2023 MEDIATRENDS & PREDICTIONS

KANTAR

FOREWORD

Our world is rapidly changing. The pandemic dramatically reshaped our lives, and in its wake comes geopolitical instability, global price rises, and increasingly extreme weather.

Yet we also sense positive change – a chance for a safer, greener and more stable world powered by new technologies, data and further connectivity.

Now, as businesses adapt to this new reality, seeking to reach, engage and retain audiences through media investments, it's crucial they truly understand people: the way they think and feel, and how they behave and adapt.

As the world's leading marketing data and analytics company, Kantar's role is clear: we're here to support clients by delivering insight at one of the most complex, turbulent and pivotal points in recent history.

And so I'm extremely proud to introduce our Media Trends and Predictions 2023 – a diverse and fascinating view of the global media landscape, and a demonstration of how Kantar is investing in new technologies and products to help businesses achieve meaningful growth.

Above all, however, we hope it provides readers with a tangible sense of optimism and clarity as they develop business strategies for a brave new world.



Chris Jansen Chief Executive Kantar

EDITOR'S NOTE

Guided by Kantar's unique data and insights, our Media Trends and Predictions 2023 report brings to life the opportunities and challenges facing media owners, advertisers and agencies around the world.

This year we focus on five key themes:

- The future of viewing
- The impact of inflation
- The evolution of data use
- Developments in media technologies
- The road to net zero

Under each, our experts identify the key trends from the year gone by, and offer evidence-guided predictions for 2023. Binding everything together, each theme closes with a thought-leadership article.

Each section also provides useful signposts to the various ways in which Kantar can help support businesses, and we welcome any questions you may have.

Kantar's enduring mission is to understand people and stimulate growth, and through this report we hope to advance that goal by providing a bird's-eye view of an evolving and opportunity-rich media landscape.

Yet more than anything, we hope the report's grounding in data inspires readers to embrace the future with a little more certainty during such uncertain times.



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Reducing the carbon impact of media and advertising to real net zero is the business challenge of our time, and represents an opportunity like no other

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SPLINTERED VISIONS: THE FUTURE OF VIEWING

Whether broadcast or native video-ondemand, businesses in the streaming space are approaching the future with a diverse range of strategies

2022 TRENDS

New commercial avenues

Media and entertainment is now a multi-trillion-dollar industry, reaping the benefits of investment in internet connectivity, improved technology and an insatiable desire for on-screen content.

Inevitably, as the market grows, so too does its complexity – and one of the defining trends of 2022 has been the diversification of business models. As revealed in our report *The Future Viewing Experience*, subscription video-on-demand (SVOD) platforms – already operating in a saturated market – felt the bite of post-lockdown churn and consumer price inflation in 2022, and consequently are rapidly exploring new commercial avenues.

YouTube, for example, has pivoted from promoting a subscription-funded tier to redoubling its focus on an ad-funded model. And both Netflix and Disney+ are in the process of introducing adsupported tiers to attract or retain price-conscious customers, while reports of an Apple TV ad product have also surfaced.¹

Delivery diversification

Content-delivery strategies are also diversifying. 2022 witnessed both broadcasters and native video-on-demand (VOD) platforms striking a new balance between VOD and linear, long-form and short-form, Internet-delivered and broadcast – all helped, no doubt, by the growth in Smart TV ownership and Internet delivery of content.

ITV, the UK's largest commercial broadcaster, ends 2022 with the launch of ITVX, which, in a watershed moment, will shift to VOD-first for scripted drama. And after years of VOD exclusivity, Netflix has launched linear channel Netflix Direct in France. Meanwhile, Prime Video and YouTube now offer live sport, and Paramount+ has launched a series of live streams dedicated to genres or specific franchises, such as StarTrek.

Fragmentation tipping point

With further choice, however, comes increased audience fragmentation across platforms and devices. Although this is a well-documented and ongoing process, 2022 was something of a tipping point, with measurement bodies such as BARB in the UK launching an industry consultation on extending their reporting to capture 'TV-like' content from video-sharing platforms – an indication of the cross-media measurement challenges facing the sector.²

Big screen domination for in-home streaming Mobile is a dominant medium across many activities, but when it comes to viewing, it's all about the best available screen. Household-viewing data from both the UK and Brazil-gathered using Kantar's technology-shows the vast majority of broadcast and SVOD viewing is on the main TV screen, and the Smart TV set is now the primary driver of increased usage of streaming services.

Inflationary impacts

Despite a generally good outlook for the viewing ecosystem, inflation is impacting the video market (see also: Managing consumer and media inflation, p19).

Although home entertainment is generally robust during economic uncertainty as people cut back on going out, Kantar's Entertainment on Demand services—covering the US, UK and Germany—are witnessing a clear trend for consumers cancelling some SVOD services to save money.

Consumer shift towards advertising

The economic crisis is also helping set the conditions for ad-funded business models, and consumers are increasingly warming to the idea if it saves them money (right).

Demand for TV advertising remains high, but with a constrained supply of inventory, prices are rising-irrespective of broader macroeconomic factors.³

One consequence has been a shift in mediaplanning strategies. This year saw increased diversification and the incorporation of more broadcaster VOD and online video, particularly to reach younger demographics.⁴

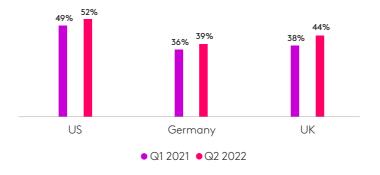
Ahead of introducing ad-supported packages, the end of 2022 also witnessed Netflix signing up to BARB in the UK: a clear sign agencies will soon have new options on their media plans.⁵⁶

There's even evidence of media agencies restructuring their teams to remove TV and digital silos and operate in a more holistic manner, in tune with the reality of a complex and growing AV ecosystem

"I need to save money" SVOD Cancellation Reason



"I don't mind seeing ads if it makes the service cheaper" SVOD



Source: Kantar Entertainment on Demand

MARKET SPOTLIGHT

BRAZIL

Whether on television, streaming platforms, social media or at the cinema, onscreen formats are extremely important to brands' communication strategies, a fact clearly demonstrated by a buoyant and increasingly advanced Brazilian market.

98% of all people watched video content at home in Q1 2022

79% of the time spent consuming video at home is dedicated to linear TV

63% of all advertising expenditure in 2021 was invested in video formats

Source: Kantar IBOPE Media, Q1 2022.7

WHAT'S NEXT IN 2023?

Holistic planning

As advertisers seek better value for their marketing investments against inflated costs, and as audiences splinter across devices and platforms, media agencies will need to adapt. This is likely to mean further investment in digital skills, with an emphasis on tech, data, analytical and mathematical experience, and potentially restructuring teams to take the necessary holistic approach to video planning that merges linear broadcast with online video.

It will also require discarding rivalries between digital and AV teams and an end to siloed channel planning.

'Blended' viewing strategies

Marking a new chapter for the TV and video market, the winners in the platform wars will deploy windowing strategies that strike the right balance between VOD and linear. Broadcasters are adopting the aspects of VOD strategy that best fit their positioning whilst preserving their points of difference, and VOD platforms are adopting traditional concepts like appointment TV and curated content discovery via linear channels.

The market will shift away from all-at-once release strategies and box-set bingeing for new content in order to maximise revenues.

Acceptance of ad-supported tiers – but with a catch

Kantar's Media Reactions 2022 study shows consumers are more accepting of advertising, and as rising costs are also making adfunded content more palatable, the timing should be right for introducing ad-funded tiers to limit price-sensitive churn. Meanwhile, US data shows that market penetration for ad-based video-on-demand (AVOD) grew from 20% in Q2 21 to 23% by Q2 22.8

However, ad-models risk creating two types of viewers: those with less disposable income who become over-targeted by ads, and those with more disposable income, yet are harder to reach.

89%

of advertisers would consider investing in advertising on a streaming video subscription player

Source: Kantar IBOPE Media & Meio e Mensagem⁹

Budgets for video viewing to increase

Kantar's Media Reactions 2022 study indicates marketers will continue to increase their investments in online video, streaming and social media stories. But with new channels such as the metaverse arriving—which, although starting from a much lower base, records the fourth highest increase cited by marketers—budgets (and audiences) will splinter even further.

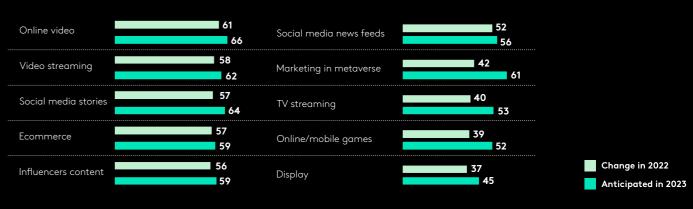
Gaming – a growing channel for video advertising

Gaming production costs have skyrocketed in recent years, and now creative agencies are leaning into the biggest and most visually striking games to reach new audiences.¹⁰

With almost 3.2bn people playing video games in 2022, spending a combined total of \$196.8bn, there's a growing opportunity to add gaming-including its many peripheral video elements, such as Twitch-to the media plan.¹¹

Furthermore, with 32% of gamers globally happy to pay extra for additional games content (e.g. in-app mobile games, extra features, content expansions), there are largely untapped optimal advertising targets for many marketers.¹²

Changes in budget/resource allocation across digital media channels (%net + ve)



Source: Kantar Media Reactions 2022

VIEWPOINT: AN ECHO FROM THE PAST



Antonio Wanderley CEO – Latin America, Spain, Asia Pacific & Africa, Media Division Kantar

As 2022 draws to an end, our industry finds itself on the cusp of an inflection point, as the VOD businesses that disrupted the linear TV model diversify their operations. Interestingly, this is a familiar pattern we can trace back in time.

In the not-so-distant past, Pay-TV also saw rapid early growth based on a highly successful subscription model before reaching a natural plateau. And to break past it, businesses sought ad-sales opportunities to generate new revenue streams.

As the model evolved, network operators quickly realised the value of audience measurement: in order to trade ads and have good CPMs, you need good metrics and validation to reassure the market.

Repeating the pattern

What I anticipate next, therefore, is a repeat of the established pattern. To date, native VOD platforms have not been especially involved in audience measurement, but they too will soon find it a business imperative as they diversify their own models.

They will want accurate audience figures reported to the market; they will want to know how measurement companies are measuring them against competitors; and advertisers and content producers will want an authoritative, trusted data source.

The future will see audience measurement increasingly move towards a more holistic model in line with a fragmented and growing AV ecosystem.

Our future challenges

Today's market has some key differences though, of course. The sheer complexity of the contemporary landscape is staggering, and it brings with it more risk, uncertainty and competition.

Indeed, what was once just a 'TV market' has—thanks to Internet delivery (IP), device and platform proliferation, and new viewing forms—diversified into an intricate 'AV ecosystem'.

Today, many people even struggle to describe what TV actually is; it's a question that measurement bodies – as demonstrated in the UK and Brazil in 2022 – have brought to the fore as they collaborate with the industry to capture metrics on shifting media consumption.

That means looking at multiple viewing forms, and working towards holistic measurement that is reflective of both market and consumer dynamics.

A better view of the market

Fortunately, a lot of the technologies already developed – such as watermarking or audio matching – will help meet these challenges. But this time we will go further, because one other crucial difference today is the proliferation of data sources.

Broadcasters, platforms, device manufacturers and advertisers each sit on a wealth of data. But it will never be truly fit for purpose if used only in isolation. An SVOD platform might know a lot about its viewers, but it won't have the same understanding of the rest of the market, for example.

Panels: the ground-truth

To that end, leveraging first-party big data and integrating different data sources requires something unique to tie it together: high-quality, fully consented, sample-based panels. They are the bedrock upon which disparate and siloed data sources are integrated, and the future will see them increasingly move towards a more holistic model in line with a fragmented and growing AV ecosystem.

And those who still don't understand the power of audience measurement in helping competitive businesses 'look over the wall', so to speak, will certainly re-evaluate once they witness their competitors using it to read the market better, and developing audience and revenue growth strategies as a direct consequence.

HOW CAN WE HELP?

DISCOVER MORE WITH

KANTAR'S KNOWLEDGE AND INSIGHT

Measure and monetise your audience

Cross-media audience measurement

We build long-term value for media owners, enabling them to better understand context and comparability, and enriching and activating first-party data to monetise attentive and engaged viewers.

We work with our clients to deliver cross-platform measurement in markets worldwide. Our technology is increasingly the global standard for measuring all relevant IP traffic within the home: all screens and all Internet-sourced content and advertising served to the TV set.

> Find out more

In-flight campaign optimisation

Cross-media Performance

We deliver de-duplicated, unified audience metrics that enable advertisers to optimise campaigns across all viewing forms, platforms and devices.

Our solutions draw data from representative panels, open web exposures, and directly from global online platform partners.

De-duplicated audience metrics are now available in Argentina, Brazil, Chile, Colombia, Turkey and Vietnam.

> Find out more

Follow the subscription customer journey

Entertainment on Demand

Entertainment on Demand tracks the subscription customer journey across the music and video-ondemand space.

The service, already available in the US, UK and Germany, extended this year to Australia, France, Italy and Spain. In 2023, we're set to launch in Japan too!

> Find out more



SOARING COSTS:

MANAGING CONSUMER AND MEDIA INFLATION

As global price rises impact consumer spend and advertising costs, data and insight can optimise campaign planning and make budgets go further

2022 TRENDS

In early 2021, in the midst of the pandemic, inflation began rising around the world. At the time, some economists attributed the rise to Covid-19 fiscal and monetary stimulus packages, but supply shortages and price gouging also played a role.¹³

Geopolitical upheaval

Then, following the Russian invasion of Ukraine in February 2022, global energy and food prices also rose sharply. Inflation has since spread to other sectors, particularly in countries where demand is strong enough for businesses to pass on higher costs.¹⁴

Media and marketing have not escaped inflationary impacts, and there are three clear outcomes: a reduction in consumer purchasing power; a rise in costs for subscription media; and increasing advertising costs in certain channels.

Consumer impact

According to Kantar TGI data, in May 2022, a third of adults in Great Britain – where inflation reached double digits – said they were finding it difficult to cope on their current income. This was a 50% increase since the beginning of the year – and an all-time high since the data was first collected in 2006.

Energy bills in particular have been a real source of concern: 41% claim they have become unaffordable, with younger people feeling especially stretched.

Rising costs have also hit subscription media prices.
Amazon, for example, raised the price of its Prime Video service across the globe in September, citing 'increased inflation and operating costs'.¹⁵



Cutting back

This has had a detrimental impact; Kantar's Entertainment on Demand tracker – covering the US, UK and Germany – is witnessing a clear trend in consumers cancelling SVOD services to save money.

Subscription video-streaming companies are most vulnerable to drops in subscriber numbers: over a fifth (22%) of UK consumers say they will reduce the number of services they pay for in the next six months. This figure was 18% for TV providers, 16% for music streaming and 14% for mobile.¹⁶

Some 8% have reduced their overall monthly spend on media subscription services by £1–£5; 18% have cut it by £6–£10; 12% by £11–£15; and 5% by £16–£20.¹⁷

Media impact

Although linear TV has been hit hardest by media inflation, with costs jumping 31% according to WARC's Global Ad Trends report, it's not alone.¹⁸

The World Federation of Advertisers (WFA) forecasts average inflation of 10% for advanced TV-including addressable, connected TV streaming and VOD-in the US in 2022. In comparison, inflation for advanced TV ad channels in 2020 stood at 3%. ¹⁹ The WFA also reports high inflation for social video.

Paid social CPMs have also risen steeply since the start of the pandemic, up 33% between Q4 2019 and 2021 according to data from marketing platform Skai, with expectations that they will remain high over the medium term.²⁰

The high cost of linear TV comes amid surging demand, with new, often online-born brands trying the medium for the first time. With audiences simultaneously fragmenting across screens and platforms, prices have been driven up.

Stretching budgets

The strategic trends to materialise from high inflation include the diversification of media plans. For example, there has been a move to incorporate more VOD as linear TV audiences have migrated and costs have risen.

Meanwhile, less price sensitive media, such as radio, outdoor and sponsorship, are viewed as effective and cost-efficient brandbuilding alternatives to television.²¹

Greater precision

Finally, data is also being used to better optimise marketing spend. Direct digital targeting based on known purchasing behaviour, for example, can add an extra layer of effectiveness – reducing waste, and targeting those most likely to be influenced by the campaign message.



WHAT'S NEXT IN 2023?

Demonstrate value to thrive

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The latest cost of living data from Kantar's TGI suggests consumers in Great Britain are more willing to shop around and try new brands that might stretch their budgets further.

So the brands that can demonstrate value are likely to fare best; the current economic outlook marks an unprecedented opportunity to present products and brands in a new light, potentially to a previously untargeted set of consumers.

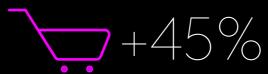
But to do so effectively requires careful analysis of the market dynamics and a clear understanding of the circumstances of different consumer groups.

Shopping behaviour changes



+54%

Increase in adults visiting their local markets at least once per week



Increase in adults who say they shop everyday



+10%

Increase in adults who are 'always looking for food & drink promotions'

Source: Kantar TGI GB August 2022 (July 2021–June 2022) Changes Q2 vs Q1 2022

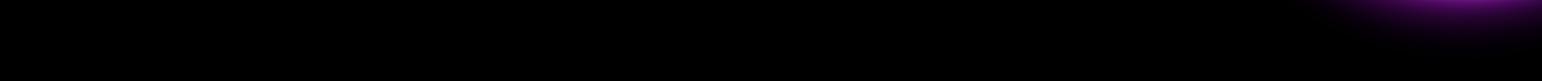
Two-tier markets lead to product placement growth

Attracting budget-conscious consumers with cheaper ad-funded models is likely to rise – but risks creating a two-tier media landscape where those who can pay to avoid advertising do so, leaving a heavily skewed audience for advertising who are alienated by excess frequency.

This is likely to lead to better integration of advertising and content via sponsorship, product placement and branded content, which can reach all audiences.

Indeed, product placement – already set to be turbocharged by Internet delivery and dynamic placement technology – is a high growth area, with Amazon integrating virtual products into shows like *Bosch*, *Jack Ryan* and *Reacher*.²²

Like addressable advertising, different viewers could in theory have different substitutions driven by available data. Unlike addressable advertising, product placements can't be skipped or muted.



Smart brands will invest

Although challenging, the economic conditions in 2022 and moving into 2023 are notably different from previous downturns, with tighter labour markets and low unemployment in advanced economies such as the US and UK.^{23, 24} This means smart brands will be even more inclined to maintain brand investment.

Kantar's 2022 BrandZ report confirms that the businesses that invest in their brands outperform the market, and that investment in marketing remains the most powerful form of defence in times of economic crisis.

Strong brands simply retain more economic value during tough times, and recover more quickly when market conditions improve. This was the case during the 2008 global crisis and, as this year's report shows, it's also true today across virtually all categories.

Audience insights reveal nuanced pictures

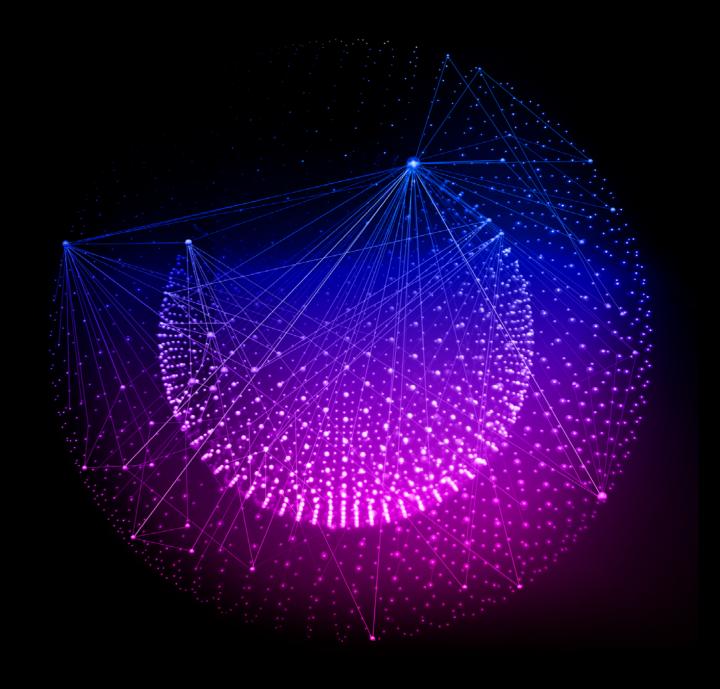
Because inflation will hit different cohorts in unique ways, brands will need deeper audience insights to understand the implications.

For example, Kantar's TGI data²⁵ reveals that 'unconstrained couples' in Great Britain, who typically over-index on premium or luxury goods, are showing the fastest increase in 'regularly purchasing budget ranges'.

This suggests that even the most well-off are trading down, but only on certain items. Quality remains important for food, but less so for non-alcoholic drinks, for example.

Understanding such nuances will help guide marketers as the cost of living crisis deepens, highlighting the importance of targeting by life circumstances, rather than age alone.

The latest TGI data also reveals a 5% uplift across all adults in brand 'repertoire' for food: consumers appear more willing to shop around and try new brands to stretch their budgets further. Although constrained budgets can be a serious problem for marketers, they're also an opportunity to promote value-based messages.



VIEWPOINT: SMART BRANDS WILL INVEST TO GROW



Louise Ainsworth CEO – EMEA, Media Division Kantar

2022 was an economically challenging year, and in many parts of the world, 2023 could see conditions worsen. Fortunately, we have good strategies – tried and tested over multiple recessions – for how businesses should act during an economic crisis. The short answer is: maintain media investments.

The brands that do so have repeatedly been shown to record five times as many significant business effects-including profit, share, and penetration-and four and a half times the annual market share growth than those that don't.²⁶

Indeed, a cost of living crisis requires businesses to demonstrate value, and that, of course, requires marketing spend and audience targeting.

Nuanced insight

It also means paying more attention to data and insight to understand how inflation will impact different audiences in different ways.

After all, no cost of living crisis is a uniform experience, and segmenting audiences to understand differences in behaviours and attitudes is essential—it helps ground campaigns in reality, and is the base starting point for creative testing of messages.

Advertisers would be wise, therefore, to look at people's life stages and life events, rather than just demographics such as age. Demographics can be highly generalised and often fail to address personal or domestic circumstances that are likely more in tune with someone's economic situation. The cost of living crisis is a good time for advertisers to reach new audiences...

Brands can capitalise on moments like these.

11

Reaching new, shifting audiences

The cost of living crisis is also a good time for advertisers to reach new audiences. For example, we know from Kantar's TGI data that brand repertoire for food items is increasing (see p27), with shoppers becoming more price sensitive and tactical in their purchases. Brands can capitalise on moments like these.

Brands may even wish to find new audiences through emerging channels, particularly if other high-demand media become overly expensive. Gaming, for example, is certainly worth exploring – it's opening up to advertisers in new ways, and tough economic times tend to see people spending more time with home entertainment as they forgo more expensive nights out.

Whatever course brands take, it's crucial they remain focused on the long term, investing now for the eventual upturn, and using data and insight to make the most informed and cost-effective decisions about their strategies and investments. The future may seem uncertain, but our plans do not have to operate blind.



HOW CAN WE HELP?

DISCOVER MORE WITH

KANTAR'S KNOWLEDGE AND INSIGHT

Target and activate your audiences effectively

TGI

Our Target Group Index (TGI) helps brands to build a complete understanding of their audiences and target them effectively. Our surveys of over 700,000 real people in 45 markets every year are unparalleled in the industry for breadth and depth.

At an aggregate level, marketers can now access up to 25bn data points, each of which can be used to build a full picture of your current and prospective customers.

> Find out more

Optimise your media mix across channels: deliver impact and improve ROI

Cross-media campaign effectiveness

Our media effectiveness solution, CrossMedia, establishes media exposure and identifies which channels build key brand associations, so you can optimise your media spend and learn for the future.

Comparison with industry-leading global and regional norms from over 2,000 campaigns puts your results into context and gives you a competitive edge.

> Find out more

In-flight campaign optimisation

Cross-media Performance

We deliver de-duplicated, unified audience metrics that enable advertisers to optimise campaigns across all viewing forms, platforms and devices.

Our solutions draw data from representative panels, open web exposures, and directly from global online platform partners.

De-duplicated audience campaign metrics are now available in Argentina, Brazil, Chile, Colombia, Turkey and Vietnam.

> Find out more





AIMING FOR BETTER OUTCOMES

From post-cookie solutions to better campaign planning, data is our fuel - but its usage is changing

2022 TRENDS

Cookies to die another day

To the relief of some and exasperation of others, in 2022 Google announced another deadline extension before deprecating third-party tracking cookies.

The technology platform, which was set to follow in the footsteps of Apple's Safari and Firefox in phasing out cookies by late 2023, will now extend the switch-off date until the second half of 2024.

Cookie deprecation is one part of Google's Privacy Sandbox, which has been experimenting with ways of targeting and measuring ads on Chrome without using personally identifiable information.

Already crumbled?

The delays are deemed necessary because Google touches so many parts of the ad ecosystem and faces significant scrutiny from the entire supply chain. Yet despite the latest extension, which has been welcomed by marketing bodies keen for more time to experiment with alternatives, many in the adtech sector argue the cookie has already crumbled.²⁷

"The cookieless era hasn't been postponed, it is already here," said James Colborn, head of global data at media platform Teads, when Google's latest announcement was made.²⁸

Indeed, mobile in-app and CTV are already cookieless, and Teads says 40% of the open web globally is too, rising to 60% in markets with greater Apple penetration, such as the UK and US.

Data activation in a post-cookie world

80%

of advertisers want their own in-house segmentations to enable media planning and activation

54%

believe that integrating other data sources with audience segmentation will become even more important 78%

of large businesses are planning to strengthen the data platforms they use to understand and segment consumers 64%

of advertisers believe that data quality will become more important in the coming years.

Source: Kantar - Data Strategies for Brand Growth report

Mixed consumer views

Meanwhile, consumer attitudes towards cookies are mixed.
According to Kantar TGI data, 46% of adults in Great Britain claim to regularly delete cookies from their devices, yet 54% agree they don't mind accepting cookies if it allows them free access to content that interests them.²⁹

And these are by no means two mutually exclusive groups. Almost half (48%) of those who regularly delete cookies from their devices don't mind accepting cookies for the right content.

Age matters

However, TGI shows us that the over 65s are 23% more likely than the average adult to regularly delete cookies, while younger adults are more receptive to exchanging personal information for relevant free content, with those aged 15–19 a quarter more likely to agree than the average adult.

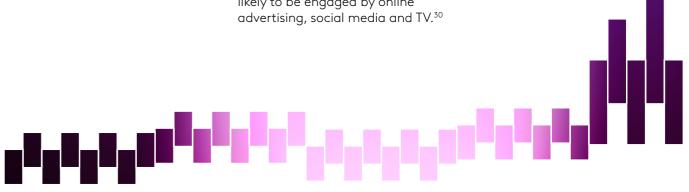
When it comes to the media they find most engaging compared with other adults, the regular 'deleters' of cookies are particularly receptive to newspapers and magazines, including paying to access them online.

Meanwhile, those willing to exchange personal information for appealing content are particularly likely to be engaged by online advertising, social media and TV.³⁰

Data-led marketing decisions

According to Kantar's Media Reactions 2022 study, consumer exposure to advertising on an increasingly diversified range of online media channels continued to grow throughout the year.

Consequently, taking a data-led approach to planning and media choices became more essential as budgets were squeezed. Kantar's data shows that campaigns are seven times more impactful among a receptive audience – making it strategically important to use real-world data on consumer attitudes to guide increasingly scrutinised investment decisions.³¹



Consumer-marketing disconnect

But 2022 revealed something of a disconnect between consumer and marketing preferences. Amazon's advertising is seen to be the most relevant and useful to consumers, for example, yet it's not currently in the top five of marketer preference rankings.

Similarly, Kantar's Beyond Age report, based on TGI data, demonstrates how important it is for marketers to scrutinise assumptions by using trusted data sources. Age-based stereotypes are often so embedded in our psyches, we can be slow to perceive changes indicated by the data – explaining why so many marketers misjudge the age profiles of different online media platforms and potentially mistarget campaign messages.

Advertiser attitudes to data

82%

of advertisers want to take more control of their media spend, with 48% agreeing strongly.

81%

of advertisers are actively looking to use their own data alongside primary research.

63%

of advertisers find it hard to generate insights on competitor media activity.

Source: Kantar – Data Strategies for Brand Growth report

Consumers embrace tech post-pandemic

In 2022, consumers in many countries emerged from Covid-19 restrictions having had much more exposure to online media. Indeed, in a study from Adobe and Econsultancy, 88% of senior media and entertainment executives agreed that the past two and a half years had 'rewired' customers to be digital first.³²

This finding tallies with growth in online media platforms
– something forecast to see continued planned investment into the next year, according to Kantar's Media Reactions 2022 study.

Signs of life in the metaverse

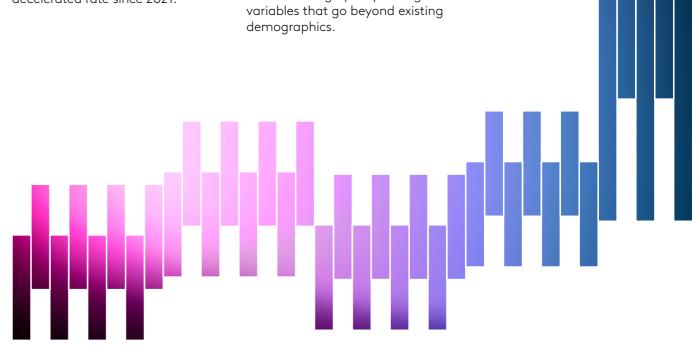
Meanwhile, the metaverse, still in its early stages of development and understanding, is showing signs of planned investment. In fact, although starting from a much lower base, it is the fourth highest planned increase cited by marketers, just after online video, social media stories and video streaming.

At the same time, the downward trend in offline channel investment continues, albeit at a slightly decelerated rate since 2021.

Data boost

The growth and sophistication of media has required advertisers and their agency partners to accommodate more data into their operations to boost efficiency for in-flight campaigns and to accelerate measurement.

And as advertisers increasingly forge direct relationships with online platforms, there's been an increase in demand for de-duplicated cross-media campaign performance measures on a comparative basis, as well as demographic profiling variables that go beyond existing demographics.



WHAT'S NEXT IN 2023?

Consent will be king when it comes to targeting

In a world of increased data sovereignty and tighter legislation, fully consented, people-based measurement panels will be even more critical for media owners, agencies and advertisers to understand how viewers move across platforms and devices to consume content and advertising.

Consented panels will cement their role as a source of truth to complete the measurement jigsaw, alongside media owner or platform first-party data, and advertiser first-party customer data.

A move towards proxy-based targeting systems and contextual advertising

Targeting within closed ecosystems, in which consented first-party data is available, will still be possible, but wider cross-platform targeting has hit the barrier of consumer privacy. There will be incremental improvement in the coming years, but the hyper-targeted ecosystem the internet once promised looks increasingly unviable.

This has profound implications for addressable advertising: initial assumptions about the granularity of targeting outside closed ecosystems have to be reappraised. In the longer term, marketers should anticipate a move towards proxy-based targeting systems and contextual advertising.

With the contextual market projected to be worth \$376bn by 2027,³³ and broad approval from ad execs matched with leaps in technology, it's safe to predict contextual targeting will become a dominant targeting strategy over the medium to long term.³⁴

Procrastinators will fail

Whether putting off investment in skills, knowledge or technology, any delay in preparing for a post-cookie future will be a strategic mistake.

Google may have given more time to prepare, but it's time that mustn't be squandered. No matter what alternative to third-party tracking the industry adopts – whether clean rooms, Google's Topics, contextual advertising, or Unified ID 2.0 – businesses must ensure their first-party data strategies are prioritised alongside fully consented panel data.

And with no single solution set to replace cookies, the effectiveness of new techniques and technologies must be urgently assessed.

The cross-media challenge

One of the greatest challenges to brands' advertising and planning strategies is profiling their audiences across all media touchpoints. Another is budget optimisation across media, and the potential roadblock caused by a lack of cross-media reach and frequency data – which is why advertising groups across the globe, including the WFA, ANA and ISBA, are engaging with the industry to implement solutions.

Turning all this data into insights in an easily accessible way will also remain a challenge, and will require a system with trusted data that's understood by all and leveraged with consistency over time.

Winning brands will be those that combine creative and context as effectively as possible, using real-time intelligence to understand audiences and competitor activity. This will allow them to leverage the full power of their own direct consumer relationships, bringing relevant stories to the right audiences at the right time, in order to drive growth.



VIEWPOINT: IT'S TIME TO REFOCUS ON HOW WE USE DATA



Manish Bhatia Chief Growth & Product Officer, Media Division Kantar

Data provenance has come into sharp focus in recent years as clients double-down on trust. privacy and quality. And as we head into 2023, a year in which such considerations will only grow, we have consensus that people-based measurement is our industry's bedrock.

Whilst panels have been the foundation for understanding real-world behaviours since the analogue era, it's taken more recent events - particularly around privacy regulation to see it fully reappraised.

Now it's time to focus harder on what we do next - because with the right ground truths in place, businesses should rightly wish to build upon them.

The future of data

And to understand what that means for our shared future, look at the work we've done to design and deliver cross-media campaign performance tools that are now live in markets in Latin America and Europe and in development in the UK through Origin, the initiative led by UK advertising trade body ISBA. Both offer a alimpse of the increasing momentum from within the advertising community.

That's because clients and data partners increasingly require holistic, de-duplicated people measurement to report on all viewing activity, across all platforms. Therefore, the future of data means operating flexible and open methodologies, integrating insights from large-scale data sets from multiple sources, alongside ground-truth panel assets.

We're delivering de-duplicated audience data to track and report back campaign performance on an overnight basis, helping advertisers double-down so they maximise ROI.

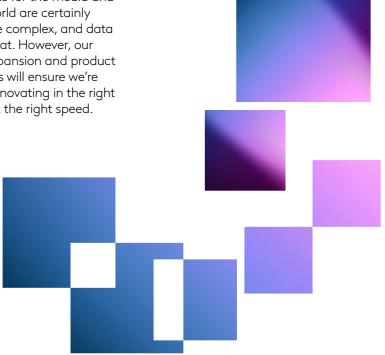
Advertisers want impartial, reliable and granular sources of truth to offer clarity about real reach if they're to make the best campaign investment decisions. Moreover, they want to optimise their campaigns in flight. We're increasingly delivering data to track and report back campaign performance on an overnight basis.

Maximising ROI

If there's a platform that's underperforming, it's now possible to move spend towards an alternative. Conversely, using data in this way will also show over-performance, and can help advertisers doubledown so they maximise the ROI on their advertising.

This will be hugely valuable for advertisers as they attempt to track consumer journeys across all the different-and growing-touchpoints of our global media ecosystem.

The challenges for the media and marketing world are certainly growing more complex, and data is a part of that. However, our continued expansion and product developments will ensure we're focused on innovating in the right places and at the right speed.



HOW CAN WE HELP?

DISCOVER MORE WITH

KANTAR'S KNOWLEDGE AND INSIGHT

The implications of a world without cookies

Direct integrations

Secure collaboration is key for clients combining their first-party data sets and connecting to Kantar data assets. Kantar has clear codes of conduct for data exchanges between organisations to ensure it's done responsibly, with data accessed in secure scenarios.

Kantar Direct Integrations continue to extend with new partners. Ongoing work with global and local publishers with onboarding programmes is underway, including technical piloting on studies.

> Find out more

Responsible data strategies, world-class data science

Data science

Activating consented data sets means an essential role for Kantar's skilled data science teams across the world, fusing complementary data sources and calibrating panels to offline census data.

> Find out more

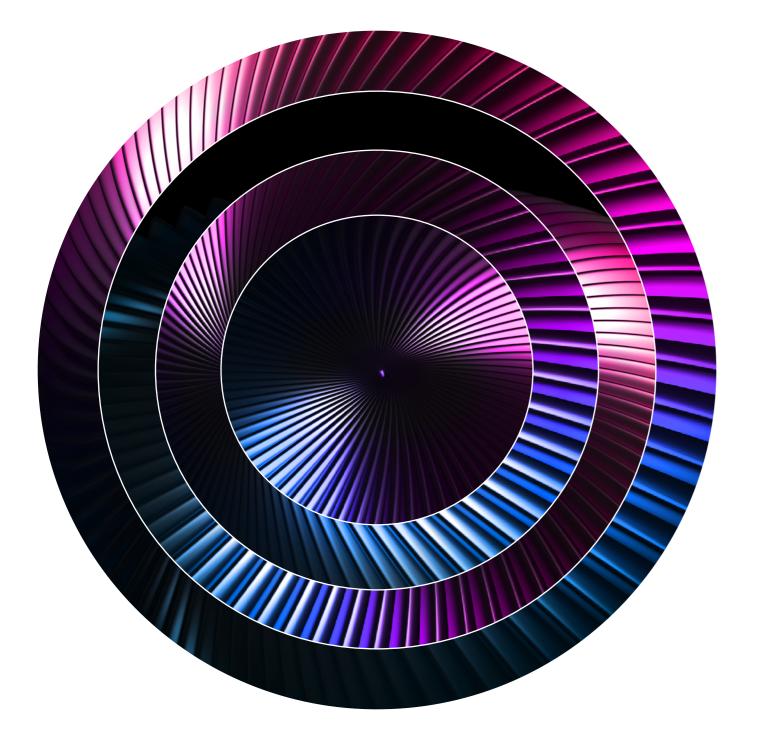
Reach and engage real-world audience segments online

TGI Audience Activation

We enable efficient digital targeting of both offline and online-built consumer segments. Drawn from Kantar's best known syndicated studies, including TGI, Worldpanel and Comtech, we have hundreds of pre-built, privacy-safe audience segments across a wide variety of consumer categories.

These are available for activation across a range of data management platforms (DMPs) and demand-side platforms (DSPs), to help make your digital advertising more addressable, personal and impactful.

> Find out more



TECHNOLOGY:

SUPERCHARGING MEDIA PLANS AND CONSUMER EXPERIENCES

2023 is set to deliver a host of new technologies, each brimming with potential – but it's important not to get lost in the hype

2022 TRENDS

Growth in Smart TV use

During the pandemic, many homes explored the full functionality of connected screens. Consequently, we're now reaching the tipping point in Smart TV penetration and usage, with consumers increasingly using their TV to stream content directly, connecting via apps and inbuilt IP services.

Indeed, data from Kantar's ComTech tracking study shows that across the EU5 markets (France, Germany, Great Britain, Italy and Spain), 64% of households own a Smart TV.³⁵ And in Brazil, connected TV penetration has more than doubled in just four years to 57% of homes in 2021.³⁶

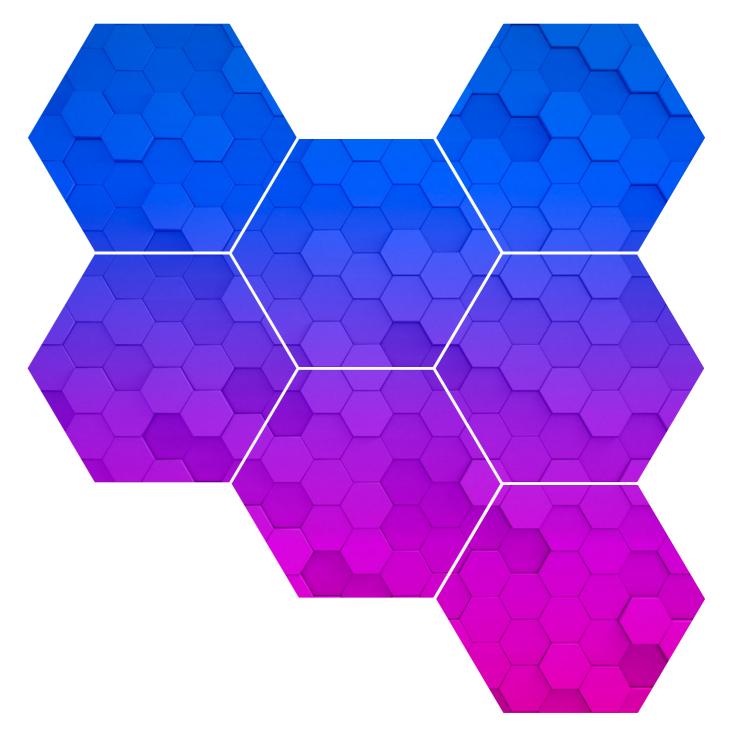
Smart TVs are not only being used, they're increasingly the preferred screens for viewing streamed content: across the US, Germany and UK, 88% of video streamers used their TV to access content in December 2021. As video delivery moves towards an all-IP future, Smart TVs will have a critical role to play as the main entertainment gateway into the home.³⁷

The metaverse

Despite the hype, the metaverse has not yet made huge inroads – although Kantar's latest *Media Reactions* study suggests it will be a high riser for marketing activity in 2023, with more thought being given to creating immersive brand experiences, virtual product testing, and branded NFTs to use within metaverse environments.³⁸

Disney, H&M, Walmart and Intel were some of the big names to begin experimenting with the idea in 2022, while Meta has been busy testing its Horizon projects, covering virtual worlds, events and office workrooms.

For now, however, as advertisers begin testing the (virtual) waters for themselves, they should perhaps pay close attention to what audiences actually want from metaverses – and note that the barriers to entry remain high for most people, not least because of the hardware requirements.³⁹



Enriched trading currencies

The Dutch media industry will shortly pass a new milestone, stepping closer towards crossmedia audience measurement with an enriched currency for trading TV and video.

SKO, the Netherlands' joint industry currency responsible for viewing, has worked with Kantar and Ipsos to deliver the new currency as part of Polaris, the world's first truly integrated audience-measurement programme.

When complete, advertisers and agencies will be able to optimise the performance of media channels, both in isolation and when combined in a crossmedia campaign. It's a significant development leveraging both technology and data science – and demonstrates the direction of travel for the rest of the world.

Over-the-air broadcast gets a tech upgrade with ATSC 3.0

After years in development and following early deployments in South Korea, ATSC 3.0 - or NextGenTV as it's branded in the US - marks an evolution in digital broadcast TV standards.

Bringing 4K UHD resolution, HDR picture quality and Dolby Atmos to live TV channels, ATSC 3.0 reached an estimated 75% of US households in 2022.⁴⁰

The upgrade over current antenna TV also allows for a web-like ability to interact with broadcasters, ⁴¹ but whether viewers actually want such functionality remains to be seen. ⁴²

NFTs: brand love in a burst bubble

NFTs – one-of-a-kind tokens that let owners lay claim to digital assets such as art, video or music – generated a huge amount of hype in the marketing world; and it's little wonder, as businesses could now sell digital slices of their brands to loyal customers, boosting affinity and generating a new revenue stream in the process.

However, the NFT market – like cryptocurrency, which shares similar blockchain technology – experienced a downturn midway through 2022, popping the hype bubble somewhat as \$500bn was wiped off the market's value.⁴³

Where that leaves things is uncertain but, like the metaverse, it's still such early days it's too hard to tell where things might go. But it's safe to say, NFT mania – even if it's more subdued – remains too big to ignore.

Top ranking media channels

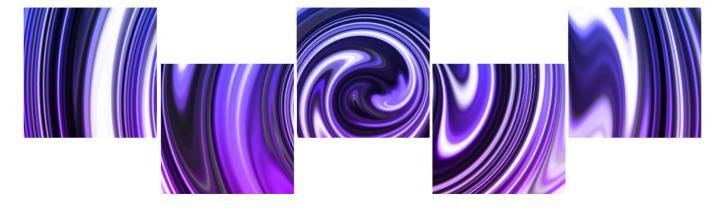
Preference	Global consumers	YOY consumers	Marketers	YOY marketers
1.	Sponsored events	(+1)	Online video ads	(-)
2.	Magazine ads	(+1)	Sponsored events	(+6)
3.	Cinema ads	(-2)	TV ads	(+2)
4.	Point of sale ads	(-)	Ecommerce ads	(NEW!)
5.	Digital out of home ads	(+2)	Digital out of home ads	(+1)

Source: Kantar Media Reactions 2022 study (Consumers: 18,174; Marketers: 965)

For all the technological leaps in the world of media and advertising, there's a counter trend worth noting: the growing momentum to disconnect from the digital world.

A study in Spain reveals increasing numbers of consumers need a digital detox to cope with the pressures of hyperconnected lives – a trend that goes hand-in-hand with an uptick in vinyl sales, 'dumb' phones and the #nofilter movement.⁴⁴

For marketers, who continually invest in new digital platforms and technologies, it's perhaps also worth noting that Kantar's Media Reactions study shows the five most preferred ad channels for consumers are all offline (left).



WHAT'S NEXT IN 2023?

Smart TVs poised to move addressable forward

As well as facilitating new forms of TV advertising, such as display ads on home screens and menus, Smart TVs are set to evolve addressable advertising capabilities and expand their reach.

By moving addressable up the chain into the device actually delivering the content, there's an opportunity both to widen the amount of content that can accommodate in-stream video ads, and to simplify and standardise the process.

Meanwhile, display ads on home screens and in-stream video ads from FAST/AVOD services are among the fastest growing sectors of US ad spend – and predicted by eMarketer to grow to nearly \$30bn by 2024.

The growth of product placement through IP delivery

Nearly 75% of all US broadcast network shows have some form of product placement, targeting those viewers difficult to reach through conventional advertising forms.⁴⁶

And dynamic product placement – enabling a product, billboard or screen featured in content to be substituted or overlaid with a different brand or advert – is also growing. Like addressable advertising, different viewers could – with the right data – be shown tailored ads.

However, technological possibilities will need to be balanced against what's acceptable to viewers. Negative impact may be inadvertently achieved if a placement is clearly out of place, anachronistic or jarring. It will also need to be more closely regulated in terms of disclosure to viewers that the content has been tailored.

The rise of shoppable TV and livestream ecommerce

Clickable content placement – using content delivered via CTV and OTT functionality – allows viewers to buy products they see featured while viewing shows by using clickable icons or QR codes.

With live shopping growing rapidly in China, having been adopted by online retailers like Alibaba, a tsunami of shoppable CTV ads from ad-supported services should now be anticipated.

Livestream commerce is also set to gain further traction in 2023, with opportunities for direct purchase and interaction being offered by livestreams to connected devices – which now includes the connected TV set itself.

Virtual worlds

It's still early days, but many people are beginning to see the benefits of the metaverse concept. So expect some early exploration in 2023, from live-events businesses, medical practitioners and techsavvy employers keen for better connection in a world where fewer people want to work in an office.

With Apple, Microsoft, Meta, Roblox, Epic Games and Nvidia developing the technological infrastructure, and a net 61% of advertisers having also stated intent to increase their spend in the metaverse in 2023,⁴⁷ things are certainly moving up a gear. Yet, as marketers continue to be lured by the siren call of the new and shiny, it's imperative they maintain a holistic understanding of ad platforms and what consumers think of them.

The metaverse might seem like hot virtual property but consumers have had very little exposure, and as 2022 closes, it's real-world ad environments, such as events and outdoor, that rate highest for consumer preference.

Metaverses are exciting, but they might not mean the world to everyone.

VIEWPOINT: 2023 WILL BE A DEFINING YEAR FOR CTV



Andrew Feigenson
CEO – Advertising Intelligence
Kantar & Numerator

When considering the future of media-focused technology, it's always important to look past the hype and assess where audiences are migrating and what kinds of inventory are available.

Based on that criteria, there's one technology that piques my interest: CTV (Connected TV), which witnessed a surge in growth throughout the pandemic when people were locked indoors with more exposure to IP-based devices.⁴⁸

Enhanced continuity

With linear-broadcast audiences migrating towards on-demand viewing in such numbers, CTV looks increasingly attractive, particularly because there's a sense of continuity-it's much the same as the status quo, yet enhanced.

Now, following in the footsteps of platforms such as HBO Max, which launched its adsupported option in June 2021, the market will soon have similar propositions from Netflix and Disney+. I think this will be huge, and the industry has every reason to be excited.

Firstly, it opens up inventory in a market crying out for further supply, with ad-supported VOD providing a landing spot for linear TV viewers who either don't want to pay as much for subscriptions, or simply want to start watching their favourite networks' programmes online.

Secondly, the technology itself offers the chance to layer more interesting opportunities over a well-defined and contextually easy-to-understand format, combining linear advertising's impact with online advertising's enhanced targeting tools.

2023 should be a time to experiment, test and learn. The sooner all players do so, the sooner we can enjoy CTV's unique and extensive capabilities.

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Unprecedented automation and measurement

Indeed, CTV allows advertisers to reach targeted audiences through programmatic technology, bringing with it levels of automation and measurement not seen before in the TV market.

Furthermore, only verified buyers can operate within the market, and currently levels of collaboration and openness to third-party measurement are high, signalling that trust, quality and privacy are paramount.

There's also the ability to get more granular when mapping to audiences, or mapping ad exposures to results, which will help boost advertising effectiveness.

However, that's not to say there are no risks ahead. I don't want to see the industry adopt familiar bad habits, such as low-quality creatives, uncapped frequencies or an obsession with performance at the expense of brand building.

A technological opportunity

CTV is a technological opportunity to improve the ad experience for everyone – audiences, marketers and media owners – and we should be united in our efforts working towards this goal.

It will also be important to work together to ensure frictionless workflows, given the complexity of the market and the different platforms and devices that make it up.

2023 should therefore be a time to experiment, test and learn. And the sooner all players do so, the sooner we can enjoy CTV's unique and extensive capabilities.

HOW CAN WE HELP?

DISCOVER MORE WITH

KANTAR'S KNOWLEDGE AND INSIGHT

Get the full picture of video advertising

Advertising Intelligence

Ad-supported streaming is a multi-billion-dollar arena, offering advertisers a dynamic touchpoint with a captive audience and new ways to scale, monitor and measure engagement.

Our advertising intelligence solutions now include adsupported streaming data to enable you to understand how your competitors are rebalancing their video-advertising strategy across linear, digital, YouTube and streaming ads.

> Find out more

Measuring people, not screens

Cross-media audience measurement

Product placement, brand integration, shoppable TV and ecommerce have one thing in common: they're all delivered via IP. This highlights the critical role of audience measurement solutions to identify all forms of IP delivery to the TV set, and track new forms of ad activity, from menu banners to interactivity.

Our audience measurement solutions, underpinned by panels, are ready to provide the vital information to navigate these new advertising opportunities. They enable the required data exchange and data ingestion to capture advertising exposures in detail across audience segments.

> Find out more

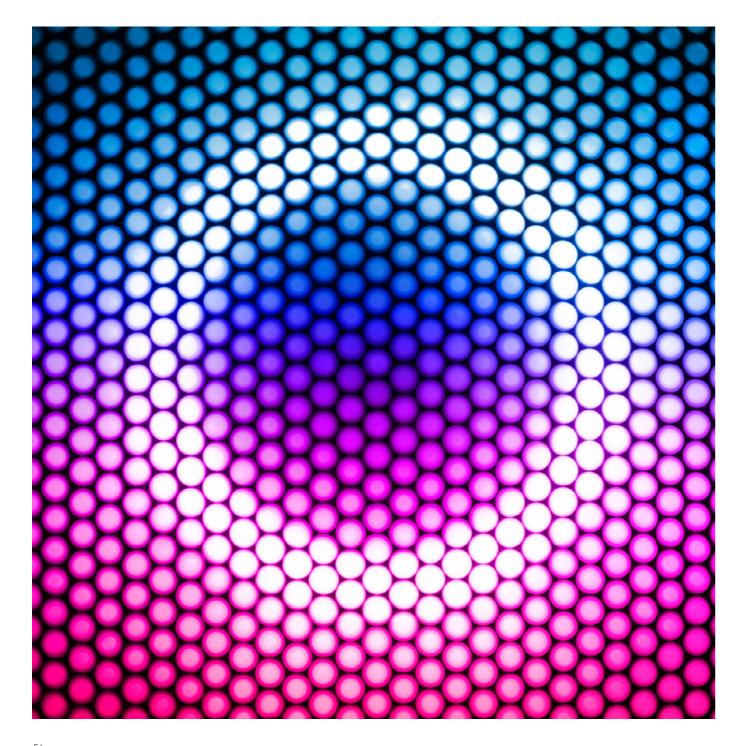
Increased precision to enhance your own data

CTV+ measurement

As audiences fragment and advertising becomes increasingly targeted, our panel data can be enhanced with data at scale, to increase the precision of audience measurement and enhance our clients' own data sets.

We can ingest streaming data, data from connected and smart TVs, operator data, addressable and ad server data. Our solutions enhance your first-party and partner data sets, using demographic data, actual viewing levels, and reach across platforms and devices, to enrich your own insights.

> Find out more



THE ROAD TO NET ZERO

Reducing the carbon impact of media and advertising to real net zero is the business challenge of our time, and represents an opportunity like no other

2022 TRENDS

Businesses act as temperatures soar

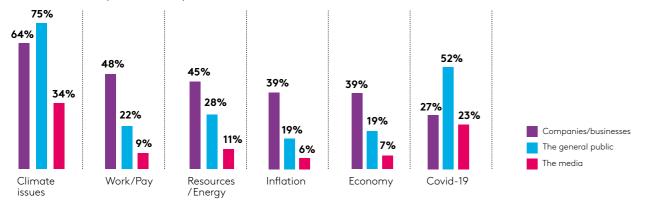
2022 was yet another year of recordbreaking heatwaves, droughts and floods, causing cascading impacts that are increasingly difficult to manage. Accelerated action is required both to adapt to climate change, and to make rapid and significant cuts in greenhouse gas emissions.⁴⁹ In response, the media and marketing sectors are trying to reduce the carbon impact of developing, producing and running advertising and media to real net zero.

These efforts range from regional projects aligned with the UN's Sustainable Development Goals, such as Ad Net Zero in the UK and Latin American media giant Globo's sustainability commitments, through to global initiatives, such as WPP's

pledge to reach net zero in its entire value chain by 2030, and the telecommunications sector's quest to reduce the energy requirements of 5G.⁵⁰

2022 also saw brands making carbon neutral pledges to customers, reducing energy and resource use, and creating sustainable products, amongst other initiatives. Patagonia went the furthest though: despite already being an accredited B-Corp, it announced in September that all its profits from now on will go into saving the planet.^{51 52}

Who has responsibility to solve these issues?



Source: Kantar Global Issues Barometer, Wave 3 (September 2022), Base: 1,774 respondents, 19 markets



Sustainability, audiences and advertising

According to the Global Sustainability Sector Index, half the population say they're prepared to invest time and money to support companies to do the right thing, and 42% have stopped buying products and services due to their environmental impact.⁵³

It's clear consumers are willing to do their part to make a difference; however, there's also growing evidence that the cost of living crisis is dampening the mood (see *What's Next in 2023*, p62).

Meanwhile, brands have an important, yet challenging, role in helping people act more sustainably. Kantar research shows that 63% of people worldwide think brands should take the lead on sustainability, but a similar proportion (64%) worry that brands are involved in these issues for profit only.⁵⁴

With many ads banned by local regulatory bodies for overclaiming environmental impact, and consumers accusing brands of greenwashing, the question is how businesses can address sustainability in a way that is both authentic and motivating.

According to Kantar's Link ad-testing database of more than 230,000 ads, the number of campaigns that address social and environmental issues has tripled since 2016, and now stands at 6% of all ads.

Source: Kantar Link database, March 2022

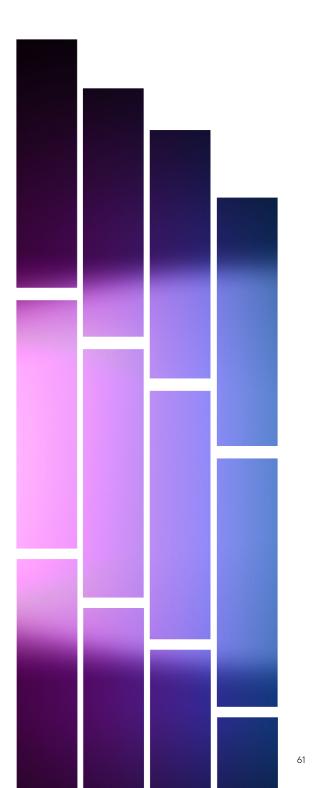
Positivity and purpose are valuable tools

Insights from Kantar and Affectiva show that the top performing ads with sustainable or social messaging have a more 'emotionally positive' and 'uplifting' tone; the worst performers are more likely to be above average on negative emotions.⁵⁵

Humour and a positive behavioural suggestion can also lead to much higher engagement, so long as they strike the right balance between the problem and the solution. Humorous ads are generally more expressive (+27 points), more involving (+14) and more distinct (+11).⁵⁶

Brand fit matters

When Kantar split 600 'purposeful' ads into two groups, one where viewers say that the idea fits with the brand, and one where they say it doesn't, the results were dramatic. Where there's a fit with the brand, the ads' potential impact on brand equity, salience, immediate persuasion, enjoyment, credibility and ease of understanding are all radically higher.



2023: WHAT'S NEXT?

A year for green innovation

The Global Commission on the Economy and Climate reports that transitioning to a low-carbon, sustainable growth path could deliver direct economic gains of \$26trn and create over 65m new jobs by 2030.⁵⁷ However, buyers – whether individuals or businesses – can only purchase what's available, and that must include more sustainable choices.

2023 should therefore be seen as a year of innovation – whether that's brands offering green products and services, media owners offering more energy-efficient services, or agencies rethinking how their planning and buying strategies are impacting the climate.

Deeper insights required

Sustainability is now a business imperative, but it's not always easy to reach consumers. As Kantar's research shows, there's a 'value-action gap' – a disconnect between green attitudes and real-world behaviours (see Viewpoint p64).

This means green advertising will require deeper audience insights so brands can better judge an audience's susceptibility to green messaging, which is impacted by economics, culture, political values and age.⁵⁸

The challenge of the future won't just be about making green products and services; it will mean selling them to people who don't care if they're green or not. Consequently, expect more marketing messages to sell the adjacent benefits of a green product or service, rather than the overt sustainability credentials.

Inflationary pressures

As the cost of living crisis bites, there's growing evidence consumers are changing their shopping habits, increasing brand repertoire and experiencing trade-offs in their purchasing decisions and dilemmas. And according to Kantar's TGI data, there has been a 10% fall in the first six months of 2022 in all adults in Great Britain agreeing that 'it is worth paying more for environmentally friendly products'.

With the threat of recession looming globally, brands will need to balance messages of value with sustainability, and consider how to manage complex consumer anxieties over costs.

Longer term, however, there needs to be a general de-premiumisation of green products to unlock a mass-market opportunity – something marketers should begin thinking about today.

Winning green adspend

Last year, Media Figaro launched a partnership with French start-up Vidmizer to reduce the weight of video campaigns in a bid to use less energy. With up to 80% reductions in carbon reported, it's a good example of how technological partnerships can reduce energy expenditure.⁵⁹

And as media plans seek to go green – charting the impact on energy use alongside existing brand metrics – media owners who can offer better carbon deals are likely to attract more business.

VIEWPOINT: WHY DATA, INSIGHT AND TESTING ARE CRUCIAL IN BUILDING SUCCESSFUL SUSTAINABILITY CAMPAIGNS



Jane Ostler EVP Global Thought Leadership Kantar

Sustainability-themed marketing is uniquely complex, but its importance cannot be underestimated. Despite flaws and setbacks, and against a backdrop of unprecedented extreme weather, the world is aiming to transition towards net zero, and businesses will be crucial in achieving that goal.

A green global economy

A brand's messages, products and services will therefore play significant roles in helping change behaviours, promote more sustainable lifestyles and ultimately grow and sustain a green global economy.

Our research shows that consumers across the world care deeply about the planet's (interlinked) social and environmental issues, are willing to change their purchasing behaviours, and expect corporations to take responsibility and to act.

In fact, the majority of people feel they can make a difference through the choices they make. Some 50% say they're prepared to invest time and money to support companies doing the right thing; and 42% have voted with their wallets, no longer buying products and services because of their environmental impact. 60

Closing the value-action gap means understanding the real-world barriers that different audiences face when making purchase decisions, and audience insight can shine a light on little understood or emerging drivers to action.

The value-action gap

But there's a disconnect between people's stated values and their actions: what we call the value-action gap. Simply put, most people don't need to be convinced about the importance of sustainability issues – it just doesn't always carry through into their behaviour.

There are several reasons why this might be the case for green products and services, from issues of convenience, availability or price, to perceptions of quality. And there are further challenges. Given the necessity of the task, sustainability marketing is made even more difficult because it needs to reach and have a positive effect on practically all audiences – we can't just rely on selling to a small and engaged cohort if we're to witness significant global change.

Yet some people are extremely hard to reach, and with sustainability being dragged into the culture wars, additional complications arise as the road to net zero becomes politicised.

This means, for some audiences, sustainability messaging may even need to be camouflaged by selling adjacent benefits to the most hard to reach.

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Understanding real-world barriers and emotional response

Whatever tactic marketers choose, data and insight will always remain the best starting point. Closing the value-action gap means understanding the real-world barriers that different audiences face when making purchase decisions, and audience insight can shine a light on little understood or emerging drivers to action.

Understanding emotional response is also extremely important. Using Affectiva's facial coding technology to record people's emotional responses to ads in Kantar's extensive Link database, we see how sustainability messages can evoke a range of strong feelings, from inspiration and hope, to guilt and sadness.

What we learned is that guilt is not a useful lever for inspiring positive behaviour change, but empowerment and hope are. Humour is also a powerful tool – when used correctly – whereas sadness can lead to apathy.

So it's clear that sustainability campaigns perform better if they don't simply dwell on the challenges, but leave people with a more inspiring and positive view of how change may be encouraged.

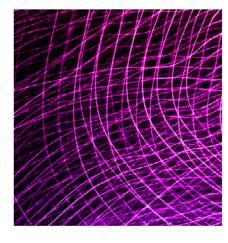
The power of creative testing

For this reason, creative testing is an extremely powerful tool to ensure campaign messages evoke the emotions that will lead to the intended behaviour change.

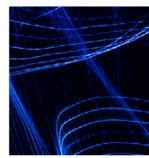
Coupled with behavioural science techniques, we know that the levers that can help boost positive behaviour changes include showing the implementation of green intentions, human connectivity towards nature, a sense of individual control, and a demonstration of immediate rewards.

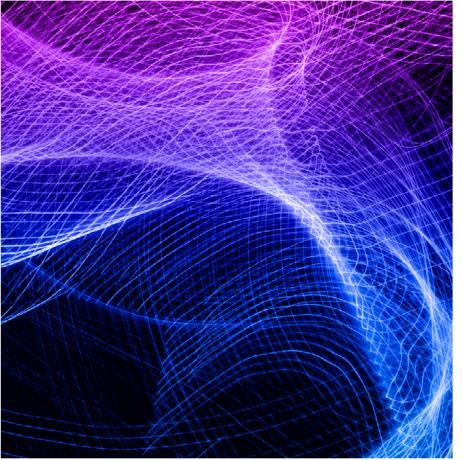
This is just a snapshot of what there is to learn about sustainability marketing, but what we do know, and what will always remain fundamental, is consumers will demand authenticity. Brands must practise what they preach.

So they must also understand the attitudes of their audience – in full recognition that every consumer is on a different path, but it's a journey we all have to take.









HOW CAN WE HELP?

DISCOVER MORE WITH

KANTAR'S KNOWLEDGE AND INSIGHT

Drive meaningful change and unlock the value-action gap

Sustainability practice

Our Sustainable Transformation Practice works at the intersection of consumers, brands, and environmental and social sustainability. We work with over 400 brands as a catalyst for action across multiple sectors and across the world.

Our approach to sustainable brand-building stretches from strategic framing through innovation and comms activation to measurement programmes.

> Find out more

Grow your brand with extraordinary creative

Link Al

Test all forms of advertising with our Link ad-testing suite. Optimise your creative to maximise return on investment and brand impact. See how well your ad performs in areas relating to long- and shortterm sales before it goes live: how engaging it is, and how well it builds brand associations and predisposition. Know exactly how to optimise your creative to stand out, create meaningful impressions, maximise success, and increase purchase intent for your brand. Get fast insights in as few as six hours on Kantar Marketplace – or even in just 15 minutes with Link Al.

Contextualise your CSR advertising strategy

CSR Watch

Evaluate your CSR campaigns within the competition landscape with Kantar's benchmark CSR Watch, to help you build a strong communication strategy.

Kantar's CSR Watch in France provides a complete CSR view across the advertising intelligence database. The measure combines a quantitative monitoring of CSR advertising investments on all media with a qualitative watch of advertising creatives, while a team of experts provides a CSR review of your market.

> Find out more

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