

the year of impact

2025 Media Trends

INNOVATING TO IMPACT

dentsu

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INTRODUCTION

We are witnessing a rapid evolution of the media landscape as it has become increasingly driven by sophisticated algorithms. In this expansive world, media is playing a growing role in our lives, fast becoming 100% addressable, 100% shoppable, and 100% accountable.

At dentsu, we call this the algorithmic era of media, and believe it will open many opportunities for brands to drive impact in 2025.

Generative artificial intelligence (AI) will move from experimental to tangible value. As it permeates the lives of people and augments the media toolkit for brands, AI will create a myriad of micro-moments for personalized experiences.

Brands will reinvest in storytelling to burst the algorithmic bubble by leveraging niche interests and deep fandoms, the increasing sophistication of connected television, and innovative ways to reinvent media planning.

Elevating the quality of media investments to maximize limited audience attention will be at the top of the agenda through smart partnerships, better supply chain, and advanced retail media solutions.

However, marketers will have to navigate an increasingly fragmented and inequal landscape in their pursuit of growth.

In this 15th edition of our dentsu annual *Media Trends* report, we share ten trends driving the algorithmic era and practical considerations to deliver impact in consumers' lives, for the businesses' bottom lines, and for society in 2025.

-

Will Swayne

Global Practice President,
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PART

01

**ARTIFICIAL
INTELLIGENCE
▶ ACTUAL IMPACT**



PART

01

ARTIFICIAL INTELLIGENCE ▶ ACTUAL IMPACT

For better or worse, we live in an algorithmic world, and all eyes are on artificial intelligence.

Each week brings new advancements in large language models, with ever-increasing benchmarks in speed, accuracy, and coherence, further solidifying their dominance in the field. As this race to arms requires an incredible amount of power, data, and

cash, the tech companies behind these models are redoubling their efforts to capture both people's attention and businesses' favors.

Concrete and useful applications for audiences and marketers alike will continue to emerge with the potential to fundamentally change how people interact with technology and how brands plan media.

TREND 1

YOUR LIFE. POWERED BY AI.

By getting out of the chatbox, generative AI's influence grows beyond technology enthusiasts to reach mainstream audiences.

TREND 2

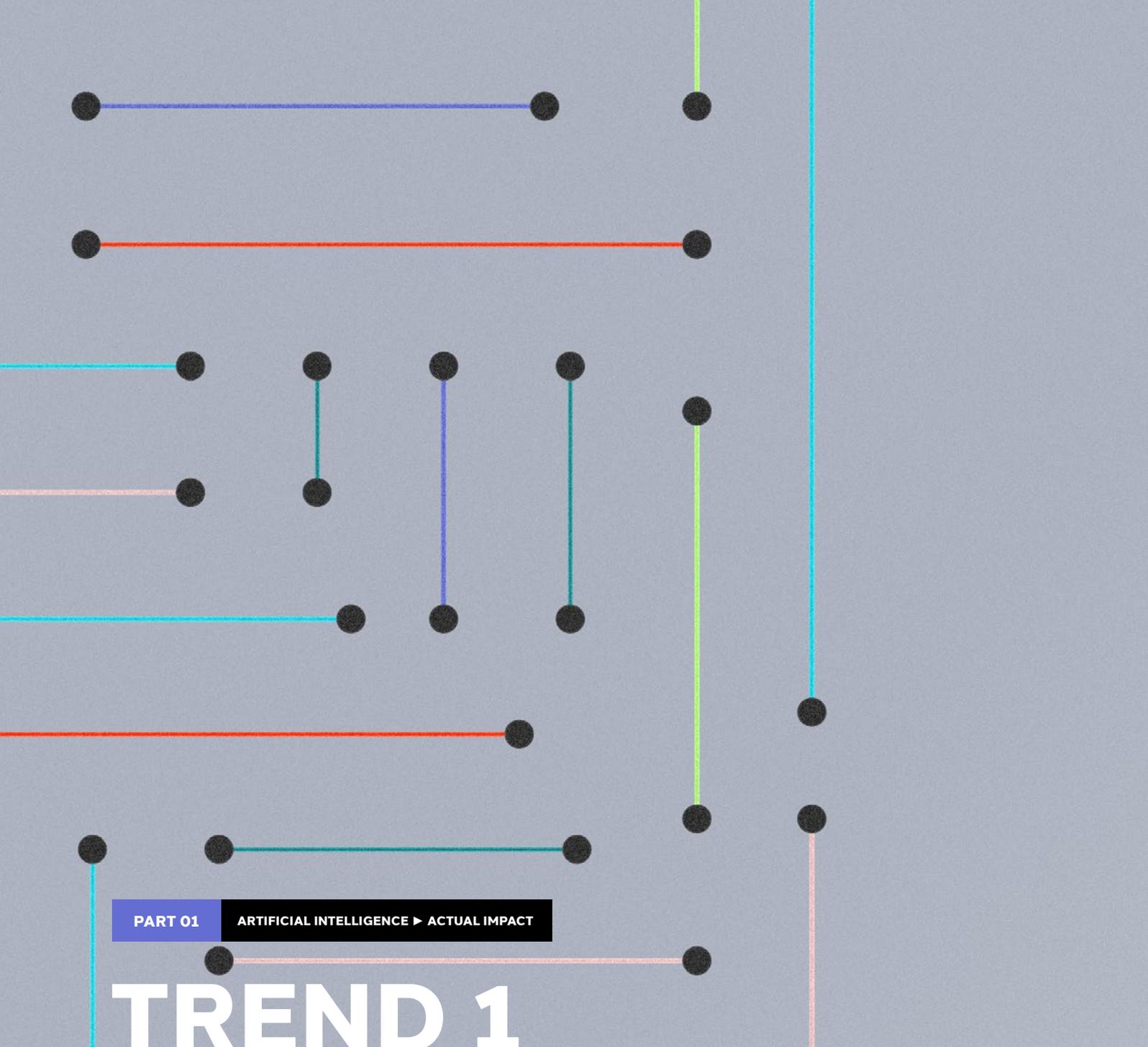
THE AUGMENTED MEDIA TOOLKIT

Artificial intelligence is progressively making its way across the entire media value chain to become a cornerstone of the media toolkit.

TREND 3

A MILLION MICRO-MOMENTS

As AI permeates the habits of users and brands alike, it creates more micro-moments to deliver one-to-one experiences.



PART 01

ARTIFICIAL INTELLIGENCE ► ACTUAL IMPACT

TREND 1

YOUR LIFE. POWERED BY AI.

Although ChatGPT only launched in November 2022,¹ generative AI has already deeply impacted the lives of millions of people. We believe it will change how audiences consume media and interact with brands in 2025.



YOUR LIFE. POWERED BY AI.

From siloed to embedded AI

More than a quarter of European respondents to dentsu research believe generative AI will have a significant impact on their personal lives over the next 12 months.² Yet, generative AI accessed through search engines has seen mixed results when it comes to repeated usage, and its success may reside more in its capacity to embed itself in daily services rather than bringing people to a unique but potentially siloed gateway.

By moving outside the chat box, generative AI makes digital experiences more accessible to wider audiences. Reddit,

for example, is experimenting with AI to translate its entire site into French, opening its content to millions of new users.³

Generative AI can also automatically generate alt tags to describe images for visually impaired people, or produce spoken versions of written content⁴ – a service already offered by many publications.

The technology can elevate experiences as well. For example, the language learning platform Duolingo uses OpenAI's GPT-4 technology to power its premium service Duolingo Max,⁵ offering a human-like tutor experience for learners. Spotify created an AI DJ that speaks between songs in a playlist, automatically blending in information about the music with other relevant information.⁶

YOUR LIFE. POWERED BY AI.

These examples of tangible applications of large language models (LLMs) to make services more engaging and useful would have sounded like science fiction a few years ago – and may still sound like science fiction now! In a world where standards rapidly escalate, where everything increasingly just works, and where search provides complete answers, consumers will expect brands to be just as reliable and just as prescient.

Beyond the magic

Consumers are divided on the overall impact of the technology, with half (51%) of US respondents to dentsu research saying the positive effects will outweigh the

negative effects.⁷ The top concern is about discerning AI involvement, with exactly half European respondents stating it will be hard to tell fake from real, and a great majority (84%) wanting brands to disclose when interactions are powered by generative AI.⁸

AI also has a huge environmental toll, as training and running AI requires a massive amount of energy⁹ and resources like minerals for batteries or water for cooling. While promising research is underway to make LLMs more energy-efficient,¹⁰ brands committed to carbon reduction strategy must be cognizant of the environmental impact to deliver against their targets.



What's Next?

Generative AI will get embedded in our lives not only by spreading to more services, but also by adopting new form factors. Killer apps will emerge, lighter models will increase the possibilities for mobile and wearable applications, and multimodal models will enable more natural interactions through voice and a wider range of sensors.

PART 01

ARTIFICIAL INTELLIGENCE ► ACTUAL IMPACT

TREND 2

THE AUGMENTED MEDIA TOOLKIT

Artificial intelligence is also having a transformative impact on the craft of media. In 2025, we anticipate a barrage of new AI-powered media solutions from platforms. More importantly, we will see strategic brand initiatives across the media value chain to make campaigns more impactful, establishing AI as a cornerstone of the media toolkit.

THE AUGMENTED MEDIA TOOLKIT

Mapping AI across the media value chain

Over the last year, many marketers have experimented with generative AI applied to media, mostly through the expanding gamut of AI-powered tools developed by AdTech platforms such as Meta Advantage+ and Google Performance Max. While these solutions have shown promising results, they are bound to their specific platforms, at a time when more than a quarter (28%) of CMOs consider the integration of emerging technologies as the biggest challenge for their organizations.¹¹

We expect more brands to take the matter into their own hands in the next year, going beyond platform solutions to explore AI potential across the entire media value chain.

Major opportunities include developing dynamic scenario planning for improved budgeting, tapping into a richer data pool to generate predictive insights on growth audience segments, producing detailed media plans better mirroring the consumer journey, performing autonomous, real-time optimizations across channels to maximize impact, and building upon enhanced insights on media performance for continuous improvement. Understanding the use cases, opportunities and risks of generative AI is the AI application to media at the top of the list of CMOs for the next 12 months.¹²

Raising the media floor and ceiling

For each facet of the media value chain, artificial intelligence can raise both the floor (i.e., making it easier for more people to do a good job) in the short term and

THE AUGMENTED MEDIA TOOLKIT

the ceiling (i.e., making it possible to reach greater heights of creativity and impact) in the longer term.

While AI potential seems almost limitless, brands must evaluate tangible use cases as they define their priorities for driving media-led growth. Each use case must move the needle for at least one of three aspects: process efficiency (e.g., time spent), media efficiency (e.g., cost savings), or media effectiveness (e.g., sales uplift).

Once use cases are locked in, the focus must move to data, the most important differentiator to gaining a competitive edge. Key considerations encompass

assessing the data sets available, evaluating the technology needed to host and connect these data sets together, and defining how to manage access to the AI-enabled outputs across the company. Most importantly, brands must establish a data governance that prioritizes transparency, fairness, accountability, and empowerment both upstream (i.e., data fed to AI models) and downstream (i.e., oversight and validation of outputs).

By using this approach in 2025, marketers will be able to set up the pilot projects necessary to make the most of AI throughout their own media value chains before rolling out successful initiatives at a wider scale.



What's Next?

More frequent use of AI across the media value chain will progressively help marketers to have a more accurate view of the likely impact of their decisions, and thus to plan with more agility according to predicted business outcomes (e.g., ROI improvement from targeting segment A vs. B or increasing budget from a given amount).

TREND 3

A MILLION MICRO-MOMENTS

As artificial intelligence becomes integral to people's and marketers' lives, it will create more media micro-moments that will compound into true relationship building. In 2025, brands must make the most of these one-to-one interactions to move consumers along the buying cycle and reinforce loyalty.

A MILLION MICRO-MOMENTS

The disappearing clicks

While the web was originally built on hyperlinks, there is now less need for people to click around to find what they want as technology gets more intuitive and personalized.

Search engines increasingly provide direct answers rather than results, with almost 60% of Google searches already ending up in no click at all in a study conducted in the European Union and the United States.¹³ Similarly, as social feeds curate content customized to what is known about the user's preferences and context, it is possible to scroll for hours without needing to click through; a big contrast to the days when the most engaging content had links.

These click-free experiences can create a filter bubble where people only see what

they are already known to like. Yet, 81% of consumers declare that the best way for brands to stand out and earn their loyalty is to surprise and delight them in unexpected ways.¹⁴

Brands can bring value to individuals where they are and fit naturally in their daily lives if they maximize every micro-moment opportunity. To do so, brands must ensure their content and data is easily discoverable, use personalization where possible, and be consistent in messaging over time and across environments.

From Direct to Consumer to Dialogue with Consumer

Micro-moments are now emerging through messaging platforms that have taken over

A MILLION MICRO-MOMENTS

personal and professional communications with huge reach across smartphone users. Business messaging, where consumers and brands interact on platforms like Line, WeChat and WhatsApp, is already ubiquitous in some regions of the world, and is set to expand its footprint.

Artificial intelligence already allows brands to respond to many people's requests automatically, having been trained on previous interactions and frequent queries. In just a month, the AI assistant of the payment giant Klarna handled 2.3 million conversations, or two-thirds of their customer service chats. The service brings

users 24/7 access in local language, a resolution time more than five times shorter with more accurate answers, and 25% fewer repeat inquiries. The company estimates its assistant will drive \$40 million in profit improvement in 2024.¹⁵

Business messaging improves brands' ability to meet consumer expectations by leveraging a full history of interactions to deliver truly personalized services. It can also be integrated with other forms of media such as click-to-message ads to refine messaging based on real-time feedback after the initial ad exposure.



What's Next?

Three out of four consumers around the globe expect AI to become embedded in most aspects of their lives in the next ten years.¹⁶ Brands that excel at tailoring media micro-moments to individual situations and preferences by making the most of AI will forge stronger connections with consumers.

Marketers must keep up with the latest developments in the generative AI landscape to seize the right opportunities for their brands in 2025. They must also reflect upon the following considerations.

The control trade-off

A new strategic trade-off will become fundamental to marketers: how much control over your campaigns are you willing to give up in the pursuit of outcomes? There is no right answer to this question, it will be down to your willingness to entrust AI-powered tools with your brand and media performance.

Enhance your media value chain with AI

From deeper audience insights to real-time optimizations, artificial intelligence can improve process efficiency, media efficiency, and media effectiveness across the entire media value chain. Build a clear roadmap by mapping the use cases that will make the biggest impact for your budgeting, audiences, planning, activation and intelligence efforts.

Maximize micro-moments to win over consumers

With audiences spending their time across various online environments, you must ensure your content is discoverable and your messaging consistent over time and across touchpoints to capitalize on micro-moments. As media is the primary interface between brand and customers, winning media micro-moments by bringing value or delight will compound into lasting loyalty.



PART **02**

**STORIES,
EXPANDED**



PART **02** **STORIES,
EXPANDED**

Storytelling is fast becoming the best strategy for brands looking to burst the algorithmic bubble and drive impact at scale.

As they expand their stories to new spheres, brands can tap into powerful, fast-growing spaces. They can leverage the increasing authority of creators and fandoms to build on word of mouth, from star influencers to hyper-active niche communities. They

can seize the connected television moment, as the advertising-supported segment explodes and truly enables cross-screen storytelling.

More importantly, brands must evolve how they plan and optimize media for ecosystems, where algorithms act as gate keepers and where creative and media will increasingly work as one.

TREND 4

POWER IN NICHES

There is growing volume in niche interests and deep fandoms, bringing storytelling opportunities to brands from all categories.

TREND 5

CONNECTED TELEVISION GETS REAL SCALE

With considerable investments in live content and more sophisticated advertising capabilities, streamers bring new options to scale brands stories.

TREND 6

THE PIVOT TO ALGORITHM PLANNING

Propensity and algorithm-based content will become instrumental in turning stories into business outcomes.

PART 02

STORIES, EXPANDED

TREND 4

POWER IN NICHES

While recommendation algorithms increasingly determine the stories people see online, these stories always start with human imagination. A reaction or a joke is reshared, becomes a meme, and ultimately shapes culture. Deep interest communities and star influencers alike will offer greater opportunities for brands to grow in 2025.

POWER IN NICHES

Digital media has historically depended on user-generated content such as blogs, video, and forum posts. Today, creators and fandoms of all shapes and sizes who produce high-quality content for platforms ranging from YouTube to Substack have become incredibly valuable for brands as they provide authentic connection to audiences that may be hard to reach through channels like television.

It is no surprise 85% of CMOs now intend to maintain or increase their investment in short-form content (e.g., Instagram reels), 82% in influencer marketing, and 81% in livestream content in the next 12 months,¹⁷ as they look to surf the creator economy wave and increase consumer attention to their brands.

Deep interest, broad impact

Have you heard of *Xianyu literature*, named after the lengthy and confessional product listings on Xianyu, a Chinese resale application that caters to youth subcultures? The 500 million monthly active users of the app probably have.¹⁸ Or did you know that r/Costco and r/Silverado are respectively in the top 1% and top 3% Reddit communities by size, while not being affiliated with the brands?¹⁹

It is now possible to find sizable and engaged communities of passions for almost any topic, no matter how specialized. There is considerable volume in niche interests and deep fandoms, with content creators across the spectrum valued for their opinions on all sorts of products and areas of life. The quality of content in these communities, their independence, and the time spent in

POWER IN NICHES

building a following give them a purchase influence that can rival or surpass brands' own advertising and content.

The value of these communities has not gone unnoticed by platforms. Google²⁰ secured a partnership with Reddit to bring threads (i.e., conversations) into its services. Reddit itself has recently introduced Reddit Pro,²¹ a suite of tools aiming to improve brands' organic presence on the platform by enabling marketers to better understand communities before connecting with their most engaged members.

who in the US are more than twice as likely to shop from influencers than older generations.²² This influence on purchases, combined with a solid understanding of algorithm rankings and most performing messages, make star creators sought-after partners for brands looking to reach large audiences.

Yet, creator fame is not reserved to broad interest categories. B2B brands are investing in the space, and even factories are successfully turning towards influencers to generate onsite visits and orders through TikTok, WeChat and Instagram.²³

Creator fame moves business metrics

Many content creators have seen their fame skyrocket lately. Some like MrBeast have achieved stardom among Gen Z audiences,



What's Next?

Brands will use creators, influencers, and communities in more ways. New business models will appear to help reflect their true value, with greater understanding and measurement of long-term impact. More personality-led brands will emerge and grow, à la influencer restaurants and foods.

PART 02

STORIES, EXPANDED

TREND 5

CONNECTED TELEVISION GETS REAL SCALE

Powerful stories rely on emotion, and nothing generates emotional responses like video. As video consumption changes, entertainment and tech giants all want a stake in the streaming market. This leads to increasing investments and capabilities in live content and advertising solutions, which brands could leverage in 2025.

CONNECTED TELEVISION GETS REAL SCALE

All eyes on sports

While original content attracts viewers to streaming platforms, licensed content makes them stay. For example, the Netflix Original *One Piece* grossed 72 million views in the second half of 2023,²⁴ but *Suits*, licensed content that stopped airing in 2019, drove more than 1.5 billion viewed hours for the platform during the same period.²⁵ Yet, streaming executives know live sports reign supreme on delivering audiences – the 2024 Super Bowl saw the highest US television ratings ever for a single-network telecast²⁶ – and are keen to bring them to their streaming services.

Live sports broadcasting presents many ways to drive the engagement and community feeling sought by platforms. Sporting events gather people tuning in at a given time to share the same media experience, generating high audience peaks. Sports viewers tend to stick around throughout the season. Sports have breaks

perfect for advertising integrations and strong potential to tap into fandoms to create related content, such as the live comedy show *The Roast of Tom Brady*.

As a result, streaming giants have increased their investments, signing long-term deals that indicate sports rights are becoming the global streaming battleground for the years to come. Amazon has signed an 11-year multi-market agreement with the NBA and WNBA.²⁷ Likewise, Netflix has signed a 10-year international deal with the WWE,²⁸ and U-Next has signed a 7-year deal with the English Premier League in Japan.²⁹

For advertisers, this foray of platforms into sports will increasingly change how they connect with sports fans and casual viewers and could lead to a renewed inflationary pressure.

CONNECTED TELEVISION GETS REAL SCALE

Ad inventory makes a leap forward

Platforms also seek to increase engagement from brands by heavily promoting their advertising-supported tiers to viewers – and their efforts are bearing fruit. In the United States, most new paying subscribers to Peacock, Hulu, Discovery+, Disney+ and Paramount+ now opt for the ad-supporter tier. Max and Netflix are not far behind with around 40% of new paying subscribers.³⁰

Prime Video went even further by making the ad-supported tier the default option and now boasts a global audience of more than 200 million viewers available for campaigns.³¹ Prime Video could add 50 billion impressions to the connected

television ecosystem by the end of 2024 according to some estimations.³² This massive boost of video supply has reportedly already decreased the prices other streamers can command for their own inventory,³³ and could lead these platforms to offer more options for ad integrations (e.g., product placement) to rival Amazon's unique targeting capabilities.

As platforms open to third-party measurement, targeting and performance assessment of connected television is becoming more sophisticated. Combining the benefits of logged-in, addressable audiences and the premium television experience, platforms aim to help marketers build their brands through powerful stories while keeping tabs on short-term impact.



What's Next?

As streaming platforms strive to drive engagement from both viewers and brands, they will add more sports and more commercials; making connected television increasingly look like broadcast television. The combination of larger inventory and programmatic buying may open the space to new advertisers looking to bring their stories to more specific audiences.



PART 02

STORIES, EXPANDED

TREND 6

THE PIVOT TO ALGORITHM PLANNING

The future of marketing is not only 100% addressable, shoppable, and accountable, it is also 100% algorithmic. Algorithm availability (i.e., easy to see) will become as pivotal to brands looking to bring their stories to audiences as physical availability (i.e., easy to buy) and mental availability (i.e., easy to recall).

THE PIVOT TO ALGORITHM PLANNING

The algorithm era

As platforms strive to increase audience engagement, they constantly refine their recommendation algorithms to deliver more personalized content, making artificial intelligence the true gatekeeper for information and entertainment. Just as algorithms select what pieces of content to feature in user feeds, they can select what pieces of advertising are most likely to result in the best outcomes for advertisers.

After moving from the broadcast era that focused on brand building to the precision era that emphasized performance metrics, the media landscape is now heading to the algorithm era. Both brand and performance will be balanced as AI helps to decide what messages will work best for each audience at what time. Marketers must evolve how they plan and optimize media to thrive in this era.

Automation propels media planning

Platforms cater to millions of micro-audiences assembled through proprietary signals. However, because people move between cohorts throughout the day, marketers who manually select these audiences find themselves one step behind with limited relevance and reach of advertising.

Instead, campaigns will increasingly use automation to combine targeting, prospecting, and propensity. Targeting will address the largest segment to get maximum reach at the top of the funnel. Then, prospecting will use AI to achieve a larger net reach by considering more diverse segments that would potentially be interested in the campaign. Finally, propensity will leverage AI to define the best type of content to convert each person or segment.

THE PIVOT TO ALGORITHM PLANNING

Through this approach, brands may uncover unexpected but viable audiences missed in traditional planning, leading to new growth opportunities.

A non-negotiable between creative and media

Algorithm-led advertising will also create an imperative for media and creative to work together to maximize reach through relevance, using content optimization.

Historically, some brands relegated dynamic creative optimization to a mere technological add-on within existing media plans to drive personalization, rather than embracing it as a core, integrated strategy that harmonizes media and creative efforts. This approach will not drive success in the era of algorithm-led advertising models.

Instead, algorithm-based creative content (ABCs) starts with premarket optimizations of creative material based on media performance principles. This enables brands to go to market with stronger assets ready for cross-channel automation, so that algorithms prioritize content with more velocity based on desired outcomes.

ABCs will get brands closer to a true zero-waste model that is more sustainable at both the content level (it is not about creating thousands of assets but fewer, higher quality assets that will generate thousands of individual experiences) and at an audience level (every audience now has a value, and creatives can be adapted for each).



What's Next?

The algorithmic era calls for a new breed of planners – at dentsu we call these algorithm planners – to design outcome-based strategies driving impact along the funnel, and of ecosystem specialists to replace channel specialists in implementing these strategies. Scaled, bespoke brand algorithms will be developed to make the most of brand power and own data.



CONSIDERATIONS FOR BRANDS

PART

02

STORIES,
EXPANDED

Storytelling will become increasingly important in the algorithm era. As marketers explore how to help their stories reach new heights in 2025, they should keep in mind some important considerations.

No niche is too niche

From fan communities with specialized interest on Reddit to peculiar movie genres on Netflix to audience segments deemed too small in traditional media planning, consider niche audiences as a new path to mass reach. Explore how you can leverage the troves of audience data available through ecosystems and lean into artificial intelligence to optimize your media presence.

Seize the connected television opportunity

Advertising spend on connected television is forecast to grow at a spectacular 18.3% three-year CAGR to 2026 as streaming platforms ramp up their advertising offerings, both in terms of scale and sophistication.³⁴ Keep abreast of the new advertising and content integration opportunities available in rapidly developing spaces such as live sports.

Poor creatives will increasingly hurt reach

In 2005, Google introduced the Quality Score in search marketing.³⁵ Twenty years later, as algorithms expand to every facet of online advertising, this quality approach could become the new standard for success. Invest in high impact, optimized creatives to maximize the potential of your media investment and capture demand by converting faster through automated delivery.



PART **03**

**THE QUEST
FOR QUALITY**



PART **03** **THE QUEST FOR QUALITY**

Today, anyone can create images and copy in seconds via a simple prompt, start a dropshipping business with a smartphone, or create low quality made-for-advertising websites to divert media dollars. Not all pieces of content are created equal, but all compete for limited audience attention and marketing budget.

To battle against the noise and balance the short-term needs of selling product and the long-term

effectiveness of pushing brand, marketers must focus on quality across the funnel.

This will lead to an increased demand for integrated retail media solutions, a more transparent and measurable supply chain, and a spree of partnerships across industries.

TREND 7

RETAIL RESHAPES MEDIA

Retailers massively invest in the quality of their media capabilities, moving their advertising businesses from experimental side projects to ambitious growth ventures.

TREND 8

A BETTER SUPPLY CHAIN

As the quality of the programmatic supply chain improves, it can lead to stronger business outcomes, superior brand protection, and better societal impact.

TREND 9

THE PARTNERSHIP GOLD RUSH

Streamers and generative AI providers increasingly bet on content partnerships to win over audiences through high-quality experiences.



PART 03

THE QUEST FOR QUALITY

TREND 7

RETAIL RESHAPES MEDIA

As brands strive to better assess the impact of their media investment on their bottom line, retail media is growing at a 12.7% rate³⁶ thanks to its wealth of high-quality shopper data. And with new players constantly entering the space, 2025 is set to be rich in retail media opportunities for advertisers.

RETAIL RESHAPES MEDIA

Retailers spread their wings over media

Long gone are the days when selling advertising was only an afterthought for retailers, and when advertising on retail websites was a mere digital counterpart to in-store promotion. As retailers now race to capture more media budgets from brands, they are diversifying their ad estates and seeking to develop integrated, closed-loop attribution capabilities throughout the purchase journey.

Unsurprisingly, the leader in the space is Amazon, which generated more than \$50 billion in revenue from its advertising business in the past four quarters.³⁷ Other players are also doubling down on their efforts to build comprehensive advertising solutions. Walmart recently acquired Vizio, whose smart televisions have more than 18 million active accounts in the US.³⁸ This deal not only gives the retailer a larger ad inventory and richer data, but it could also

take truly shoppable television one step closer to reality. More specialized retailers are active, too, such as CVS Pharmacy which recently partnered with The Trade Desk to enable self-serve advertising.³⁹

The space is evolving so rapidly that retailers could not only dominate the retail media category in the future but dictate the entire advertising market.

Media companies organize the response

The progression of retail media has not gone unnoticed by other media companies. While retailers swim upstream in the purchase funnel with more premium placements (e.g., ads in Prime Video), media publishers swim downstream to bolster their shopping capabilities.

This often means coupling their media assets with shopper data to offer better

RETAIL SHAPES MEDIA

targeting and measurement, especially as third-party cookies become increasingly marginalized. For example, Disney Advertising has partnered with Mercado Libre, a commerce leader in LATAM, to let advertisers use the two companies' audience targeting capabilities.⁴⁰ Other platforms are opting to develop their own commerce capabilities such as TikTok, which now has more than 15 million merchants globally.⁴¹

A new interested party ramps up its capabilities

Retailers are not the only ones to know the shopping preferences of consumers. Companies processing payments do as well, and are now turning their eyes to the media business.

PayPal recently announced it is building a new advertising platform,⁴² Chase has already launched an ad network where brands can leverage the bank's first-party financial data on its customers' spending patterns,⁴³ and Paramount Advertising has secured a partnership with Mastercard to help advertisers measure how their media spend performs.⁴⁴

These new entrants into the media space offer interesting alternatives to advertisers with limited shopping data (e.g., CPG companies) as they can boast seamless shopper intelligence across categories – not only retail – and across online and offline points of sale.



What's Next?

The convergence of the retail and media worlds will continue, with an increasing portion of media campaigns having at least a shopper component. We anticipate the space to boom with acquisitions likely to happen. The future will tell whether a major streamer buys a major retailer or the opposite, or if they will all be outpaced by financial companies.

PART 03

THE QUEST FOR QUALITY

TREND 8

A BETTER SUPPLY CHAIN

In a time of near infinite content and endlessly scrolling feeds, advertising that captures attention and drives growth will require a higher quality programmatic supply chain in 2025 – one that is more sustainable, transparent, and trusted.

A BETTER SUPPLY CHAIN

Better metrics, stronger outcomes

A better supply chain starts with a better understanding of advertising outcomes. Digital media always had a granularity in terms of measurement that offline media could never match, and it can now account for a wider range of metrics, from business impact (e.g., sales uplift, footfall) to societal impact (e.g., carbon emissions).

For example, greater investment in supplementary technologies such as eye tracking has enabled a stronger understanding of audience attention across different environments and contexts, which in turned has led to the development of new metrics (e.g., attentive seconds) that can now be used for planning and buying media.

These emerging metrics are gaining traction among advertisers: 86% of CMOs now recognize audience attention as a very, if not critically, important metric for media

performance, and 87% are either already using attention metrics to optimize media or running early pilots.⁴⁵

Smart brand protection

In today's environment of increased audience scrutiny and polarization, brands must actively protect their programmatic media from fraudulent, unsuitable, and unsafe environments to shield both their investments and their reputations. Private marketplaces with preapproved inventory (e.g., dentsu media exchange) will rise in importance to provide more transparency of where ads appear and against what content.

Conversely, excessively strict blocking of keywords should be progressively retired from media planning, as this hurts both publishers' and brands' capacity to engage with audiences. For example, nearly half (45%) of the articles covering the latest FIFA Euro 2024 final from a leading UK

A BETTER SUPPLY CHAIN

publisher reportedly did not receive advertising as they were wrongfully deemed unsafe for including words like “shoot” and “attack”⁴⁶ – a missed advertising opportunity around an event with one of the highest audiences of the year in that market.⁴⁷

A healthier supply chain

The impact of media activity on society is not neutral. As many companies are now committed to sustainability goals, measuring and reducing the emissions generated by media operations is a critical part to achieve these goals. According to dentsu research,⁴⁸ 45% of CMO

respondents say they have already taken steps to mitigate the carbon emissions of their media activity, and 47% intend to launch new initiatives in the next 12 months. Using a carbon calculator to measure carbon emissions is their preferred way to drive carbon emissions reduction.

The same research shows a growing concern of CMOs around systematic inequity in the advertising supply chain; 22% of them now see this as a major challenge for their organization. Their support for minority-owned media platforms through advertising investment will play an increasingly important role in maintaining a diverse media ecosystem.



What's Next?

With programmatic now accounting for nearly 75% of digital media buying globally and continuing to rise in popularity in fast-growing channels like connected television,⁴⁹ the media supply chain will strive to offer greater measurement solutions, limit negative externalities for society, and keep made-for-advertising websites at bay.

PART 03

THE QUEST FOR QUALITY

TREND 9

THE PARTNERSHIP GOLD RUSH

With the explosion of streaming and generative AI-powered services, platforms are constantly seeking high-quality content that will retain users. This is leading to a rapid extension of partnerships and licensing deals between media players and technology players – with no sign of slowing down in 2025.

THE PARTNERSHIP GOLD RUSH

Filling the gaps

To win over audiences in the long term, generative AI platforms must prove their services are both essential and trustworthy. This requires that they provide accurate and useful answers based on high quality data powering their large language models (LLMs).

As a result, OpenAI has made a string of deals with news and content giants including *The Financial Times*,⁵⁰ Reddit,⁵¹ Vox Media⁵² and News Corp,⁵³ and Perplexity has secured partnerships with *Der Spiegel* and *Time* among others.⁵⁴ These deals reportedly cover many aspects, from training models to developing new tools.

Audiences may evolve where they consume news if LLMs increasingly draw directly from authoritative news sources in their responses to prompts. Brands may have to review their strategies to find and engage

with these audiences, and to evolve how they measure performance across these environments.

The great rebundling

The success of direct-to-consumer streaming platforms in the last few years is not without limits. Viewers now pause their subscriptions based on the scheduling of their favorite shows to avoid paying for multiple concurrent plans. CMOs question performance, with almost half (48%) feeling unsure whether platforms deliver as effectively as broadcast television.⁵⁵ Platforms themselves are under massive financial pressure to limit audience churn.

As a response, one tried-and-tested tactic is making a comeback: the bundle.

In the United States, competing streaming services are joining forces to lure viewers. Disney+, Hulu, and Max now propose a

THE PARTNERSHIP GOLD RUSH

single offer up to 38% cheaper than individual subscriptions,⁵⁶ and ESPN, Warner Bros, and Fox plan to launch a one-stop app for most sports.⁵⁷ Showmax, which operates in 44 African markets, has partnered with NBCUniversal to use the Peacock technology platform and add new international titles to its own content catalogue.⁵⁸ In India, Reliance and Disney have announced a joint venture, pooling resources and catalogues to build a television and streaming giant catering to more than 750 million viewers.⁵⁹

Netflix will not bundle with other streamers.⁶⁰ Yet, the company is exploring service bundles as illustrated by a pilot

program with Carrefour supermarkets in France, in which subscribers can access Netflix content, discounts on Carrefour own brand products, and no delivery fees – an approach that seems to take a page from the Prime Video playbook.⁶¹

For audiences, the benefits of cord cutting may soon yield to the prospect of better prices and greater access to unified gateways to high-quality content. For marketers, this market dynamic could lead to less audience fragmentation, and more unified planning, trading, and measurement.



What's Next?

Partnerships and licensing agreements will fuel both the development of services built on generative AI and the intensifying streaming war. Marketers will need to keep abreast of these deals to understand how they could change how audiences consume content in the future.

PART 03 THE QUEST FOR QUALITY

Achieving all-round high-quality media will become increasingly instrumental to success. It is important that media experts understand the following aspects as they prepare their 2025 strategies.

Retailers could dictate the media market sooner than later

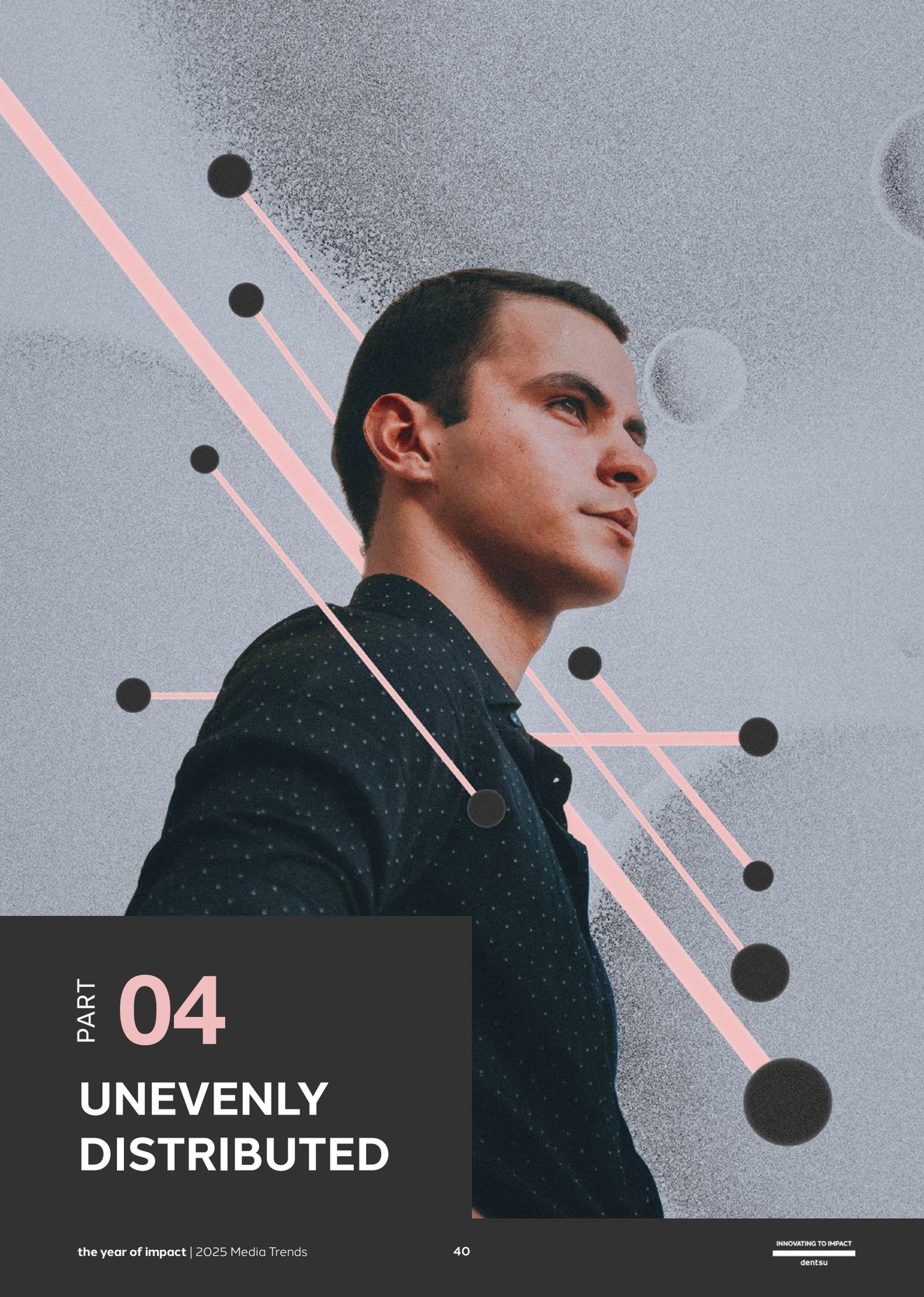
First-party shopper data places retail and payment platforms in an ideal position to take over the media market in a future that is 100% algorithmic, addressable, shoppable, and accountable. Whether you are advertising to directly sell via the platform or not, consider how you can make the most of its unique assets to keep your brand ahead of the competition.

Good company brings growth

As audiences switch from one ecosystem to another in a fraction of a second, the quality of the experience becomes the most important factor of stickiness for brands, publications, and technology platforms alike. Explore which innovative partnerships could help your brand grow faster by building upon mutually beneficent data, content, and distribution.

You are what you pay for

To get the best outcomes from their media investments, protect their reputations, and contribute toward a healthy and diverse advertising ecosystem in the long term, brands must take an active role. Review your current media supply chain and identify priority areas to elevate the overall quality of your media investment.



PART **04**

**UNEVENLY
DISTRIBUTED**



PART 04 UNEVENLY DISTRIBUTED

Many of us think of technology as being universal. In Toronto, Mumbai, or Lagos, nothing looks more like an iPhone than another iPhone. Yet, the gap between appearances and reality may widen considerably in the future.

By the end of 2025,⁶² if you live in Japan, you will be able to access a third-party app store like the one EU consumers can already use,⁶³ while if you live in South Korea⁶⁴ or in the US,⁶⁵ you must make do for the time being with alternative payment options for the services accessed through apps. Yet, if you live

in the EU,⁶⁶ you may miss out on some of the Apple Intelligence features your US friends will enjoy at launch, but they may soon no longer be able to message you on TikTok.⁶⁷

From privacy and antitrust regulations to power-sapping features requiring the latest chips to raising paywalls, digital services may become increasingly unevenly distributed depending on where you live and what you can afford – a fragmented and unequal landscape that global brands must learn to navigate in their pursuit of growth.



TREND 10

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Technology has always developed in different ways across the world. Many users in Asia and Africa went straight to smartphones without using laptops, and this has led to more mobile-first platforms in those markets. Yet, despite regional differences, there has been a global push toward more connectivity and access to digital services during the past two decades.

Today, this democratization of technology is facing new headwinds, and this famous quote from the author William Gibson has never seemed truer: “The future is already here – it’s just not evenly distributed.”

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Regulators flex their muscles

While the world has never been as connected as today, technology platforms and regulators are engaged in an intensifying legal and reputational game of chess, defending what they see as their legitimate interests and trying to sway public opinion in their favor.

Mounting anti-trust probes, privacy directives, national security concerns, encryption laws, and regulations to curb carbon emissions across the world clash with the global ambitions and features trumpeted by platforms. For instance, Brazil's National Data Protection Authority recently suspended the validity of Meta's privacy policy relative to the use of personal data for training generative artificial intelligence.⁶⁸

As a result, platforms could be forced to offer more local versions of their products, and brands now have to operate in an increasingly uncertain landscape, which requires them to closely follow this constant powerplay as they make their own strategic investment decisions.

Artificial intelligence widens the technology gap

In the last decade, smartphones have been capable of similar functions, albeit with differences in speed and picture quality. Now, the newest AI features bring major changes as they require a level of computational power that only the semiconductors of high-end devices can handle. For example, Apple Intelligence's backward compatibility on mobile phones

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will only extend to two flagship iPhones from 2023 – all prior or inferior phones will not support the feature.⁶⁹

With some AI services available only to the fraction of people who can afford upgrades, it is not surprising that just 43% of consumers across the world agree that AI is likely to help build a more equal world in the next ten years.⁷⁰

New paywalls are being raised

In addition to new requirements for AI, other developments may widen the digital divide

between the haves and the have-nots. More content once available for free is now being hidden behind paywalls as publishers look to monetize their audiences. This includes major news titles such as *The New York Times* that is reportedly moving its podcasts behind a paywall.⁷¹

Once again, the future looks unevenly distributed; bright for some, but not for many.



What's Next?

Despite platforms' global scope and AI's infinite scale, the future is likely to be more fragmented across the world as technology increasingly becomes a political issue. Considering this widening digital divide, advertisers could have a greater role to play in supporting access to news for those who cannot afford it.

PART 04 UNEVENLY DISTRIBUTED

In today's unevenly distributed media landscape, brands should stay clear from simplistic, one-size-fits-all approaches if they are to thrive. The following considerations can help them navigate this new reality.

Same but different

Take the time to thoroughly educate yourself about the reality and nuances of your audiences' lives, as it helps to determine the content and tools they can access. The latest apps and technologies can be appealing, but it is important you understand the potential local hurdles (e.g., technological maturity, economic inequality, digital literacy) before going all in.

Global goes fast, local goes far

While many technologies may have a global footprint, ideas work differently in different places, and for different people. Invest in media partners with sufficient local insights. Their experts understand firsthand what will be engaging for different communities and will know how to help your global campaigns have a greater local impact.

Be an agent of change

Brands can help improve media distribution. Advertising can both lower the barriers to entry for subscription-based content and support high-quality publications. For example, consider opportunities to bring content to audiences who may otherwise be unable to access it (e.g., making a podcast episode free through sponsorship).



CONCLUSION

As we have seen in this report, brands will have many opportunities to make the most of the algorithmic era of media in 2025.

New artificial intelligence solutions will become available to them, new territories will open to expand their stories, and new possibilities to increase the quality of media investments will

appear across the value chain. Yet, they will need to operate in a more unevenly distributed world where genuine local knowledge will be increasingly precious.

As the media landscape undergoes profound transformation, there has never been a better time than 2025 to make an impact.

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