



REALITY CHECK

The 2025 Advertising Trends Report

Basis[®]
Technologies

CONTENTS

Introduction	02
Trend #1: Commerce Media: It's More Than Retail.....	03
Trend #2: CTV Meets its Potential	05
Trend #3: AI After the Hysteria	07
Trend #4: Search without Borders	09
Advertising in 2025	12

INTRODUCTION

Marketers are an optimistic bunch. We see the upside and possibility in the world around us: The things that make our brands great, the ways our products and services can change people's lives for the better, the messages and the tactics that can help us break through and make a real connection.

And, largely speaking, we extend that same optimism to the technology that enters our world.

We always want the newest tech sensation to be the Next Great Tool—the one that helps us achieve our goals more successfully and in less time; that helps us work smarter (not harder); that lets us make more money while having more time to spend with our families and friends. We buy in as early adopters, fall victim to FOMO and, all too often, roll the dice without first calculating the odds.

In recent years, the industry has been abuzz with the promise of future-forward developments. From the potential of Web3 and blockchain to AI, AR/VR, and beyond, marketers and advertisers have fallen and fallen hard—sometimes in love, sometimes right on their faces.

But even optimists and futurists can have their limits, and at a certain point, that curiosity begins to morph into skepticism. Heading into 2025, more and more marketers find themselves looking past the hype and the upside and, instead, asking that age-old question: **“Oh yeah? Prove it.”**

The industry is still grappling with a host of challenges that have frustrated advertisers for years—things like addressability, measurement, streaming activation, and new opportunities for reach and incrementality—and advertisers are eager to find real solutions that drive tangible results, and to thread the needle between promise and practicality.

This report aims to provide a grounded perspective on the trends set to shape 2025, exploring key ways advertisers can bridge the disconnect between expectations and reality, and maximize the potential lying in new innovations to drive impact with their campaigns in the year ahead—and beyond.

Commerce Media: It's More Than Retail

Until recently, commerce media seemed like a niche channel for retail and CPG, with retail media networks sprouting up like weeds and luring starry-eyed advertisers with promises of engaged audiences backed by first-party data.

But now, brands in industries of all kinds have seen the potential value lying dormant in their stockpiles of first-party data—an estimated **\$1.3 trillion** worth of value¹—and the old adage is proving true: Anything and everything is an ad network.

And it is, truly, all about the data. With third-party cookies fading into the rearview and 60% of US marketers turning to first-party data strategies,² commerce media offers many advertisers the best of both worlds: A way to expand audiences and reliably reach target consumers while adhering to more privacy-friendly practices.



\$1.3 Trillion
Potential enterprise value
of commerce media in the United
States. (That's \$1,300,000,000,000.)

¹<https://www.mckinsey.com/capabilities/growth-marketing-and-sales/our-insights/commerce-media-the-new-force-transforming-advertising>

²<https://www.emarketer.com/insights/guide-ad-measurement-id-resolution/>

TREND #1

Commerce Media: It's More Than Retail

Keys to Commerce Media Success

But the tactic is not without its commensurate set of accompanying headaches, and advertisers will need to be thoughtful and deliberate about their commerce media strategies. Fragmentation was (and is) a problem, as is any consistency around measurement and transparency, as there are not yet widely adopted industry standards for either. Ultimately, the quality of a given media networks is only as good as the quality of the data that underlies it, so it's critically important for marketers to form the right partnerships and invest in the right networks for their brand.

To begin, look inward: Is your own data house in order? Do you have the right creative to meet the right audience on the right network? And, when considering which of those ever-expanding media networks in which to invest, do you feel confident that in the soundness of their data and its hygiene...and of their ability to pair that data with yours (via data clean rooms or similar entities) to maximize the opportunity?

Commerce media is an extraordinary opportunity, and one that reflects a broader shift in digital advertising where first-party, data collaboration, and non-traditional vendors/publishers play a key role. But the tactic carries many of the same risks as any other channel, so be sure to exercise due diligence and choose your networks wisely.

84%

US marketers who say that they are more likely to invest in retail media because of third-party cookie deprecation.³

³<https://www.emarketer.com/content/marketers-plan-invest-more-retail-media-third-party-identifiers-deprecate>

CTV Meets its Potential

After years of hype, predictions, hyperbole, and preparation, CTV is finally starting to turn into the channel that marketers have long dreamed it could be.

Advertisers now have ample access to cost-effective, high-quality, and increasingly programmatic inventory across an array of platforms, with CPMs steadily decreasing as new inventory floods the market. They're also able to do more accurate (and more granular) audience targeting, satisfying one of CTV's key upsides vs. linear.

In 2025, advertisers will enjoy increased addressability on CTV thanks to growing adoption of alternative IDs, as well as the expanded use of data clean rooms to match and activate first-party data. The channel has also seen significant advancements in AI-powered contextual targeting, which can evaluate contextual web-based signals against CTV signals—factoring in not just content type, but tonality, mood, sentiment, and more—to build out targeting segments.

Of course, that doesn't mean CTV is without its problems, and the channel is still facing lots of well-placed questions around fragmentation, measurement, and attribution. But time has come for advertisers to stop treating CTV like an emerging channel and start finding the best ways make the most of its opportunities.

⁴<https://forecasts-na1.emarketer.com/584b26021403070290f93a3a/5d9671494945300bf4895bf9>



\$32.6 Billion

Projected US CTV ad spending
in 2025. It's expected to surpass
\$40 billion by 2027.⁴

Making CTV Measurement Work for You

While targeting on CTV has grown increasingly precise, measurement is a different story. To date, the industry has tried to apply legacy measurement techniques from both linear TV and the broader digital landscape to CTV—but, as it turns out, neither of those approaches quite works.

How can advertisers retrofit solutions to make CTV measurement work for them—even if those solutions aren't based in a multi-touch or first-/last-click attribution approach?

Start by asking these three questions:

- 1** What business outcome do you want to capture?
- 2** What measurement solutions/partners will best help you evaluate that desired outcome?
- 3** What is the composition of your media buy, and how does that inform your measurement goals? Factor in the inventory, channel mix, ad formats, and any additional layers of verification they might demand, and set your baseline expectations appropriately.

While the industry continues to grapple with what CTV measurement solutions should look like, advertisers still have several solutions that can help them piece things together. Think beyond typical video KPIs and, instead, try to identify any correlating business outcomes that you can actually measure with existing solutions. *(Ex. Sales lift, footfall attribution, creative preference/efficacy, brand favorability, reach/frequency, audience overlap, audience extension, and more.)*

AI After the Hysteria

Marketing's initial burst of generative AI hysteria is starting to die down, leaving advertisers to navigate the aftermath.

After two years of extraordinary hype, countless new “AI-powered” products, and all too many unfulfilled expectations, marketers are growing increasingly skeptical of the technology's most audacious claims of radically transforming every aspect of the industry: A 2024 Basis study found that 53.2% of marketers and advertisers believe AI is overhyped, while 88.7% feel generative AI poses a moderate-to-significant risk brand safety and misinformation risk to marketers.⁵



That said, AI isn't going anywhere, and the time has come for agencies and brands to better identify how to harness the technology's benefits while tuning out the nonsense.

To do so, leaders will first need to determine what, exactly, they hope AI can help them solve, aligning AI initiatives with well-defined business problems. Deriving transcendent value from AI will come from integrating it into everyday business processes, particularly in areas like data analytics, consumer insights, and strategic planning. Off-the-shelf models will rarely meet all of an organization's needs—AI tools must ultimately be tailored to that organization's specific goals and context. Think of it like onboarding a new team member: You'll want to give these tools the time, training, and customization they'll need to become effective. The payoff, however, is substantial, and once properly integrated, AI can deliver new efficiencies, streamline operations, and provide a deeper understanding of what drives business outcomes.

53.2%

**Marketers and
advertisers who believe
AI is overhyped.**

⁵<https://basis.com/reports/ai-and-the-future-of-marketing-2024>

The Future of AI in Marketing

2025 also provides an opportunity to reconsider AI's core role in marketing and advertising. While much of the industry's initial use of the technology has been for creative and content purposes, generative AI is likely to make its greatest impact on the media side.

Large language models (LLMs) are particularly adept at uncovering patterns across complex datasets, helping marketers refine their media spend, optimize partner combinations, and even outsmart competitors with smarter bids. With AI, advertisers can consolidate disparate data assets across numerous platforms and touchpoints to get a more comprehensive view of media performance across all channels and platforms. Then, through data clean rooms and other trusted partners, they can subsequently layer third-party data onto those first-party assets to enable the kind of deterministic matching advertisers crave—providing more accurate targeting and measurement while maintaining the data's privacy, integrity and structure. With this approach, AI becomes less of a creative tool and more of a strategic asset—a way to make informed, data-driven decisions that elevate campaigns and sharpen competitive edges.

And these benefits can extend well beyond traditional data engineering teams:

The chat capabilities of LLMs can empower non-data scientists to access and make use of complex datasets, democratizing the data and empowering teams across the organization. In this way, AI can enable broader teams to participate in data-driven decision-making. The goal, as with all things AI, is not to replace human expertise, but to augment it—giving marketers the tools to ask better questions and get more insightful answers.

66%

Marketers who say their organization intends to invest in new technology to automate or streamline processes within the next 12 months.⁶

⁶<https://basis.com/reports/ai-and-the-future-of-marketing-2024>

Search Without Borders

Search behaviors have evolved from beginning with a “need to know” purpose to being the catalyst of discovery.

In many ways, this is emblematic of a larger shift in the way people interact across the internet: From a human-initiated experience of proactively finding groups of like-minded people and shared communities, to an algorithm-controlled experience where the platforms themselves take the user where they think he/she/they want to go.

This change has rippled across the open internet, but thus far, it has broadly spared perhaps its most iconic presence: Google. The tech megagiant is still a verb for online search, and when people want to find something (or advertisers want to find people who are looking for something), Google is the first place they’ve turned. But with the shift away from user-originated web experiences to algorithm-fueled ones, where does that leave Mountain View?



In our studies, something like almost **40% of young people**, when they’re looking for a place for lunch, they **don’t go to Google Maps or Search. They go to TikTok or Instagram.**⁷

—Prabhakar Raghavan, *Chief Technologist, Google*



⁷<https://www.niemanlab.org/reading/almost-40-of-gen-z-is-using-tiktok-and-instagram-for-search-instead-of-google-according-to-googles-own-data/>

The Evolution of Paid Search

Google has certainly tried to keep up, unleashing a powerful arsenal of AI-powered tools (including AI results at the top of every search result) and turning YouTube into a video behemoth, but with younger users in particular seeking out new channels on which to start their discovery, the days of “search advertising” meaning “Google advertising” may slowly be coming to an end.

This change will not be overnight, nor should advertisers suddenly shift large sums of money away from Google search. But marketers would do well to start increasingly experimenting with allocating portions of their search budget to places like TikTok, Amazon, commerce media, and elsewhere.

And in a world where AI and influencers are increasingly telling your brand’s story (often playing a key role in forming consumers’ perceptions before they have a chance to vet it for themselves through your own owned properties), it is important to ensure your online presence elves into new areas and forms new partnerships to ensure your brand’s message meets consumers—and pleases algorithms—in the right places.

63%

Daily TikTok users aged 18-24 who say they use the platform as a search engine.⁸

⁸<https://www.cnet.com/tech/services-and-software/google-antitrust-decision-reveals-even-more-of-gen-z-uses-tiktok-for-search-shopping/>

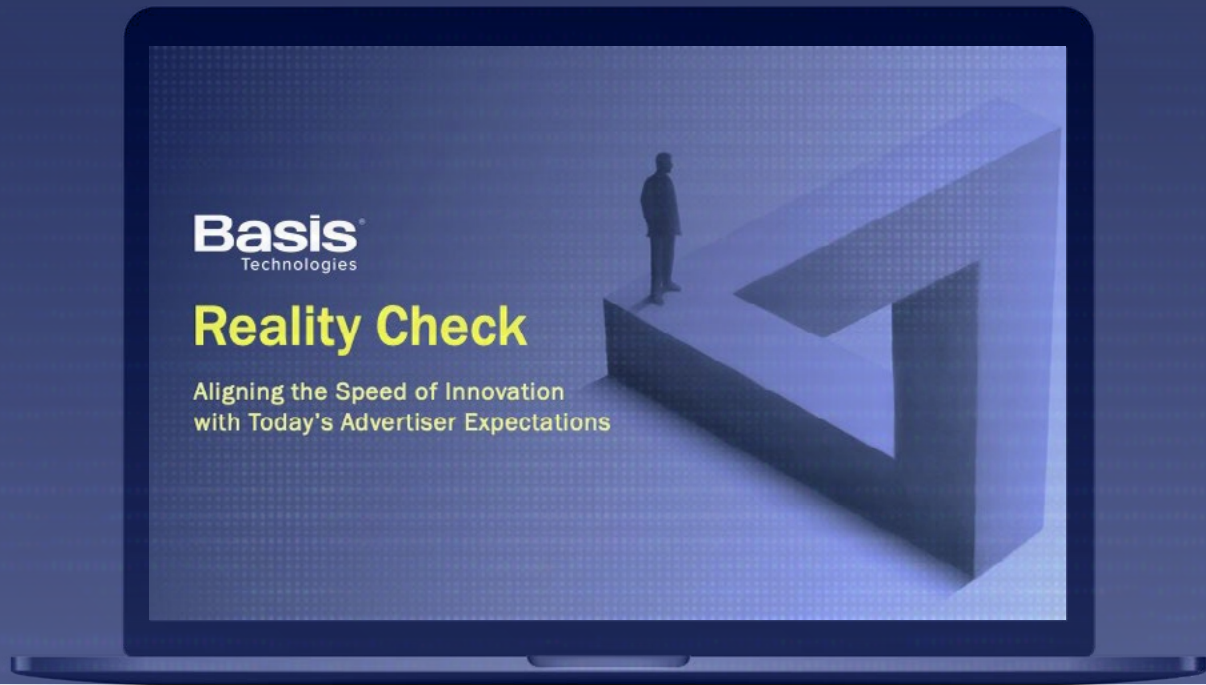
Advertising in 2025

Want to make the most of your 2025?

Dive deeper into each of these four trends in our webinar:

[Reality Check: 2025 Advertising Trends](#)

[WATCH THE WEBINAR](#)



About Basis

Since 2001, Basis has provided unified software and services to simplify and automate digital media operations, improve efficiency, and drive increased profitability at marketing organizations. Today, Basis is the most comprehensive advertising automation platform in the industry and the only platform to consolidate planning, digital operations, reporting, and financial reconciliation across programmatic, publisher-direct, search, and social.



Learn more at basis.com.