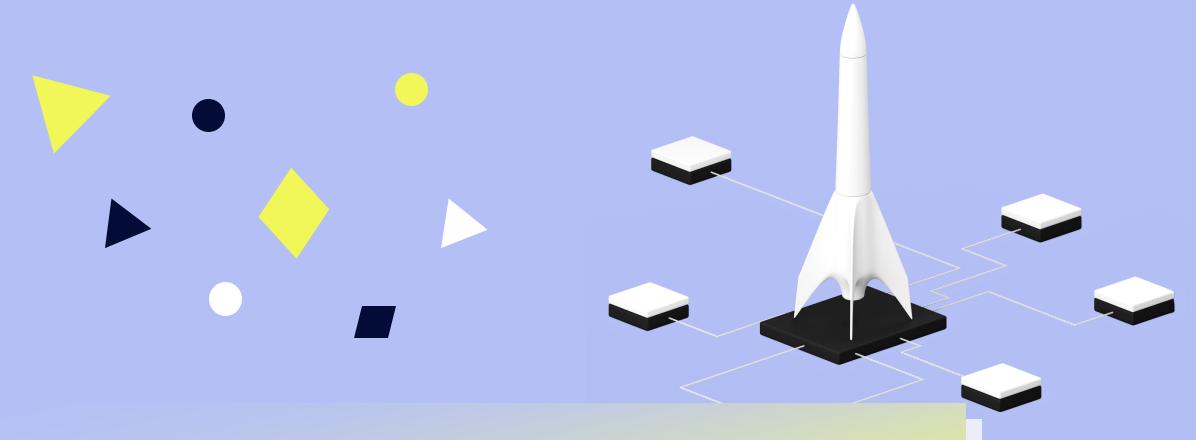




### **PREDICTION**

The borders will blur between SEO, SEM, and social teams.

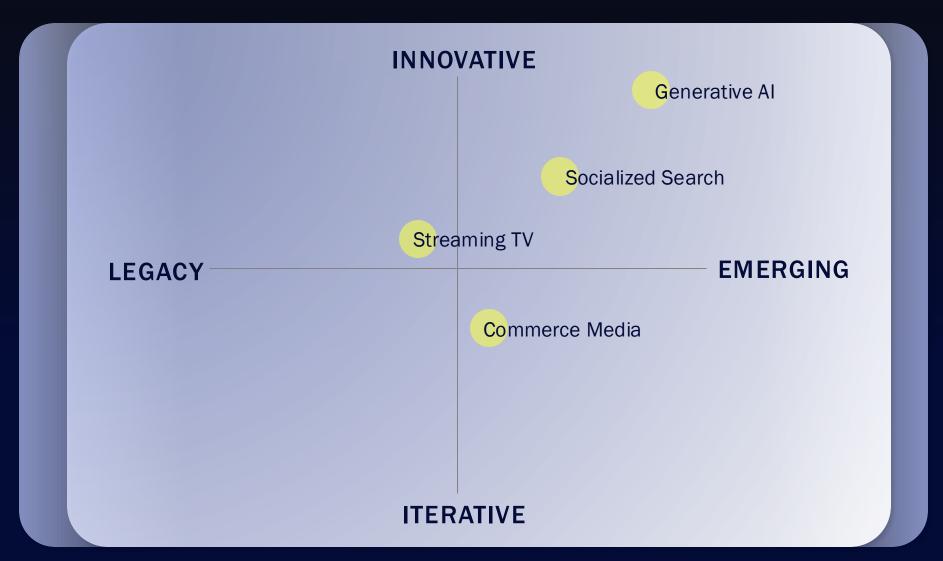




# Incremental to Monumental

Where Advertisers Can Create
Meaningful Adoption of Advancing Tech

## **Innovation Advances at Varying Paces**





# Kaizen: good change

Small, positive changes that eventually reap major improvements



#### WRAPPING UP

# "Innovation is an evolutionary process. So it's not necessary to be radical all the time."

- Marc Jacobs





# Want to make the most of your 2025?

basis.com/trends

