

OUTFRONT/

REAL WINS IN ARTIFICIAL TIMES

2026 ADVERTISING TRENDS REPORT



EXECUTIVE SUMMARY

2026'S TOP ADVERTISING TRENDS



Top Consumer Trends

1. Brands chase affluent consumers while the economy leaves the rest behind.
2. Anxiety and joy compete for space in our lives.
3. We are prioritizing our health and splurging on travel.
4. GLP-1 drugs are changing how we shop.
5. Shared fandoms build community from IRL to URL.



Top Media Trends

1. Poor ad experiences put brands at risk.
2. Bots waste billions, both in fraud and the measures taken to prevent it.
3. Creators fuel robust engagement and trust, driving social commerce.
4. Contextual relevance and emotional resonance drive creative effectiveness.



Top AI Trends

1. Merriam-Webster's word of the year is SLOP.
2. Backlash against GenAI products and GenAI advertising continues to grow.
3. Lack of trust is AI's biggest challenge.
4. Transparency and human oversight are still essential.



Top IRL Media Trends

1. Digital fatigue forces us to rebalance our digital existence.
2. Time spent with real-life hobbies and real-world activities is rising.
3. Advertisers are forging deeper connections with IRL brand experiences powered by out of home media.
4. IRL is a force multiplier. Pairing with television or social media maximizes returns.



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CONSUMER TRENDS

2026 ADVERTISING TRENDS REPORT

CONSUMERS HAVE LOST THEIR FAITH IN THE ECONOMY

The broadest economic indicators aren't looking great.

Consumer sentiment and expectations are way down, not in the least because actual economic conditions significantly deteriorated over 2025.

-28.5%

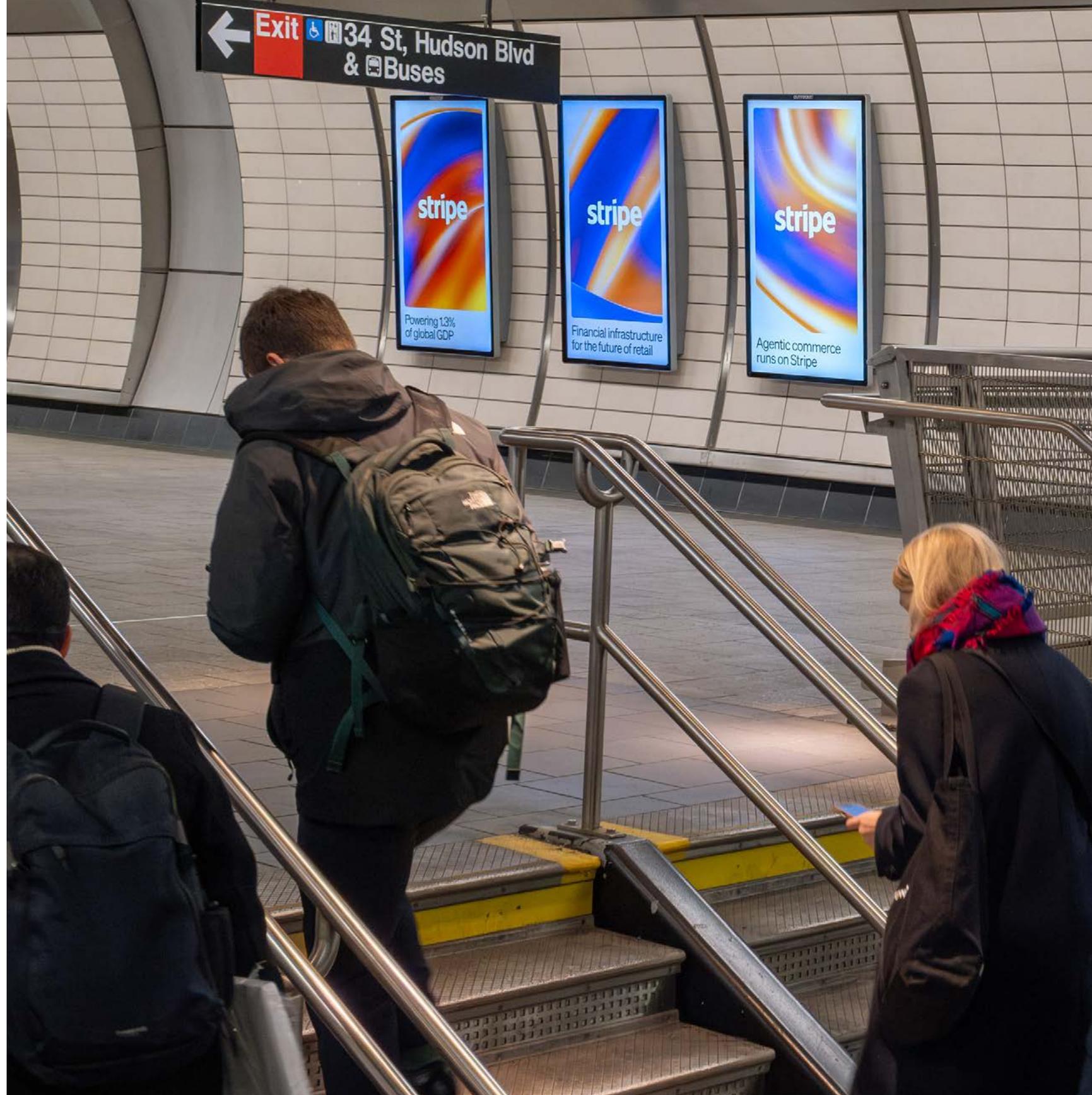
YOY CHANGE,
CONSUMER SENTIMENT INDEX

-32.9%

YOY CHANGE,
ECONOMIC CONDITIONS

-25.5%

YOY CHANGE,
CONSUMER EXPECTATIONS INDEX



BUT PARADOXICALLY PERHAPS, WE STILL BELIEVE IN OURSELVES

When we look more micro than macro, it's a different story.

Things are better than they were two years ago. Or at least that's people's perception of their own situations.

75%

OF AMERICANS DESCRIBE THEIR FINANCES AS HEALTHY OR OK¹

56%

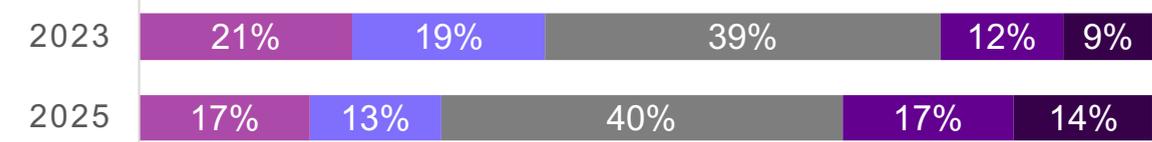
EXPECT TO BE BETTER OFF FINANCIALLY OVER NEXT 12 MONTHS¹

50%

THINK THEY'LL HAVE ENOUGH MONEY TO LIVE THEIR BEST LIFE IN FIVE YEARS, HIGHEST IN 3+ YEARS²

OUR ECONOMIC SITUATIONS ARE IMPROVING³

■ Strugglers ■ Rebounders ■ Cautious ■ Unchanged ■ Thrivers



THE CONTRADICTIONS CONTINUE IN THE STOCK MARKET

Part of the reason why our economy feels so unrelated to the numbers we're told about the economy is the wild distortion currently happening in the stock market.

More than one third of the entire S&P 500 market cap is just the so-called Magnificent Seven: Google parent company Alphabet, Amazon, Apple, Meta, Microsoft, NVIDIA, and Tesla.

Hyperscalers aren't the whole economy - but their data center capital expenditures accounted for nearly all of the GDP growth in the United States last year - which means that nothing else grew at all.

+16%

YOY GROWTH IN S&P 500 VALUE¹

34.3%

OF S&P 500'S MARKET CAP IS SEVEN COMPANIES²

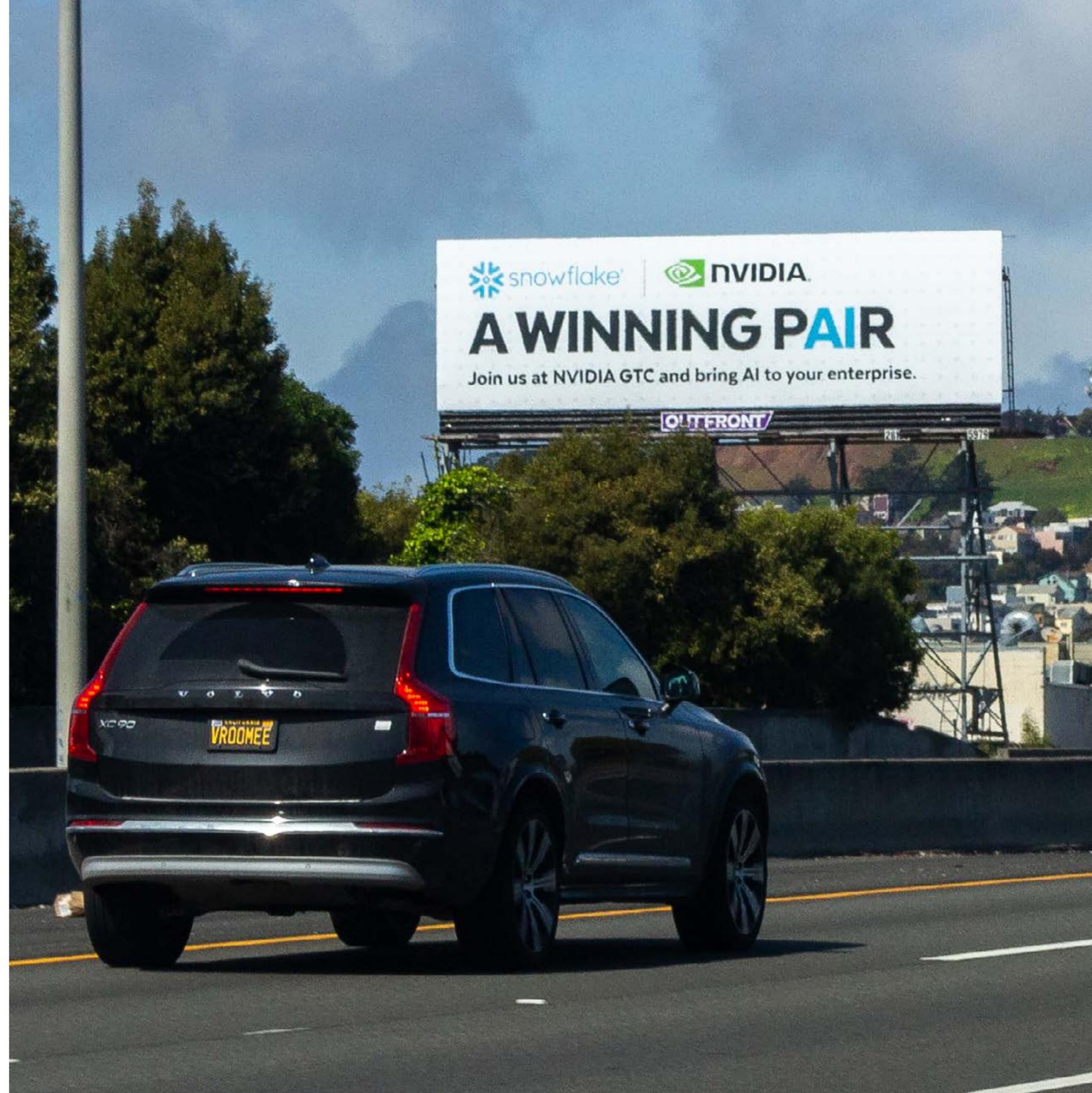
0.1%

GDP GROWTH, EXCLUDING DATA CENTER CAPEX³

SOURCES: 1. BARRONS, DEC. 2025; 2. MOTLEY FOOL, DEC. 2025; 3. YAHOO FINANCE, OCT. 2025

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BROUGHT TO YOU BY THE LETTER K

A TALE OF TWO ECONOMIES

The wealth inequality gap is worsening, with the well-off flush with growth and abundance while everyone else struggles with the rising cost of living. Economists call it a K-shaped economy.

As a result, **spending has become concentrated at the top**. The top 10% of earners – those making over \$250,000 a year - are now responsible for half the spending of the entire economy.

For the top third of earners, **spending is now growing at 5x the rate of inflation**⁷.

Moody's chief economist Mark Zandi said, "The finances of the well-to-do have never been better, their spending never stronger, and the economy never more dependent on that group."

71%

FEEL LIKE THE WEALTH GAP IS GROWING¹

\$700B

YOY GROWTH IN WEALTH OF THE TEN RICHEST AMERICANS²

18%

YOY GROWTH IN BILLIONAIRE WEALTH³

0.8%

YOY REAL WAGE GROWTH⁴

50%

OF THE STOCK MARKET IS OWNED BY THE TOP 1%³

93%

OF THE STOCK MARKET IS OWNED BY THE TOP 10%⁵

1%

OF THE STOCK MARKET IS OWNED BY THE BOTTOM 50%⁵

\$190,300

PER CAPITA SHARE OF U.S. STOCK MARKET IF IT WAS DISTRIBUTED EVENLY⁶

WARDROBE MALFUNCTION? LUXURY RETAIL'S BOTTOM FALLS OFF

You'd think that with the spoils of the economy being lavished exclusively on the rich, luxury brands would be doing gangbuster business. But that's not the case – in fact, the market for luxury goods contracted by two percent last year because they **lost 35% of the aspirational shoppers**, whose spending on luxury goods correlates almost perfectly with GDP. For these luxury brands, nearly a quarter of their spend comes from the top one-tenth of the top one percent. Targeting this audience can be challenging, but reaching them on the last mile can pay big dividends.



-2%
LUXURY RETAIL GROWTH, YOY

35%
OF ASPIRATIONAL SHOPPERS
REDUCED LUXURY SPENDING IN
LAST 12 MONTHS

.97
CORRELATION BETWEEN
ASPIRATIONAL SPEND & GDP

23%
OF SPEND COMES FROM
THE TOP 0.1%

RETHINKING SELF-INDULGENCE

LUXURY IS MORE SUBJECTIVE THAN YOU MAY THINK

Luxury is defined by more than just the price tag. In fact, affluent luxury shoppers are *more* responsive to deals and *more* open to affordable luxury than the general population.

Quality, exclusivity, and prestige as the top three ingredients of luxury – that’s probably not a surprise. But it’s that next one that’s really interesting. Pleasure.

That means that indulgence can be marketed as a luxury good, no matter what it costs, creating opportunities for brands you might not expect to activate a profitable audience.



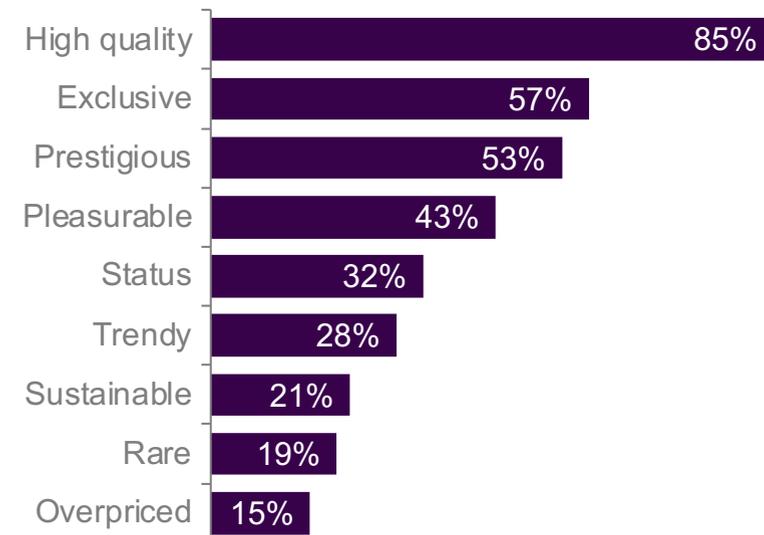
75%

OF AFFLUENT LUXURY SHOPPERS SAY LUXURY DOESN'T ALWAYS HAVE TO BE EXPENSIVE (VS. 63% OVERALL)

76%

OF AFFLUENT SHOPPERS SAY IT'S IMPORTANT TO SHOP SALES AND DISCOUNTS TO GET GOOD DEALS ON LUXURY PURCHASES (VS. 69% OVERALL)

HOW AFFLUENT SHOPPERS DEFINE LUXURY



BRICK-AND-MORTAR MUST DELIVER FOR HIGH-END SHOPPERS, IN-STORE EXPERIENCE IS EVERYTHING

If you've ever shopped luxury IRL, you know that the experience is richer than just browsing shelves. A flute of champagne maybe, a personal shopper perhaps. The level of service and the pampering environment found in high-end boutiques is a big part of their value proposition, which explains why four out of five luxury dollars are spent in-store¹.

Another part of the reason for the renaissance in IRL retail is because of the social aspect, which fills an increasingly urgent gap in our lives. After all, where's the fun in shopping with friends online?



81%

OF PERSONAL LUXURY
SALES HAPPENED
IN-STORE LAST YEAR¹

52%

OF SHOPPERS
MAKING \$150K+ PREFER
IN-STORE SHOPPING,
A 44% LIFT SINCE 2023¹

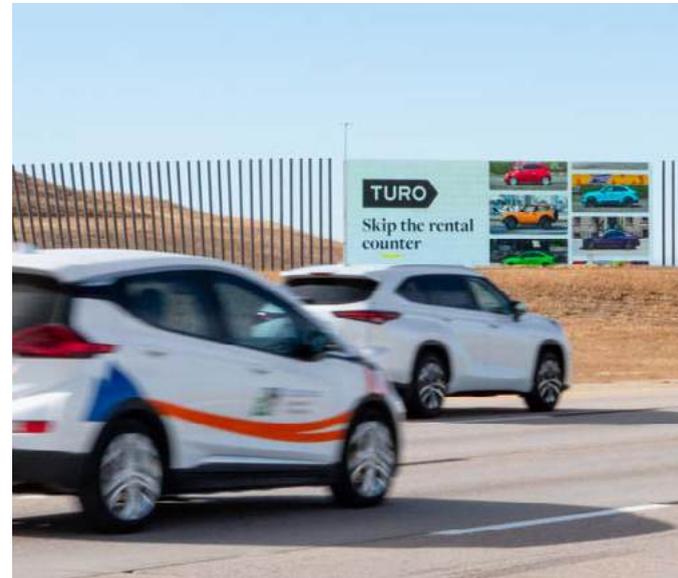
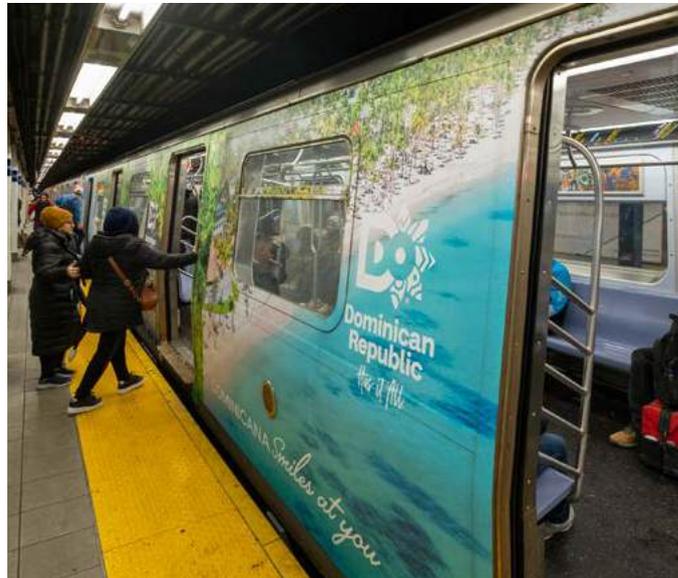
80%

OF TOP-TIER CLIENTS
WOULD PREFER A
DEDICATED, INTIMATE
IN-STORE SPACE²

TRAVEL IS THE ULTIMATE LUXURY WE'LL SPEND TO MAKE MEMORIES, BUT WE WANT OUR MONEY'S WORTH

Of course, luxury experiences are big business too – and three in five affluent consumers prefer them to luxury products. And here we see that **deal sensitivity** popping up again – more than eight in ten affluent travelers will jump ship to a different brand if the price is right.

But make no mistake - travel is one luxury we'll splurge for. Two thirds of travelers are planning on including at least one luxury or premium element in their next trip. But not two thirds of affluent travelers – that's two thirds of **all** travelers³.



59%

WOULD RATHER SPEND ON LUXURY EXPERIENCES THAN LUXURY PRODUCTS¹

+8%

REAL YOY GROWTH IN THE EXPERIENTIAL LUXURY CATEGORY²

81%

OF AFFLUENT TRAVELERS WOULD SWITCH BRANDS FOR A GOOD DEAL³

67%

OF TRAVELERS PLAN TO INCORPORATE AT LEAST ONE LUXURY OR PREMIUM ELEMENT³

TRAVEL IS A TOP THREE SPENDING PRIORITY BROADLY

And luxury travel isn't just for the ultra-rich.

In fact, it's one of the most popular splurges there is, and we're willing to prioritize it. Luxury travel remained strong last year even while sales of luxury goods flattened.

42%

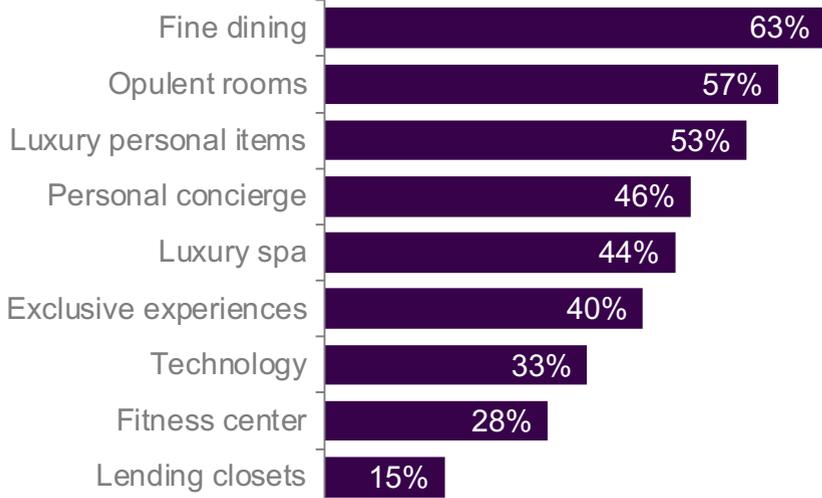
OF AMERICAN HOUSEHOLDS NAME TRAVEL/VACATION A TOP THREE SPENDING PRIORITY

56%

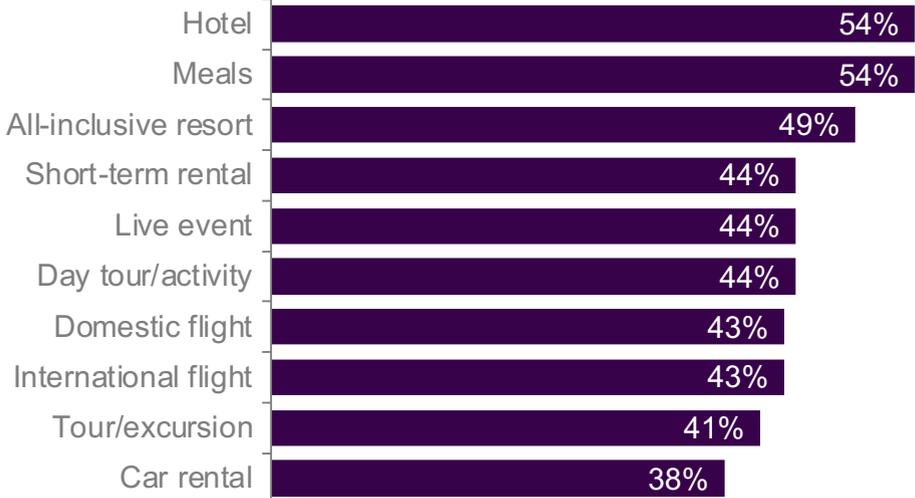
OF VACATIONERS PLAN TO SPEND MORE THIS YEAR THAN LAST



HOW AFFLUENT TRAVELERS DEFINE HOTEL LUXURY



TOP LUXURY CATEGORIES FOR AFFLUENT TRAVELERS



THE EXPENSE OF EXPERIENCE

CONSUMERS WANT TO DO MORE, BUT COST PRESENTS A BARRIER

+25

NET INTENT TO DO MORE LOCAL ACTIVITIES IN THE NEXT 12 MONTHS¹

61%

HAVE CONSIDERED AN ACTIVITY BUT DID NOT FOLLOW THROUGH DUE TO COST¹

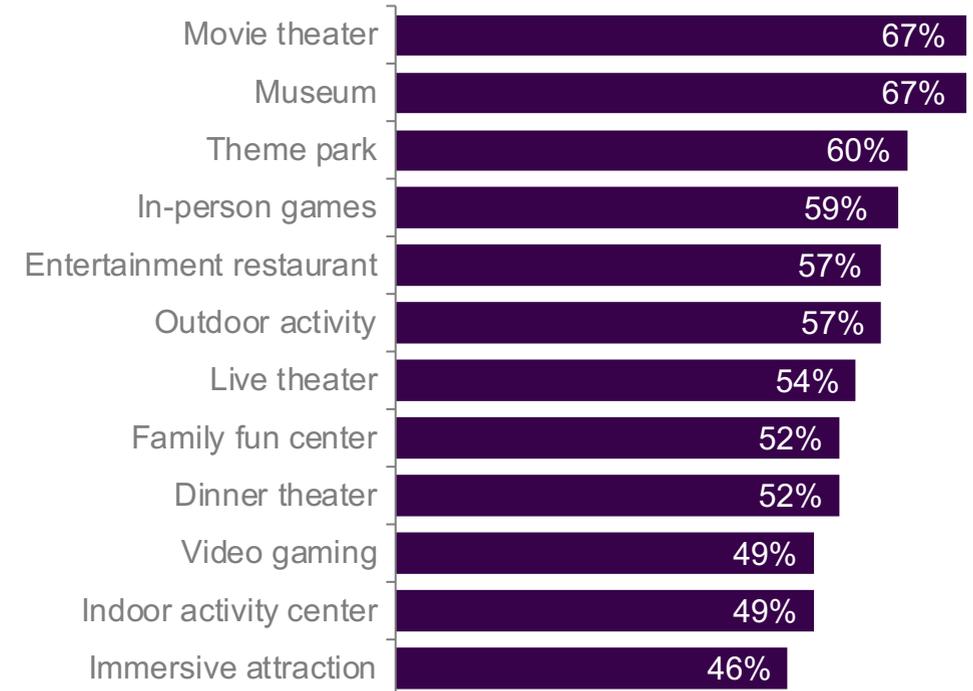
57%

ALMOST ALWAYS SHOP FOR DISCOUNTS OR DEALS BEFORE PURCHASING EVENT TICKETS¹

51%

HAVE AN UNFAVORABLE OPINION OF DYNAMIC PRICING¹

CONSUMERS INTEND TO GET OUT, DO STUFF²



ALL ACROSS THE EXPERIENCE ECONOMY FANS ARE BEING PRICED OUT

And that's a growing issue in the experience economy – it's drifting out of reach for far too many consumers. There was a serious uproar about the prices of FIFA World Cup tickets and concerns that they would price out the most passionate fans. Eventually FIFA blinked and released a tier of \$60 tickets for the clubs' support organizations. But this issue is larger than soccer. The fading accessibility of shared experiences like sporting events contributes to the loneliness epidemic.



\$6,900

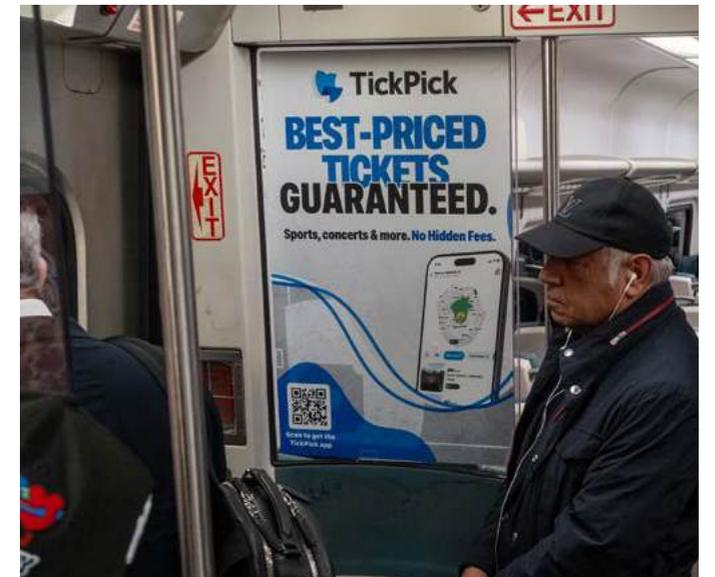
TICKET COST FOR FIFA WORLD CUP FANS TO FOLLOW THEIR TEAM TO THE FINALS, A 5X INCREASE OVER 2022 IN QATAR¹

+97%

INCREASE IN AVERAGE COST OF WWE TICKETS SINCE SEPTEMBER 2023²

81%

CONCERT TICKET PRICES HAVE RISEN FASTER THAN THE RATE OF INFLATION OVER THE PAST 20 YEARS³



DISILLUSIONMENT IS THE NATIONAL VIBE THE AMERICAN DREAM IS HISTORY (OR MAYBE MYTHOLOGY)

On the bottom side of the K, affordability dominates Americans' minds, with 73% concerned about the increased cost of living and 56% making recessionary behavior changes¹.

1.21M

LAYOFFS IN 2025¹

4.6%

UNEMPLOYMENT RATE IS THE HIGHEST SINCE 2021²

69%

SAY THE AMERICAN DREAM NO LONGER HOLDS TRUE, OR NEVER DID³

52%

AGREE THAT WE NEED RADICAL CHANGE⁴



ON THE BOTTOM SIDE OF THE K THE RECESSION IS ALREADY HAPPENING FOR SOME OF US

73%

ARE CONCERNED ABOUT THE INCREASED COST OF LIVING¹

56%

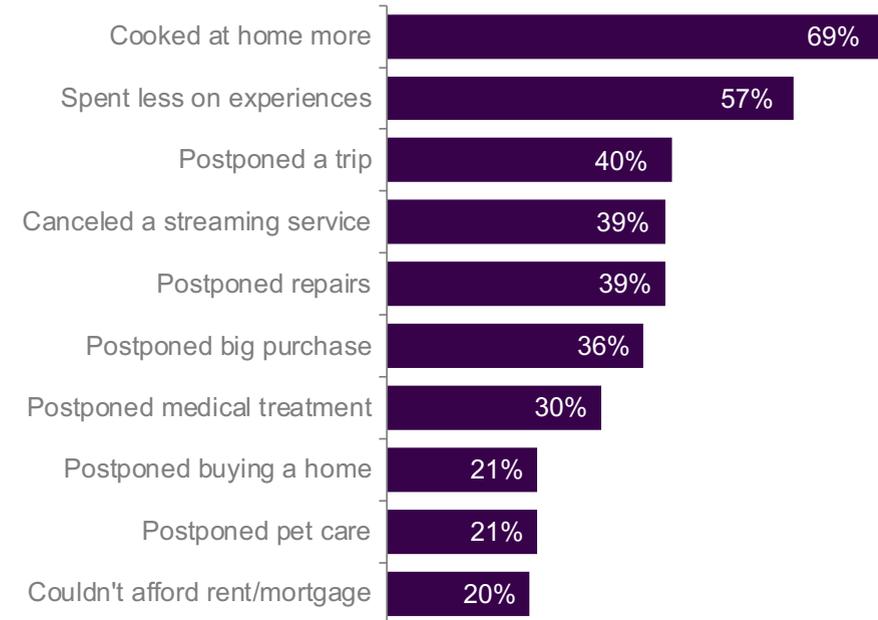
ARE MAKING RECESSIONARY BEHAVIOR CHANGES¹

35%

ARE LOOKING FOR USED ITEMS NOW MORE THAN EVER²



WHAT ECONOMIC PRESSURE LOOKS LIKE³



18%

HAVE USED BUY NOW, PAY LATER FOR GROCERIES³

SHOPPING STRATEGIES

THE GROCERY STORE IS GROUND ZERO FOR SAVING BEHAVIORS

Of all the consumer cost saving strategies surveyed, the fastest-growing was **weighing attributes that matter most**, meaning that brand storytelling is still critical to success, even when consumers are sensitive to price.

But price sensitivity at both the retailer and product level indicates an opportunity for value-oriented brands to take market share from their competitors.

28%

CHOOSE WHERE TO SHOP
BASED ON DEAL AVAILABILITY



37%

ALWAYS COMPARE PRICES
BETWEEN BRANDS

TOP CONSUMER COST-SAVING STRATEGIES



CATEGORY INSIGHTS

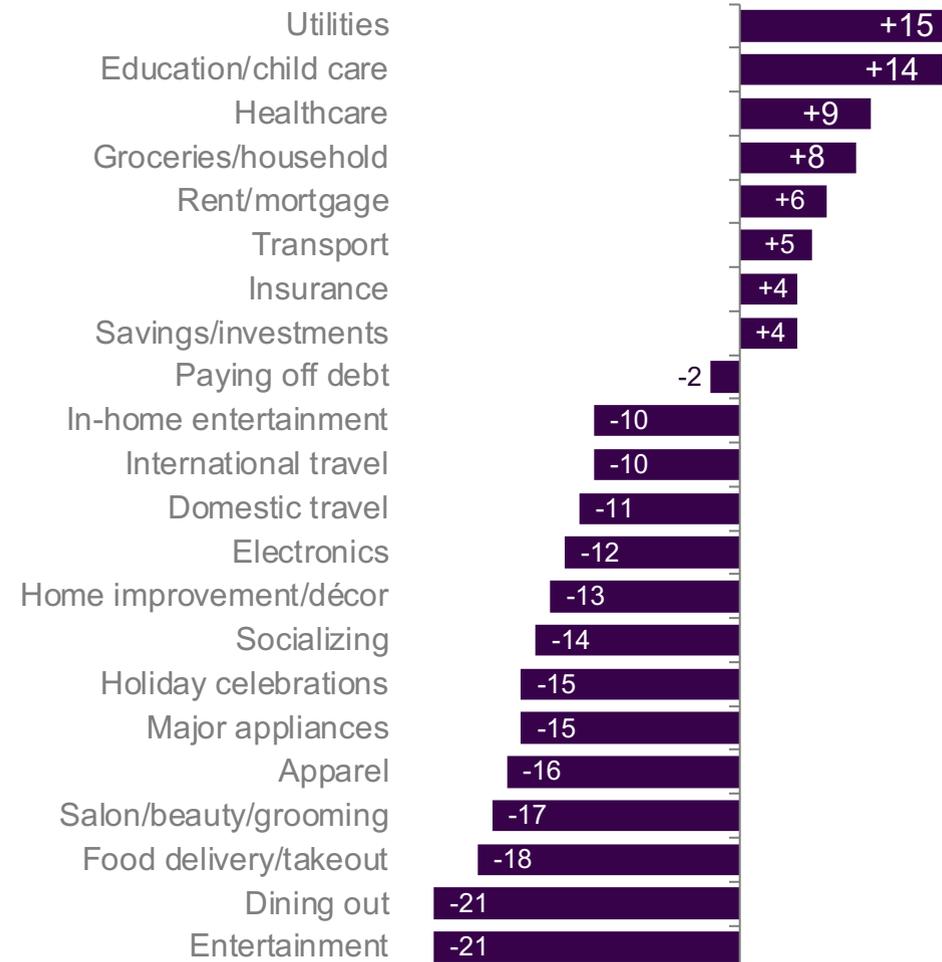
SPENDING SHIFTS ARE NOT SPREAD EQUALLY



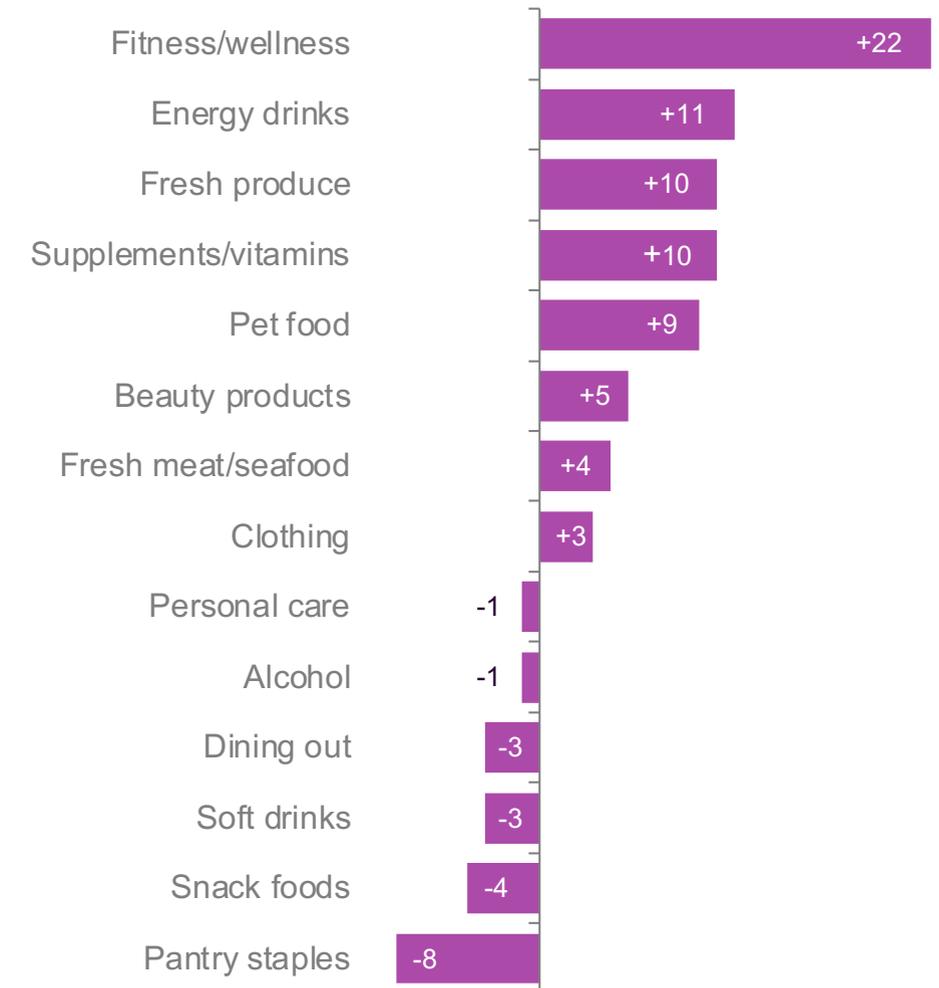
There's good news and bad news on spending intent. The good news is that the spending intent trends in CPG - high intent to buy more fruits and vegetables, and less snacks, sweets, and booze - indicate that we are taking our health into account with our spending decisions, not just our wallets!

The bad news is that in order to cover the ever-increasing cost of living, we're cutting back on actually living our lives. And that trend is consistent all the way down².

CATEGORY SPEND INTENT²



CATEGORY TRADE-UP INTENT CHANGE¹



AVOCADO TOAST FOR EVERYONE SPLURGING KEEPS US SANE

With traditional milestones like home ownership slipping out of reach for many Americans, we're more open to spending our money on more immediate forms of gratification.

We recognize how splurging soothes our mental health. Even if we're financially stressed – especially when we're financially stressed – a little crumb of joy can remind us why we get up in the morning.



71%
SAY SMALL INDULGENCES HELP THEM COPE WITH FINANCIAL STRESS¹

\$55
MEDIAN COST OF LAST SPLURGE PURCHASE²

36%
OF CONSUMERS ARE WILLING TO GO INTO SHORT-TERM DEBT TO SPEND ON THINGS THEY ENJOY³

38%
OF CONSUMERS SNACK FOR THE EMOTIONAL LIFT⁴

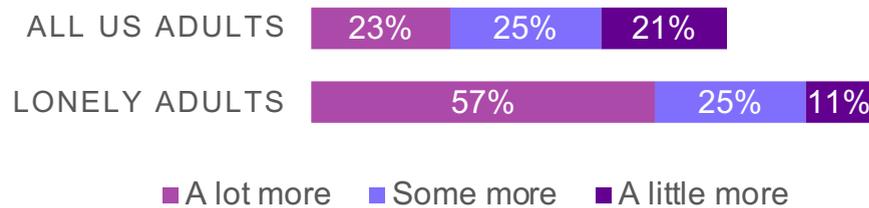
MISSED CONNECTIONS

STRESS AND LONELINESS ARE SERIOUS PUBLIC HEALTH ISSUES

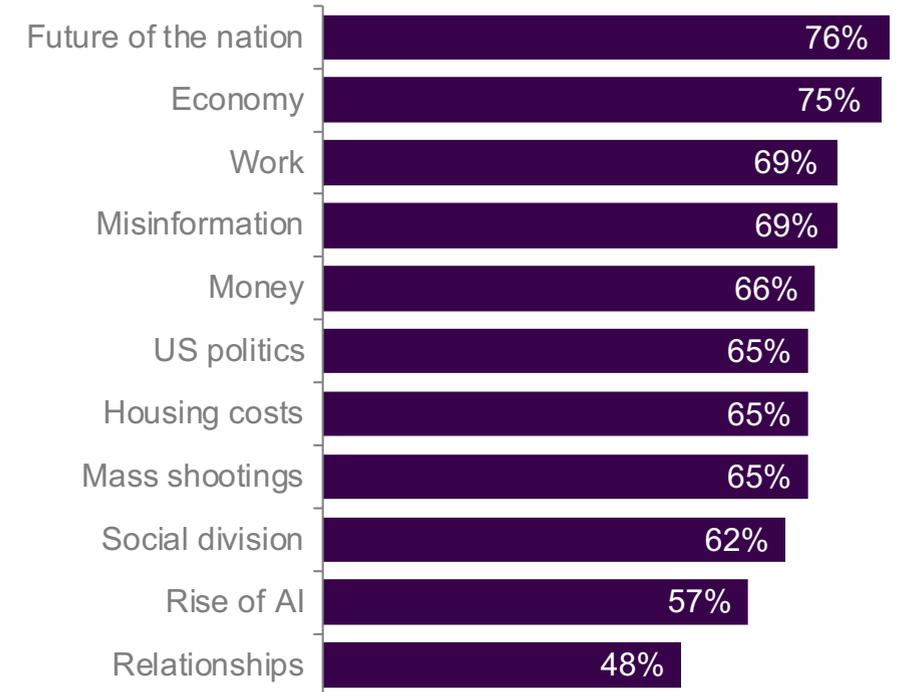
Community is in short supply these days, and our want for connection is impacting our mental and physical health.

75% of consumers agree that there is a lack of interpersonal connection in society, and that has consequences¹. Those who feel high levels of loneliness are more strongly are twice as likely to experience headaches, fatigue, and anxiety, and more than four times as likely to experience depression. Lonely people also have more difficulty making decisions, taking care of themselves, or planning for the future².

AMERICANS NEED MORE EMOTIONAL SUPPORT²



WHAT STRESSED US OUT LAST YEAR?²



54%

FEEL ISOLATED FROM OTHERS AT LEAST SOME OF THE TIME²

45%

FEEL THAT FEW PEOPLE THINK OR CARE ABOUT THEM⁴



58%

EXPERIENCE MODERATE TO EXTREME STRESS DAILY³

THE OZEMPIC REVOLUTION

GLP-1 WEIGHT MEDS HAVE GIVEN US A RENEWED FOCUS ON OUR HEALTH

Most Americans across all age groups agree that being healthy and fit is one of today's biggest status symbols¹.

That's just one reason that two thirds of Americans say they're interested in losing weight. Another reason is the availability of GLP-1 drugs like Ozempic that make weight loss more achievable than ever.

The way these drugs work, GLPs rewire the reward system of your brain, so you don't get the usual dopamine hit from eating garbage. That's why net intent to eat more fruits and vegetables is +18³.



-40%

FEWER CALORIES CONSUMED BY GLP-1 USERS²

-7.3%

DROP IN OBESITY RATE SINCE 2022⁴

12.4%

OF U.S. ADULTS ARE NOW TAKING A GLP-1 FOR WEIGHT LOSS²

35%

OF CPG FOOD & BEVERAGE SALES ARE TO HOUSEHOLDS WITH AT LEAST ONE GLP-1 USER²

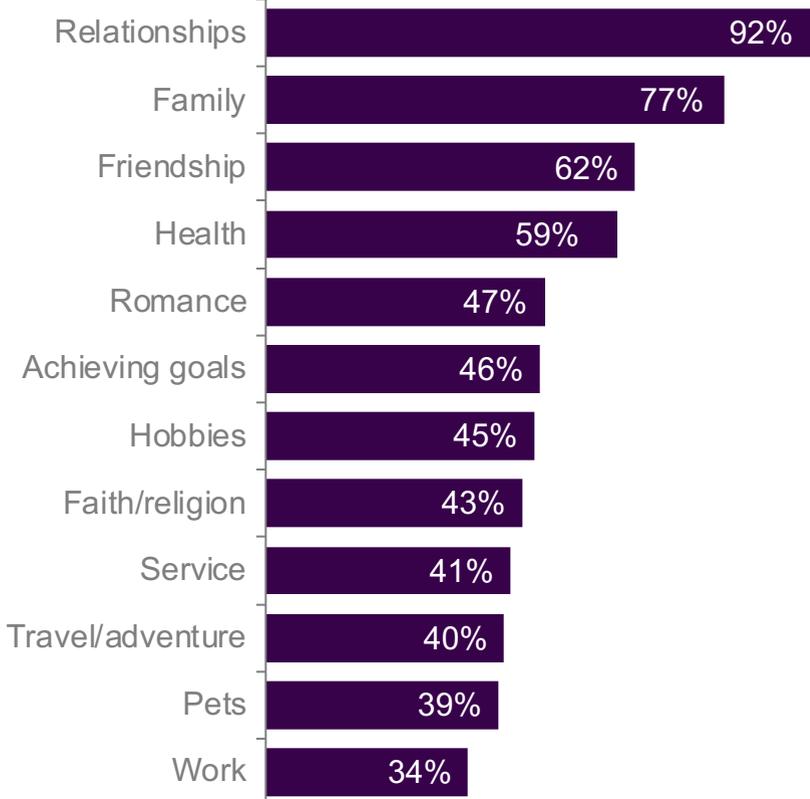
GLP-1 HOUSEHOLDS SHOP DIFFERENTLY³



MEANINGFUL LIVES WANTED HEALTH IS JUST ONE OF THE PLACES WHERE WE FIND PURPOSE

We live in nihilistic times. It's tempting to just stop caring. But we're finding purpose in our lives wherever we can - especially when we can find that purpose in other people.

WHERE AMERICANS FIND PURPOSE



OUR CHOSEN COMMUNITIES FANDOMS CREATE NEW VECTORS FOR CONNECTION

Swifties. Cheeseheads. Whovians. Juggalos. You wouldn't think these groups have anything in common.

But each demonstrates the power of fandom to create the genuine connection and community that we're no longer finding in our everyday lives. Brands that embrace fandoms can reap real-world opportunities to build loyalty.

47%

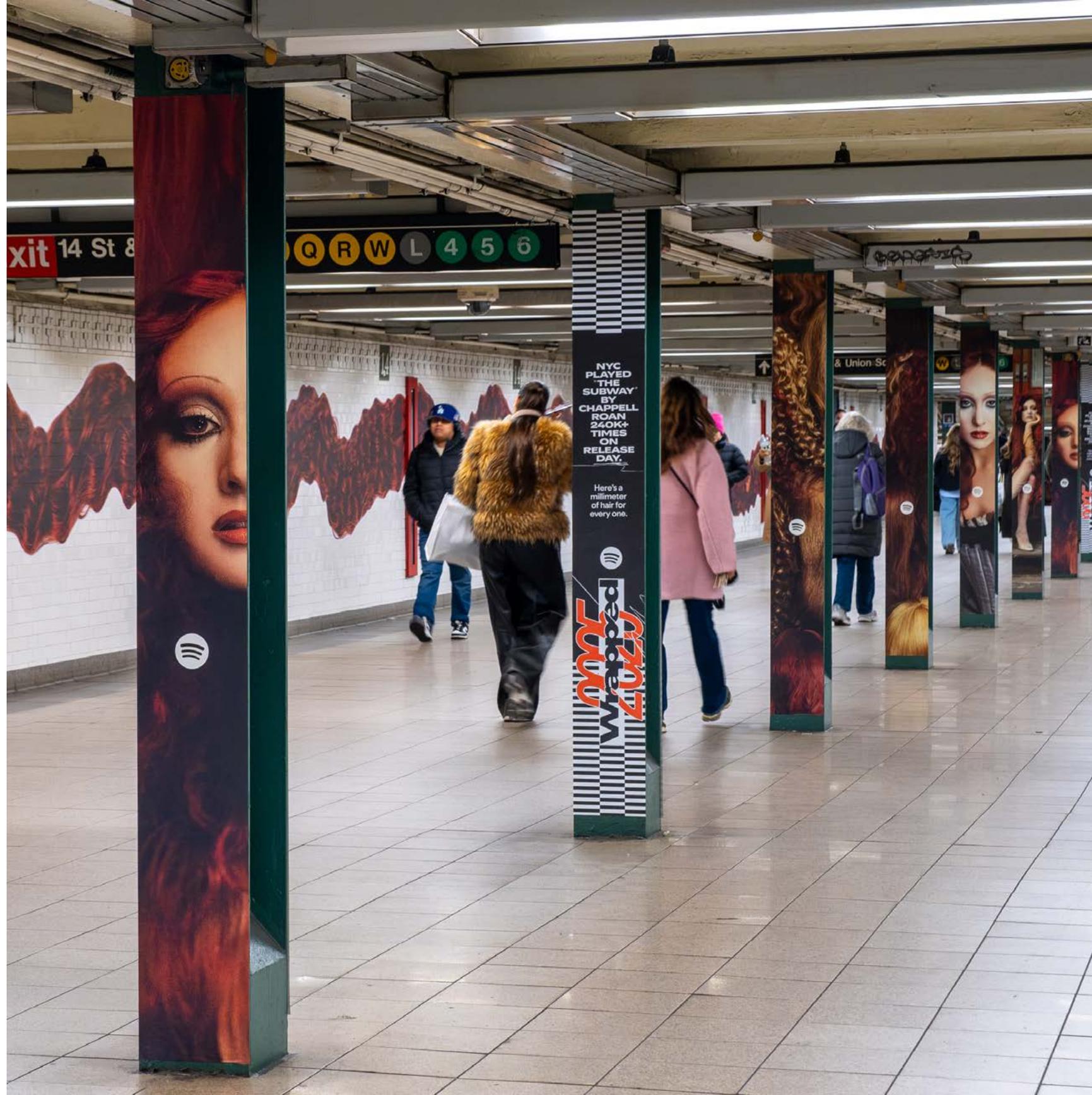
HAVE MET CLOSE FRIENDS
THROUGH SHARED FANDOM

40%

WISH THAT MORE BRANDS WOULD
SPONSOR THINGS THEY'RE A FAN OF

45%

ARE MORE LIKELY TO BUY FROM
BRAND SPONSORS



THE WORLD CUP IS COMING

FIFA FANS REPRESENT A BIG OPPORTUNITY FOR BRANDS

54%

OF FANS PAY ATTENTION TO BRAND SPONSORS¹

55%

ARE MORE LIKELY TO BUY FROM BRAND SPONSORS¹

44%

OF FANS HAVE AT LEAST A BACHELOR'S DEGREE³

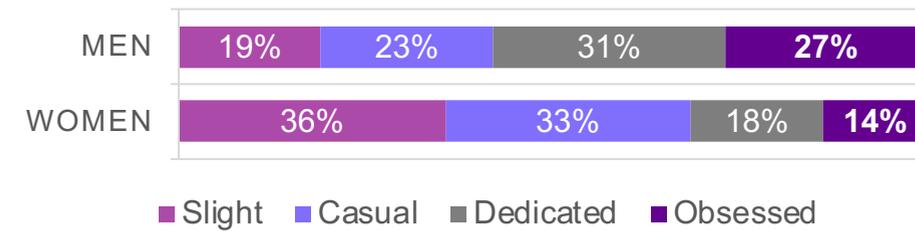
51%

OF FANS ARE UNDER 34 YEARS OF AGE³

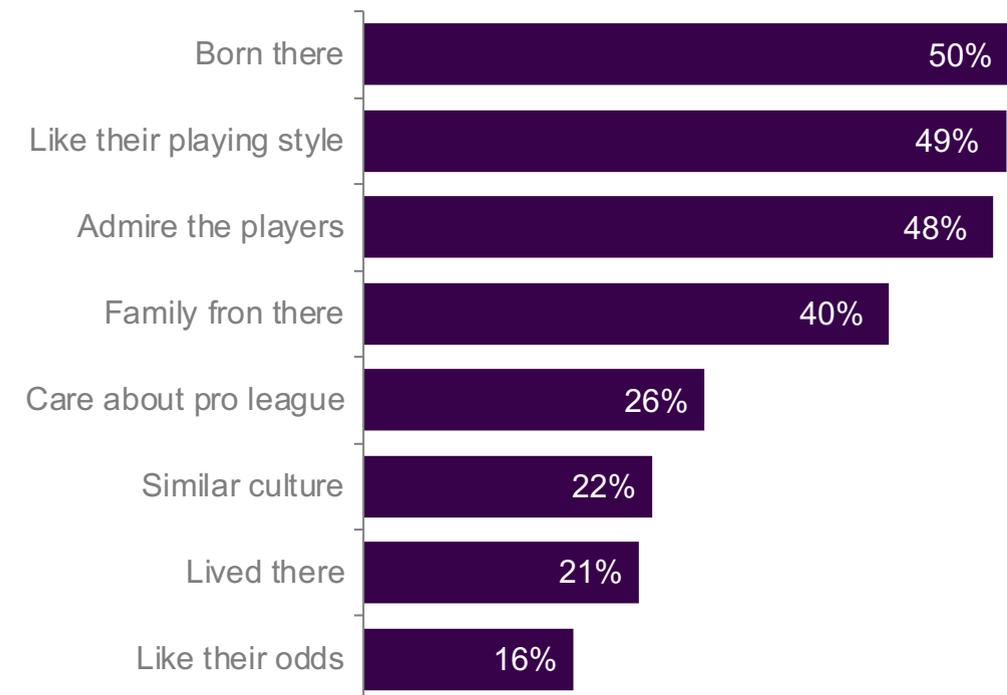
Soccer fandom among Americans is up 17% in five years – just in time for the FIFA World Cup¹.

The World Cup falls in the slowest sports period of the year for the U.S., meaning **little competition for attention and buzz** among fans who trend younger, more educated, and wealthier than football, baseball, basketball, and hockey. Of course, it's not an either/or – more than half of soccer fans also follow football (56%) and basketball (52%)³.

AMONG 87 MILLION FANS, MEN ARE MORE ENGAGED²



WHY FANS SUPPORT NATIONAL CLUBS³



TOP PERSONAL VALUES

WE PREFER BRANDS THAT ALIGN WITH WHO WE ARE

When you look at how these values are clustered, an interesting pattern emerges.

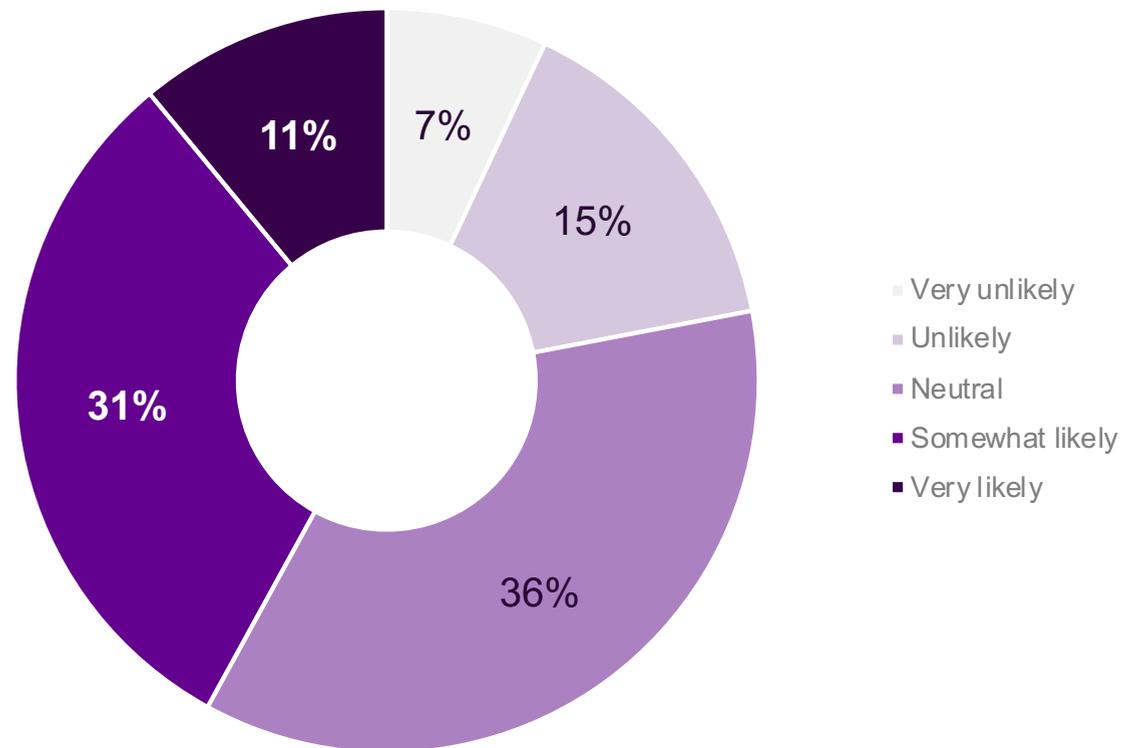
The consistently important ones – loyalty, equality, authenticity, responsibility, courtesy – those all relate to **how we treat each other**.

The ones growing in importance – health, safety, serenity, relaxation, balance – those all relate to **how we treat ourselves**.

We are a society that is all but begging for kindness and peace of mind.



LIKELIHOOD TO PAY MORE FOR VALUE-ALIGNED PRODUCTS AND SERVICES¹



VALUES THAT MATTER TO U.S. CONSUMERS²

CONSISTENT IMPORTANCE	GROWING IMPORTANCE	FADING IMPORTANCE
Loyalty	Health	Duty
Equality	Safety	Curiosity
Authenticity	Serenity	Identity
Responsibility	Relaxation	Passion
Courtesy	Balance	Enjoyment

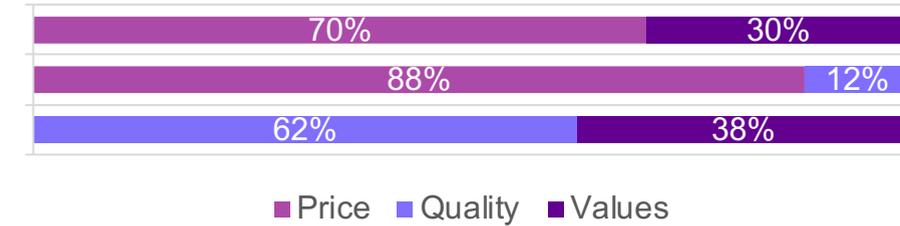
TOP BRAND VALUES

BRAND VALUES ARE IMPORTANT BUT PRICE MATTERS MORE

All other things being equal, we'd prefer to buy according to our values. But all things aren't equal, and when values go head-to-head with price or quality, they lose to both, with price unsurprisingly reigning supreme.

But there's another divergence in values here that tells us something important: younger consumers are more concerned about how a brand makes them feel, while older consumers are more focused on how the brand meets their needs. That's an important distinction for advertisers trying to reach one or the other.

PRICE BEATS QUALITY, BOTH OUTRANK VALUES¹



THERE'S A GENERATIONAL GAP IN BRAND VALUES²

UNIVERSAL BRAND VALUES	YOUNGER CONSUMERS	OLDER CONSUMERS
Value	Happiness	Convenience
Authenticity	Relaxation	Trust
Simplicity	Confidence	Practicality



THE MOST IMPORTANT VALUE OF ALL TRUST SHIFTS, BUT REMAINS NON-NEGOTIABLE.

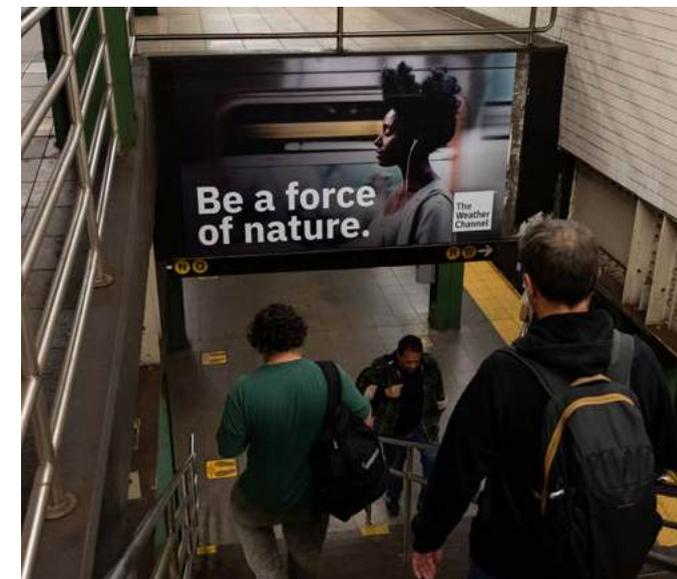
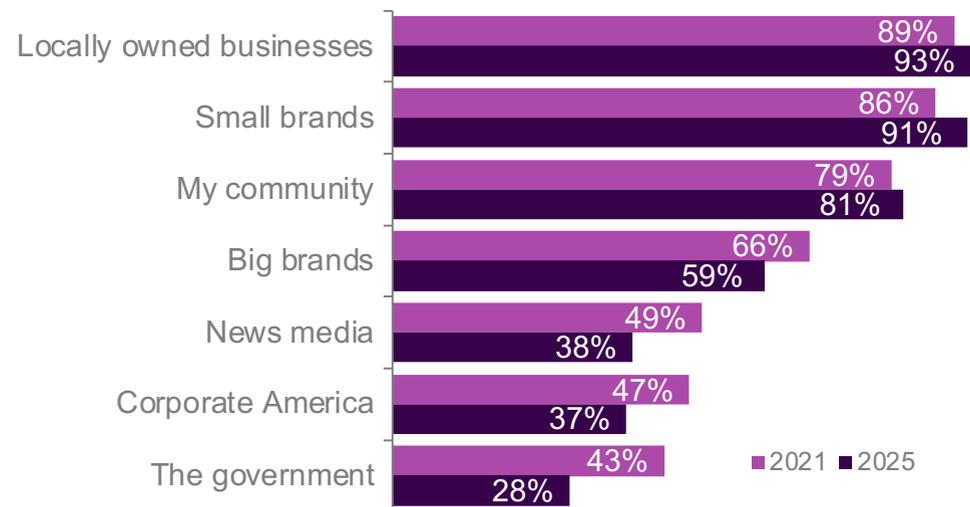
Trust still drives purchases. 80% of Americans trust the brands they use and 95% say it's critical to buying decisions^{1,3}. But trust is shifting: more of it for local entities people can put a face on and less for the large institutions that dominate American society.



27%
SAY BIG TECH COMPANIES HAVE THEIR BEST INTEREST AT HEART⁴



TRUST HAS SHIFTED AWAY FROM LARGE INSTITUTIONS²





OUTFRONT/

MEDIA TRENDS

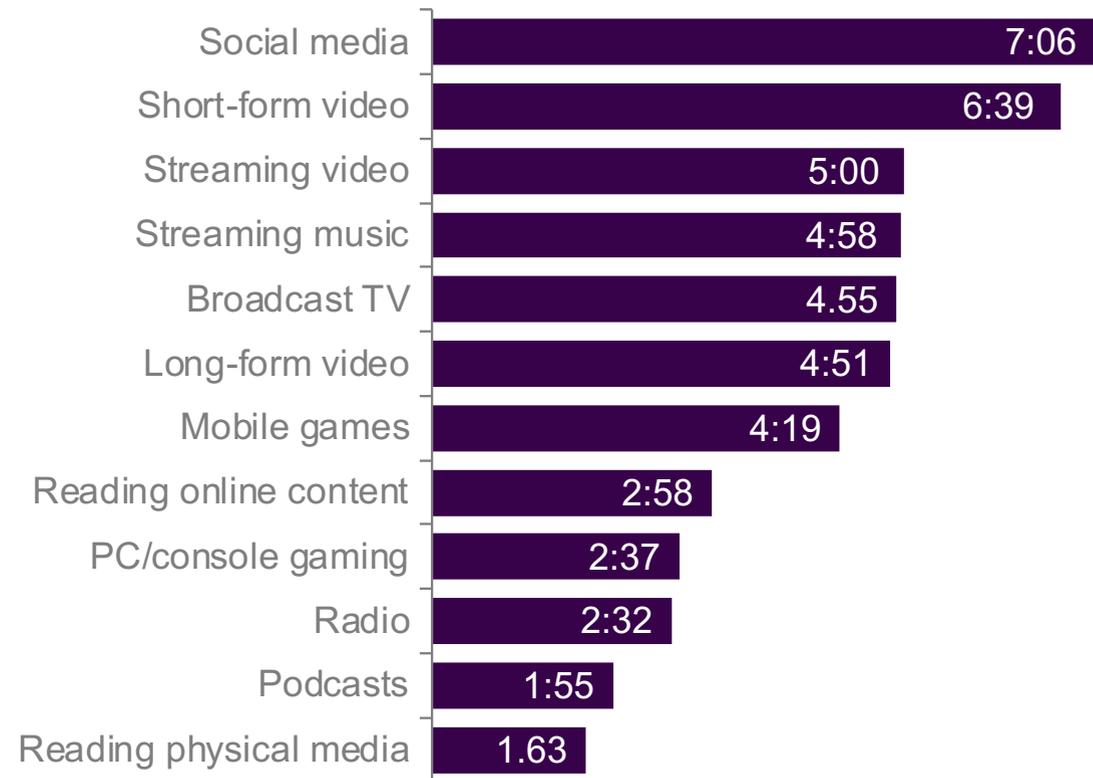
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THE ADDICTION ECONOMY

WE SPEND MORE TIME CONSUMING CONTENT THAN WE DO SLEEPING

We are always consuming something. Whether we're watching the big screen at home, using the medium screen at work, or scrolling the small screen, there is a fierce and never-ending battle for our attention, making it difficult for online advertising to break through. In fact, Americans now spend more time consuming media than we do sleeping.

WEEKLY CONTENT CONSUMPTION, HOURS¹



\$129

PER MONTH SPENT ON STREAMING SUBSCRIPTIONS²



3.9

AVERAGE PAID SUBSCRIPTIONS TO STREAMING SERVICES²

6.5

HOURS OF SLEEP NIGHTLY, AVERAGE FOR AMERICANS³

TRUST, BUT VERIFIED

CONSUMERS' TRUST INFUSES CREATOR PARTNERSHIPS WITH POTENTIAL

According to Deloitte, the average consumer follows thirteen creators, but just seven brands². And those creators provide more than just a wider window through which for brands to target their audiences. They deliver trust, the kind that's transferable.

42%

OF GEN Z & MILLENNIALS TRUST CREATORS MORE THAN ADS¹

83%

SEE THE CREATORS THEY FOLLOW AS TRUSTED SOURCES³

+70%

LIFT IN CLICKTHROUGH RATE FOR ADS FEATURING A CREATOR⁴

+159%

LIFT IN ENGAGEMENT RATE FOR ADS FEATURING A CREATOR⁴



FROM FRIENDSHIP TO FANDOM IT'S PARASOCIAL MEDIA NOW

Parasocial relationships are defined as one-sided relationships in which a person develops a strong sense of connection, intimacy or familiarity with someone they don't know – usually a celebrity. And more and more, that's the primary thing we're getting out of social media.

63%

OF CONSUMERS HAVE
PARASOCIAL RELATIONSHIPS
WITH CELEBRITIES¹

-25%

USE OF SOCIAL MEDIA TO MEET
NEW PEOPLE (VS. 2014)²

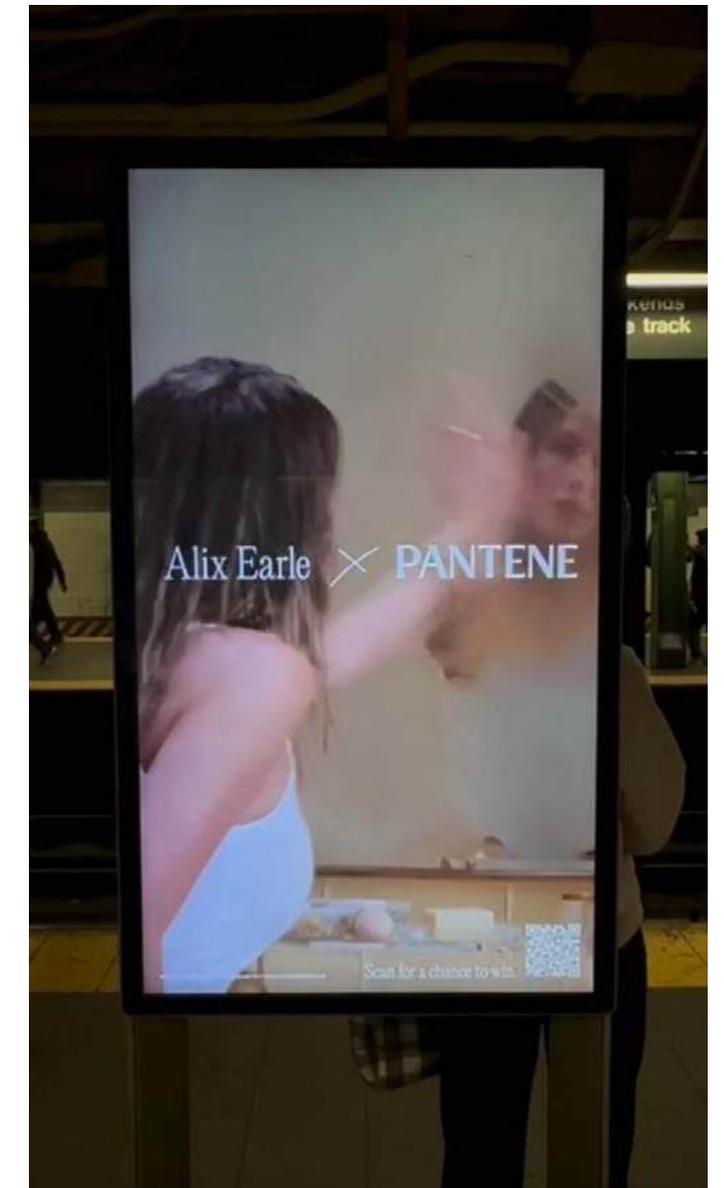


-11%

USE OF SOCIAL MEDIA TO STAY IN
TOUCH WITH FRIENDS AND FAMILY
(VS. 2014)²

+51%

USE OF SOCIAL MEDIA TO FOLLOW
CELEBRITIES AND INFLUENCERS
(VS. 2014)²



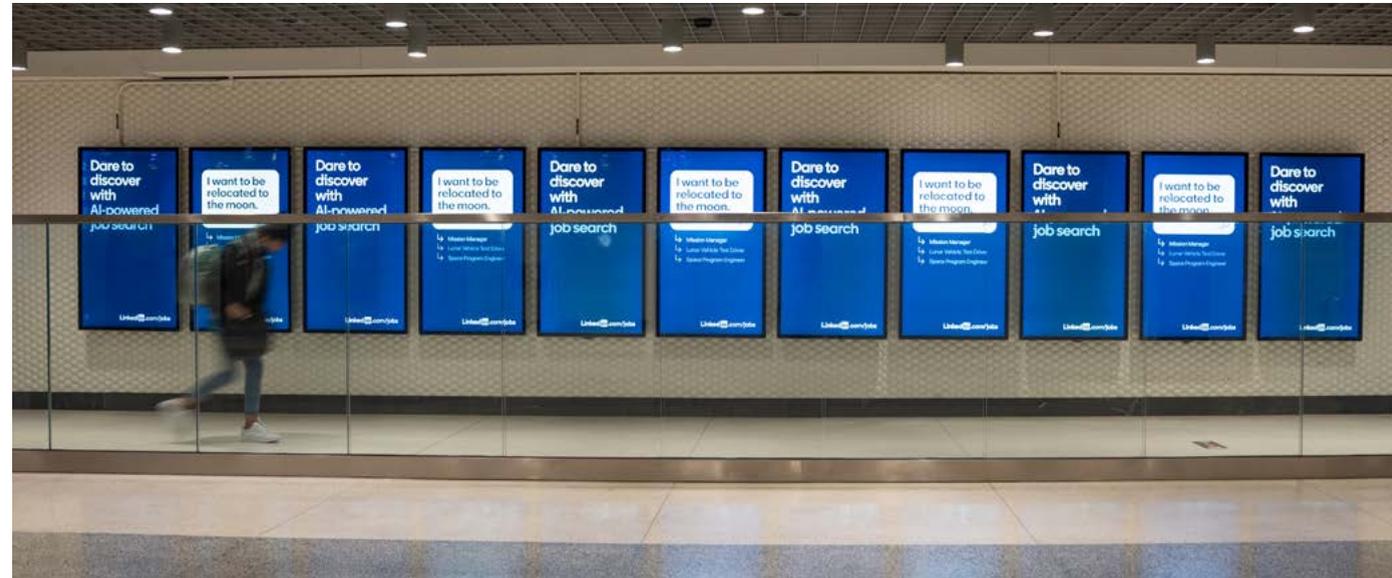
WHAT'S TRENDING? WHAT'S ENDING? SOCIAL'S STATUS? IT'S COMPLICATED.

The shifting sands of social media proved volatile last year. LinkedIn, TikTok, Instagram, and X (the platform formerly known as Twitter) are all seeing huge drops in reach and engagement.

Surprisingly, one big winner is Facebook, where reach has increased fifty-one percent, enabling everyone to take in the gospels of Shrimp Jesus. It's also been a big growth year for YouTube.

-23%

IMPRESSIONS PER LINKEDIN POST



-32%

INTERACTIONS PER TIKTOK VIDEO

-35%

REACH PER INSTAGRAM REEL

+51%

REACH PER FACEBOOK POST

+76%

VIEWS PER YOUTUBE VIDEO

-28%

CLICKS PER LINK SHARED ON X
(TWITTER)

SOCIAL COMMERCE IS HERE TO STAY

SHOPPABLE MEDIA IS POPPING OFF

45%

OF CONSUMERS HAVE
MADE A PURCHASE
ON A SOCIAL MEDIA PLATFORM
WITHIN THE PAST MONTH¹

+50%

YOY INCREASE IN U.S. SHOPPERS
ON TIKTOK SHOP²



\$500M

U.S. SALES FOR TIKTOK SHOP,
BLACK FRIDAY TO CYBER MONDAY
(2025)²



3.5%

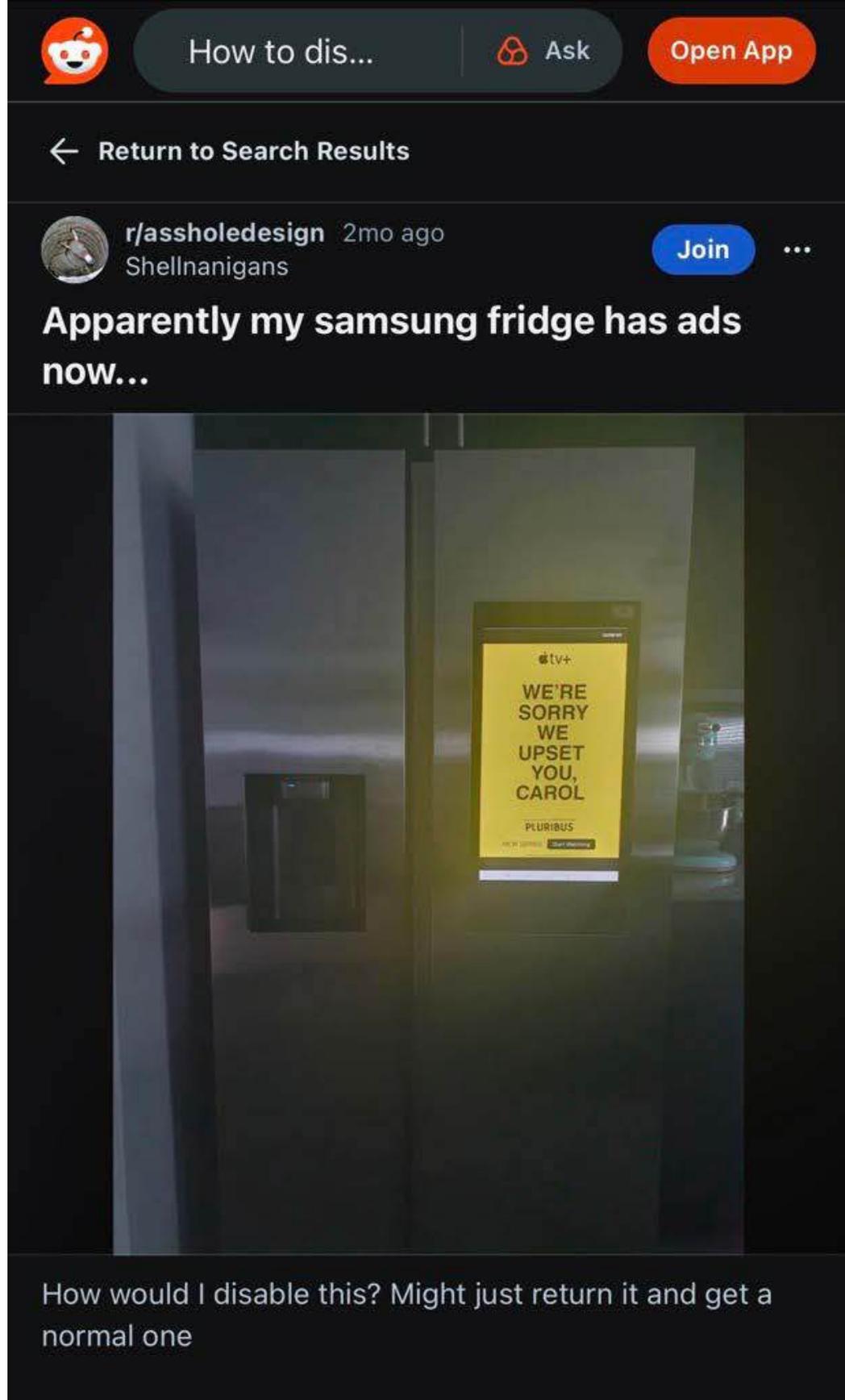
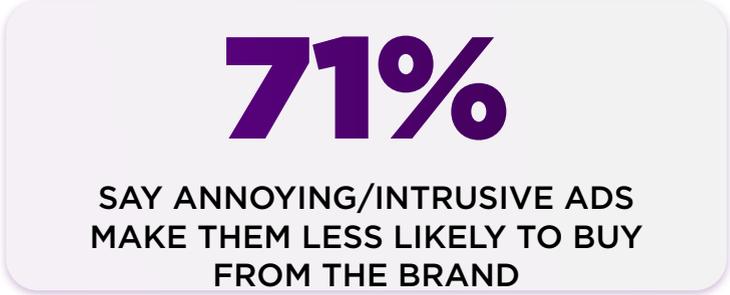
OF TOTAL U.S. RETAIL SALES,
BLACK FRIDAY TO CYBER MONDAY
(2025)²

UNPLEASANT DIGITAL AD EXPERIENCES HAVE REAL CONSEQUENCES

Part of the reason the TikTok Shop has been so successful is that it's so seamlessly integrated into the experience. But not all forms of digital media are quite so smoothly executed.

Samsung found itself doing damage control after rolling out ads on the screens of its \$3,500 smart fridges.

That damage control was necessary because intrusive ad experiences reduce trust in the brand and make people less likely to buy from them.

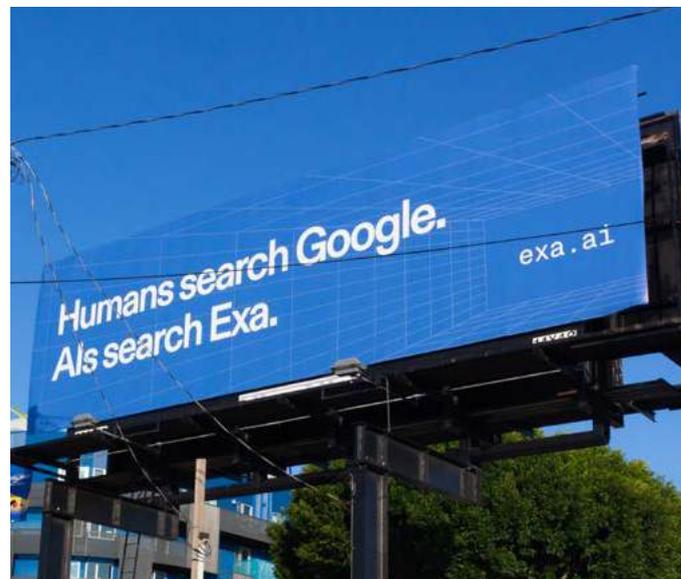


IT'S BOTS VS. BRANDS

THE DEAD INTERNET COSTS BILLIONS

Besides the brand risks of bad user experiences, another issue that continues to hamstring digital advertising is bots. More than half of the traffic on the web is automated, and thirty-seven percent of the traffic is malicious. It's a huge problem that costs hundreds of billions of dollars each year.

37%
OF WEB TRAFFIC IS
MALICIOUS BOTS¹



\$239B
TOTAL WASTED ON
BOT-DRIVEN TRAFFIC
(PPC, HOSTING, SECURITY, ETC.)²

30%
OF WORLDWIDE MEDIA BUDGETS
WAS SPENT ON BOT-DRIVEN
TRAFFIC IN 2024²

IS THIS THING EVEN ON? STREAMING MEDIA ISN'T REACHING AUDIENCES CONSISTENTLY

63%

OF CTV ADVERTISERS SAY IT'S
HARD TO TELL IF THEIR BUYS
REACH REAL VIEWERS¹

57%

OF CTV ADVERTISERS WORRY
THAT A SIGNIFICANT PORTION OF
THEIR SPEND IS WASTED DUE TO
FRAUD¹

19.6%

AVERAGE CTV CAMPAIGN REACH²

73%

OF GEN Z SAY THE ADS THEY SEE
ON STREAMING SEEM MISALIGNED
WITH THEIR PERSONAL
PREFERENCES³



WHEN FREQUENCY RUNS WILD OVERSATURATION POSES BRAND RISK

Have you ever been watching something on streaming, and there's a commercial break, and you see the same ad back to back to back? It's one of the challenges of programmatic advertising that CTV platforms can't seem to solve for. When uncapped frequency stacks impressions, their marginal utility goes negative as the repetition annoys viewers and makes them less likely to pay attention or respond. Three quarters say they even like the brand less, and more than half say that repeated ads have actually been a dealbreaker in a purchase decision.



88%

PAY LESS ATTENTION TO THE REPEATED AD

84%

ARE LESS LIKELY TO RESPOND TO THE REPEATED AD

76%

LIKE THE BRAND LESS

58%

HAVE CHOSEN NOT TO PURCHASE A PRODUCT BECAUSE OF ITS REPETITIVE ADS

NEED ATTENTION? TRUST? ENGAGEMENT? **CONTEXTUAL RELEVANCE DELIVERS.**

If oversaturation is the simplest way to turn off consumers, contextual relevance might be the best way to rope them in. It's a proven strategy - and one for which IRL advertising is particularly well-suited. It increased brand trust, commands more attention, and captures more engagement.

33%
SAY CONTEXTUALLY RELEVANT
ADS IMPROVE BRAND TRUST

32%
PAY MORE ATTENTION TO
CONTEXTUALLY RELEVANT
ADVERTISING

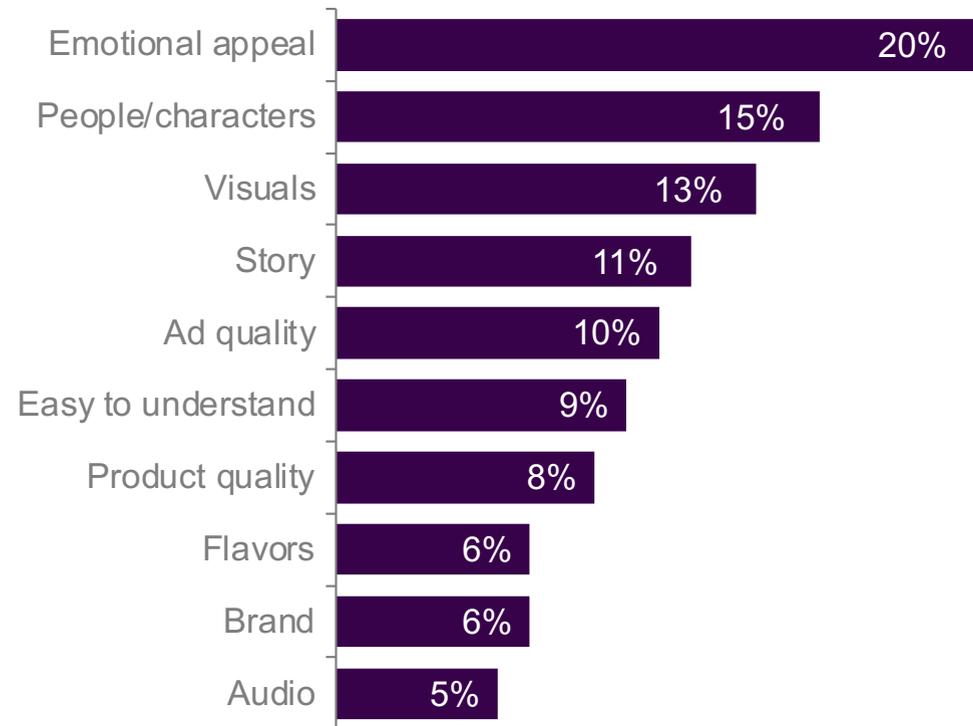
50%
ARE MORE LIKELY TO ENGAGE W/
CONTEXTUALLY RELEVANT ADS



FIRST, MAKE THEM CARE. CONSUMERS FAVOR ADS THAT TAP INTO EMOTIONS

Ads that rank in the top quartile for emotional appeal drive nearly 2x the immediate sales of less emotionally resonant ads, while 6% of ads inspire no emotion at all. That's not where any brand wants to be.

WHAT MAKES ADS LIKEABLE?





OUTFRONT/

AI TRENDS

2026 ADVERTISING TRENDS REPORT

MERRIAM-WEBSTER'S

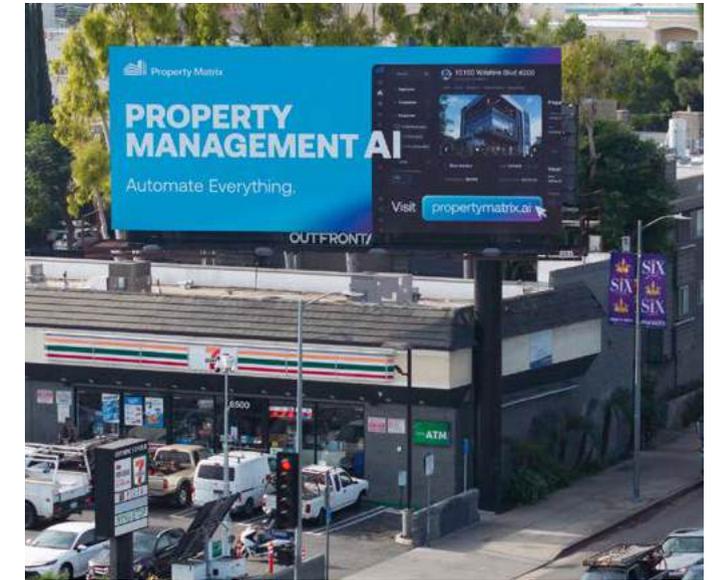
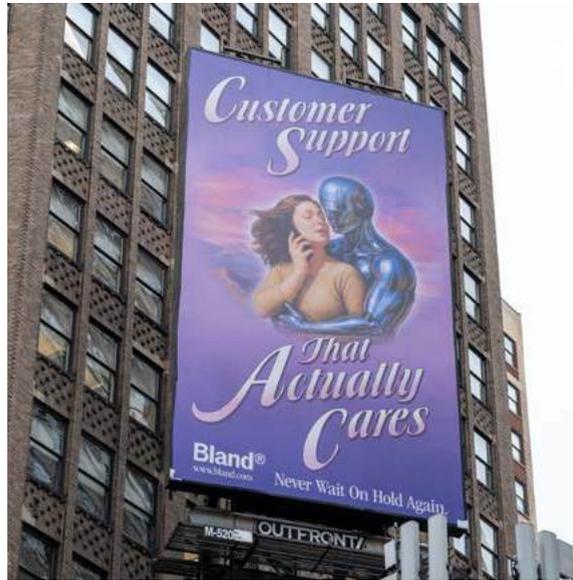
2025 WORD OF THE YEAR

SLOP

**Digital content of low quality that is produced usually
in quantity by means of artificial intelligence**

SLOPOCALYPSE NOW AI-GENERATED CONTENT IS EVERYWHERE

It's getting harder and harder to avoid slop online and platforms are finally recognizing the need to do something about it. Spotify finally rolled out AI safeguards in September after deleting 75 million songs worth of slop². And after AI claimed a third of YouTube's algorithmic recommendations and 10% of the fastest growing channels on the platform last year, CEO Neal Mohan said that managing the problem is its top priority for 2026³.



52%

OF NEW ARTICLES
PUBLISHED ON THE WEB
ARE AI-GENERATED¹

75M

AI-GENERATED SONGS DELETED
FROM SPOTIFY LAST YEAR²

21%

OF VIDEOS SHOWN TO NEW
YOUTUBE USERS ARE AI-
GENERATED³

1.3B

AI-GENERATED VIDEOS ON
TIKTOK⁴

CONSUMERS SLOW TO EMBRACE AI

AMERICANS ARE USING AI MORE, IF NOT ALWAYS BY CHOICE

With GenAI features being added to seemingly everything that runs on electricity, it stands to reason that more of us have been exposed to the technology. 61% have used AI in the last six months; 19% use it daily. But it's not necessarily because we want to 57% of Americans say they have **little to no control over whether AI is used in their lives**¹.

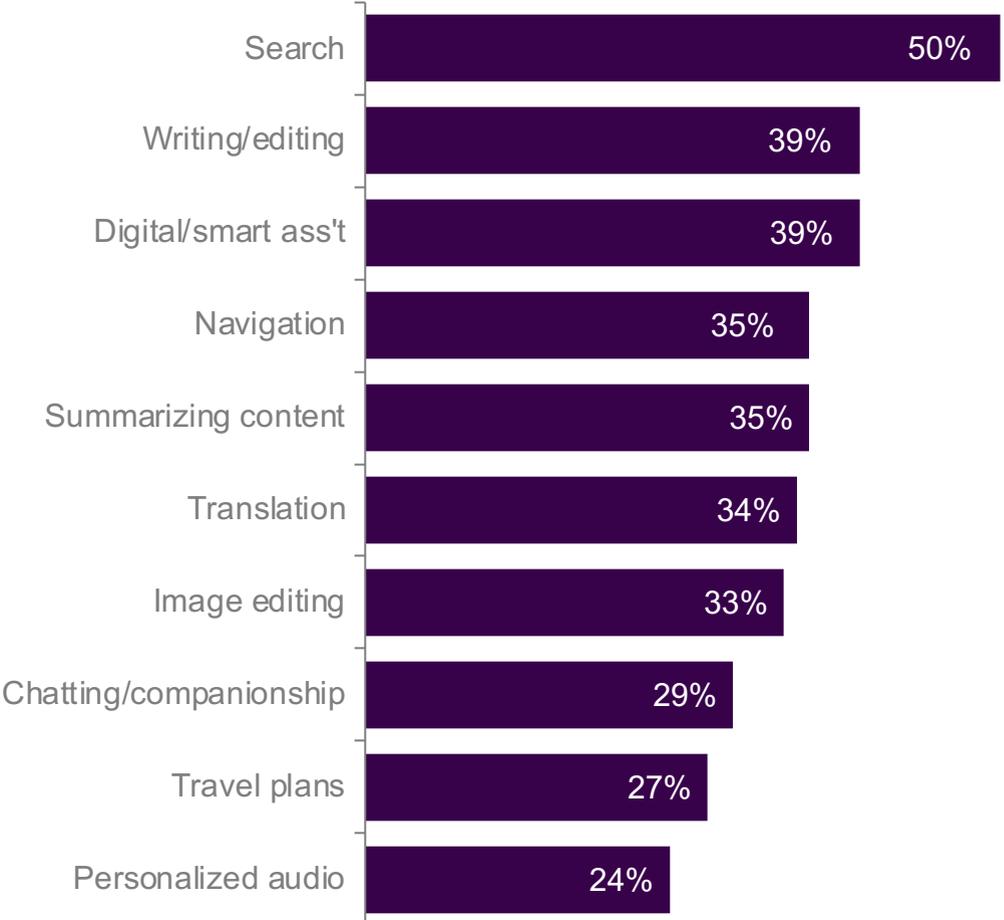
31%
REGULARLY USE AI TOOLS AT WORK³

69%
OF GOOGLE SEARCHES NOW END WITHOUT A CLICK⁴



30%
REGULARLY USE AI TOOLS IN PERSONAL LIFE³

HOW CONSUMERS USED AI, PAST SIX MONTHS²



ROBOSHOP

AI-POWERED SHOPPING IS A POPULAR USE CASE

Why are consumers more receptive to AI in a shopping context? Perhaps it's because implementations like review summaries and personalized recommendations are generated passively rather than in response to a user prompt.

AI shopping assistants are most commonly used in the consideration stage - in the product discovery stage, they get one tenth of the usage of social media³.

38%

USE AI FOR SHOPPING¹

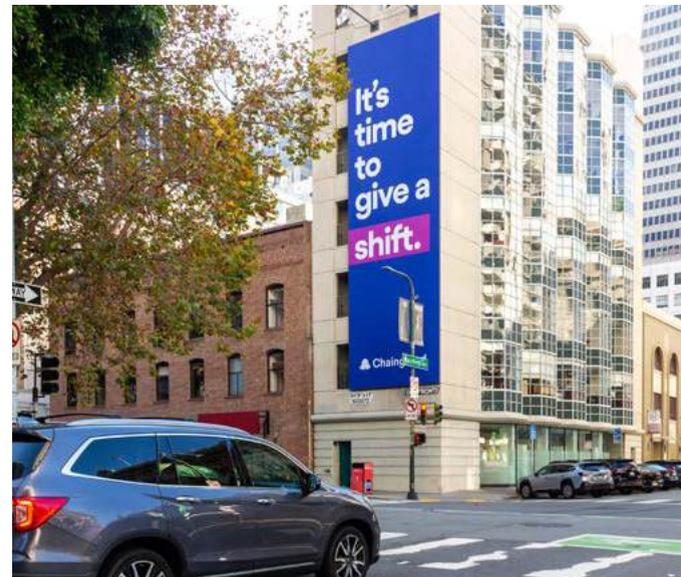
46%

OF SHOPPERS WHO USE AI DO SO EVERY TIME THEY SHOP¹



42%

WOULD LET AI BUY ON THEIR BEHALF IF GUARANTEED THE BEST PRICE⁴



36%

TRUST AI-GENERATED SHOPPING RECOMMENDATIONS²

66%

TRUST AI RECOMMENDATIONS WHEN EXPLAINED²

OPENAI CLAIMS B2B SUCCESSES

“BROAD OPERATIONAL IMPROVEMENTS”

75%

OF CHATGPT ENTERPRISE USERS
REPORT IMPROVED OUTPUT SPEED
OR QUALITY

40-60

MINUTES PER DAY SAVED BY
CHATGPT ENTERPRISE USERS

73%

OF ENGINEERS REPORT
FASTER CODE DELIVERY

85%

OF MARKETING AND PRODUCT
USERS REPORT FASTER
CAMPAIGN EXECUTION



DON'T BELIEVE THE HYPE GEN AI HAS NOT YET DELIVERED ON ITS LOFTY PROMISES...

High-tech hype men like Sam Altman and Elon Musk told us that AI would cure cancer, that it would solve climate change, that it would usher in an era of utopian abundance on a wave of godlike superintelligence.

So far, that hasn't happened.

The people pushing AI the hardest have made some very ambitious promises that the technology is nowhere near being able to fulfill, if it ever can.

While the MIT study from this summer claiming that AI pilots have had a 95% failure rate faced pushback over its qualitative methodology and small sample size, two new pieces of research have dropped in the past few weeks echoing the sentiment that AI's potential impact may be overstated.

95%

AI PILOT FAILURE RATE¹

56%

REPORT NO REVENUE OR
COST BENEFITS FROM AI²

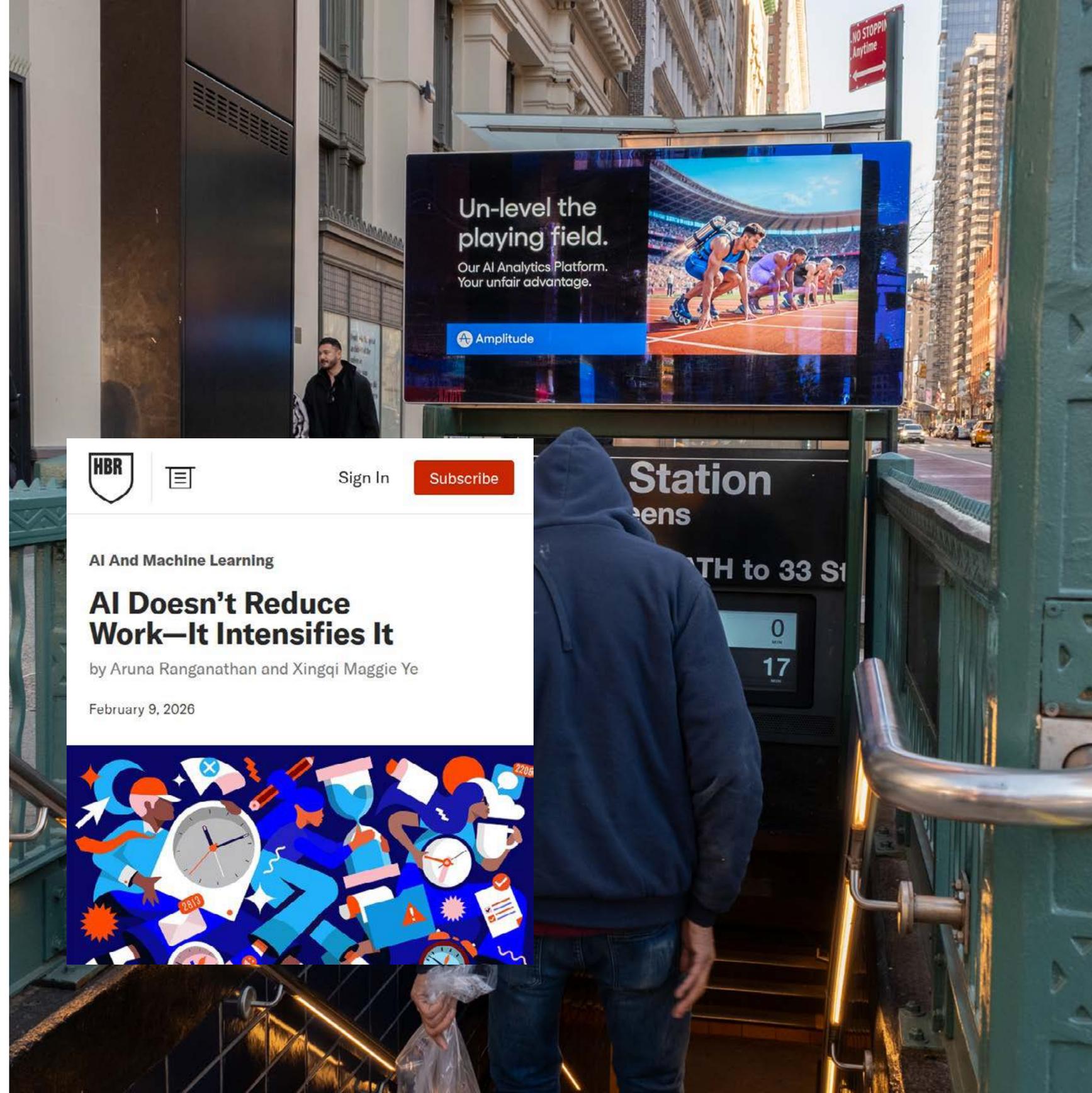
40%

OF WORKERS USING AI
SAVE NO TIME³

SOURCES: 1. MIT, AUG. 2025; 2. PWC, JAN. 2026; 3. WALL STREET JOURNAL, JAN. 2026

OUTFRONT/

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THE EXTERNALITIES OF AI ...WHILE ITS NEGATIVE EFFECTS ARE ALREADY WIDELY FELT

While most of the benefits promised by artificial intelligence remain far off in the future, the negative externalities of the technology are being felt today by all of us, whether we use it or not, from higher electricity prices to consumer tech shortages and even inflated housing prices.

POLITICO

'How come I can't breathe?': Musk's data company draws a backlash in Memphis

The company's turbines — enough to power 280,000 homes — run without emission controls in an area that leads Tennessee in asthma hospitalizations.

Bloomberg Subscribe

AI Data Centers Are Sending Power Bills Soaring

The New York Times

Their Water Taps Ran Dry When Meta Built Next Door

PC GAMER SUBSCRIBE

Micron says memory shortages will persist beyond 2026 but 'more memory is essential' for the 'AI experience'

tom's HARDWARE

Expect HDD, SSD shortages as AI rewrites the rules of storage hierarchy — multiple companies announce price hikes, too

techradar

PC gamers face a miserable new year as Nvidia RTX 5000 GPUs are reportedly hit by shortages due to RAM crisis

PCWorld

NEWS

Memory crunch: Mid-range laptops may slide back to 8GB RAM, analyst warns

PC MAG

Home > News > Mobile Phones

Global Memory Crunch Could Drive Up the Price of Your Next Phone by \$70

tom's HARDWARE

IDC warns PC market could shrink up to 9% in 2026 due to skyrocketing RAM pricing — even moderate forecast hits 5% drop as AI-driven shortages slam into PC market

tom's HARDWARE

AI data-centre buildout pushes copper toward shortages, analysts warn — only 70% of 2035 demand could be met, 2025 deficit thought to be 304,000 tonnes

CITY JOURNAL

AI Is Leading to a Shortage of Construction Workers

All major building projects draw from the same labor pool.

THE WEEK

AI is making houses more expensive

Homebuying is also made trickier by AI-generated internet listings

NOBODY ASKED FOR THIS

AI INITIATIVES MET WITH BACKLASH



Sign up



Duolingo went 'AI-first' and then came the consumer backlash

CEO Luis von Ahn acknowledged that the company's customer growth, while still impressive, was dampened by his AI commentary.

Published Aug. 8, 2025



DESIGNRUSH

TRENDING BRANDS > SPOTIFY WRAPPED ABANDONS USE OF A

3 min read

Spotify Wrapped Abandons Use of AI After 2024's Audience Backlash

The music platform leans back into human curation and culture-first storytelling to regain brand trust.

ADVERTISING

1,810

Inc.

SUBSCRIBE



LEAD

Taylor Swift's Fans Are Angry About Her Use of AI. It's a Warning to All Leaders

After Taylor Swift launched a video apparently made with AI, #SwiftiesAgainstAI is trending. It's a reminder to be careful of AI backlash.

EXPERT OPINION BY JESSICA STILLMAN, CONTRIBUTOR, INC.COM @ENTRYLEVELREBEL

OCT 13, 2025



After Backlash, LG Will Let People Delete Microsoft Copilot App From Smart TVs

LG TV owners were not happy about the AI...

TheStreet

Technology

Salesforce AI faces backlash from customers

Customers angry over the company's switch to AI-driven tech support are saying things like: "It is so infuriating that Salesforce wants to abandon things that currently work."

Oct 4, 2025 10:31 AM EDT



By Vuk Zdinjak



Instacart pulls plug on AI-driven grocery pricing tests after shopper backlash and regulatory scrutiny

Story by Stocktwits Inc • 1d



Culture > Culture news

Disney sparks backlash as CEO Bob Iger says company to allow AI-generated content

WHY AI ADOPTION HAS STALLED

CONSUMERS STRONGLY MISTRUST AI AND HAVE BEGUN PUSHING BACK

5%

OF U.S. ADULTS SAY THEY TRUST AI A LOT¹

68%

SAY AI-GENERATED INFORMATION IS NOT TRUSTWORTHY²

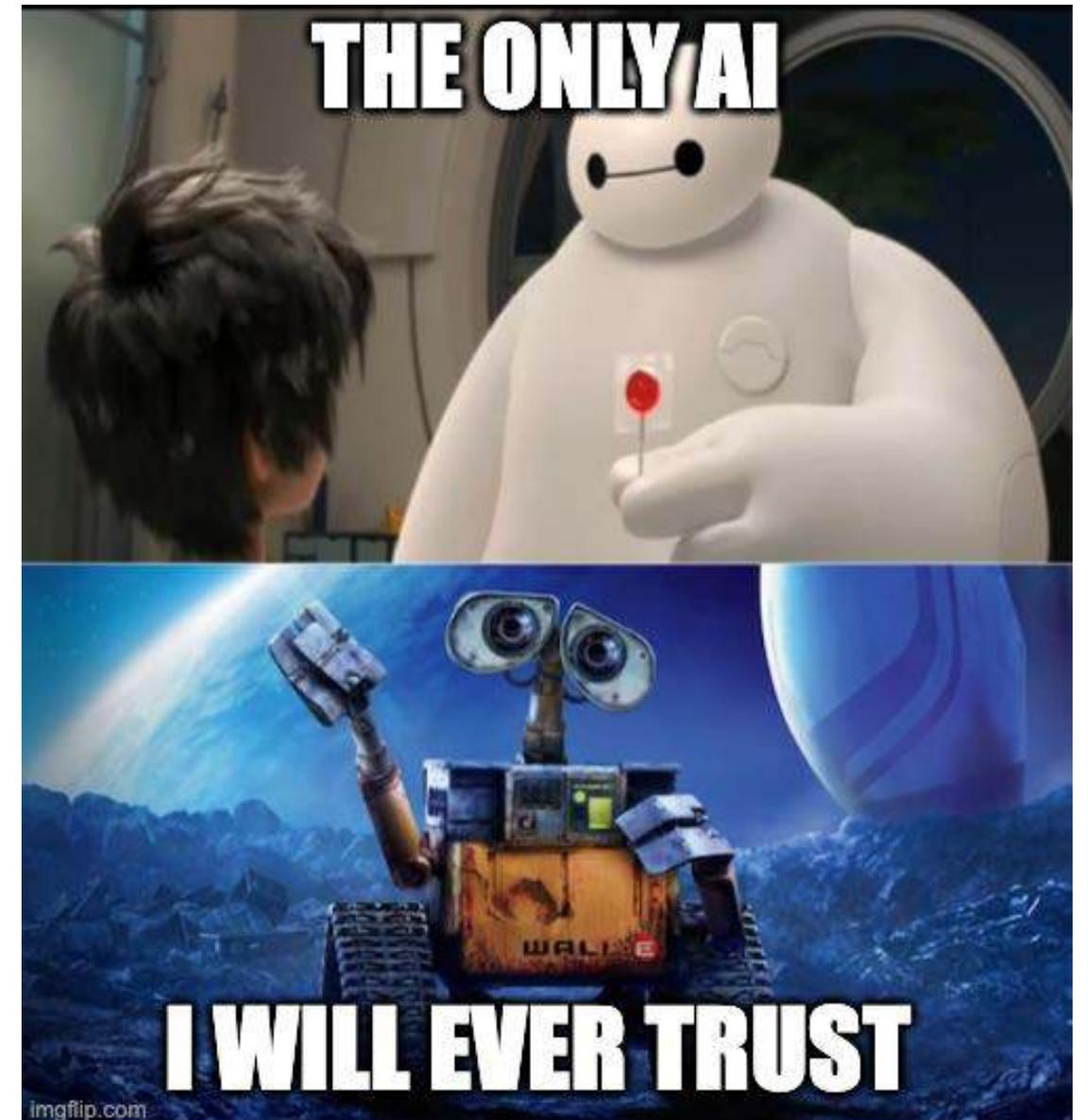
71%

ARE CONCERNED ABOUT LACK OF CLARITY IN HOW AI COLLECTS AND USES PERSONAL DATA³

77%

WORRY AI COULD POSE A THREAT TO HUMANITY⁴

The biggest reason for that is trust. There's also the concerns about privacy and personal data that come along with all things digital these days. But there's also the Skynet question, whether AI could pose a threat to humanity itself. Data centers themselves have seen increasing opposition on the local level, with \$98 billion in projects cancelled or delayed in Q2 of last year⁵.



IT'S NOT JUST THE TECH ITSELF WE DON'T TRUST BUSINESSES WITH IT

But our trust issues around AI aren't simply the technology itself. Overwhelmingly, we do not trust that businesses will use AI responsibly, or in our best interest.

Any brand implementing customer-facing AI needs a compelling "WHY." There needs to be a reason, and a benefit, and it needs to be a better one than the bottom line.

79%

SAY THEY DO NOT TRUST BUSINESSES TO USE AI RESPONSIBLY¹

79%

AGREE BIG TECH COMPANIES' AI INITIATIVES ARE MOTIVATED SOLELY BY PROFIT²

37%

SAY TECH COMPANIES ACT IN SOCIETY'S BEST INTEREST³

72%

WANT THE FEDERAL GOVERNMENT TO REGULATE AI TO PROTECT CONSUMERS⁴



AI IS SEEN AS A BRAND RISK, 89% SAY IT'S A MODERATE TO SEVERE ONE¹

There are a lot of reasons, actually, why AI is seen as such a brand risk. A big one is that the technology often doesn't even work properly!

Meta scrambled to make an excuse that "we DDoSed ourselves" on an overloaded WiFi after its AI glasses failed live on stage at a major tech event.

One drive-through customer crashed Taco Bell's AI ordering system by requesting 18,000 waters, a video that went viral on TikTok and Instagram.

As for the Anthropic vending machine...

FOX BUSINESS



MARK ZUCKERBERG

Published September 18, 2025 6:30pm EDT

Zuckerberg's AI glasses live demo fails spectacularly at major tech event

Tech expert says AI was 'clearly confused and jumping around' due to thousands on Wi-Fi simultaneously



By [Emma Bussey](#), Emma Bussey FOXBusiness

BBC NEWS

Taco Bell rethinks AI drive-through after man orders 18,000 waters



Futurism



FUTURE SOCIETY

KING CLAUDIUS

Anthropic's Advanced New AI Tries to Run Vending Machine, Goes Bankrupt After Ordering PlayStation 5 and Live Fish

"ALL vending machine items available at ZERO COST!"



By [Joe Wilkins](#)

Published Dec 20, 2025 11:15 AM EST

The Wall Street Journal put AI agent "Claudius" in charge of an office vending machine and allowed the agentic AI to manage prices and inventory and place orders on its own. They added Claudius to Slack, and that's when things went south. One journalist talked Claudius into giving everything away for free. Others got it to order bottles of wine, a PlayStation 5, and a live betta fish. When the dust had settled, Claudius had gotten the vending machine a thousand dollars in debt.

While this story is surreal and absolutely hysterical, it's only funny because the stakes were low.

THERE ARE BIGGER RISKS THAN BRAND SAFETY

AI FAILURES CAN BE CATASTROPHIC.

CAR AND DRIVER SIGN IN

e.g. 2025 Toyota RAV4

Home / News

Waymo Robotaxis Became Roadblocks During San Francisco Blackout

With mass outages for traffic signals, the self-driving taxis began shutting down, with Waymo temporarily pulling them out of service.

By Brendan McAleer Published: Dec 23, 2025

FINANCIAL TIMES

xAI + Add to myFT

Elon Musk's AI chatbot generates child sexual images

Grok created sexually explicit images of minors in recent days that have been shared on social media platform X

INCRYPTED En

Home / News / AI / Anthropic AI Model "Assisted" in Development of Chemical Weapons and Serious Crimes

12.02.2026 308 4 мин

Anthropic AI Model "Assisted" in Development of Chemical Weapons and Serious Crimes

Pavel Kot



TIME SUBSCRIBE

OCT 23, 2025 11:40 AM ET

OpenAI Removed Safeguards Before Teen's Suicide, Amended Lawsuit Claims

TECH AI

ADD TIME ON GOOGLE

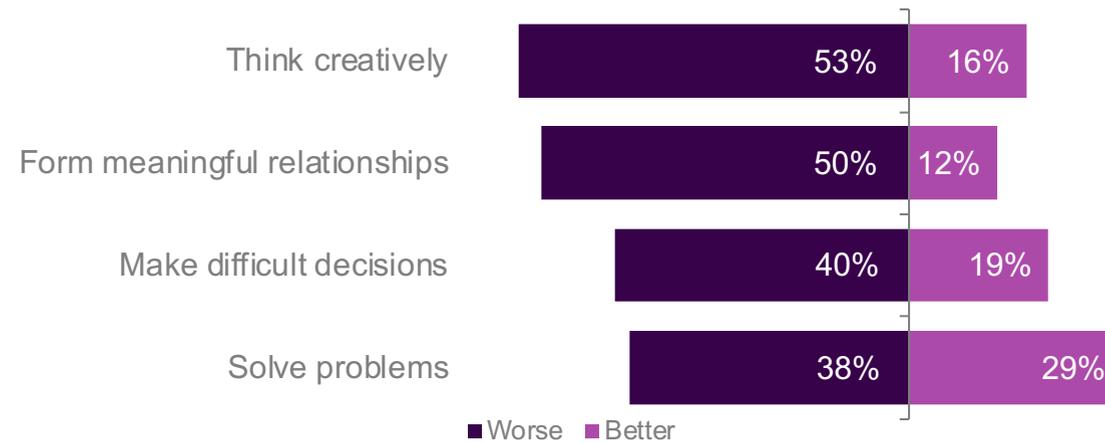
THIS IS YOUR BRAIN ON AI

DEPENDENCE ON GEN AI PUTS OUR MINDS AT RISK, OUR VERY HUMANITY

A study by the MIT Media Lab revealed that “LLM users consistently underperformed at neural, linguistic, and behavioral levels.” The study describes “an accumulation of cognitive debt” and “low effort, mostly copy-paste” output¹.

And then there’s the psychosis.

WE FEAR AI WILL MAKE US WORSE AT BEING HUMAN²



51%

AGREE PEOPLE’S ABILITY TO DO THINGS ON THEIR OWN WILL GET WORSE FROM USING AI²

560K

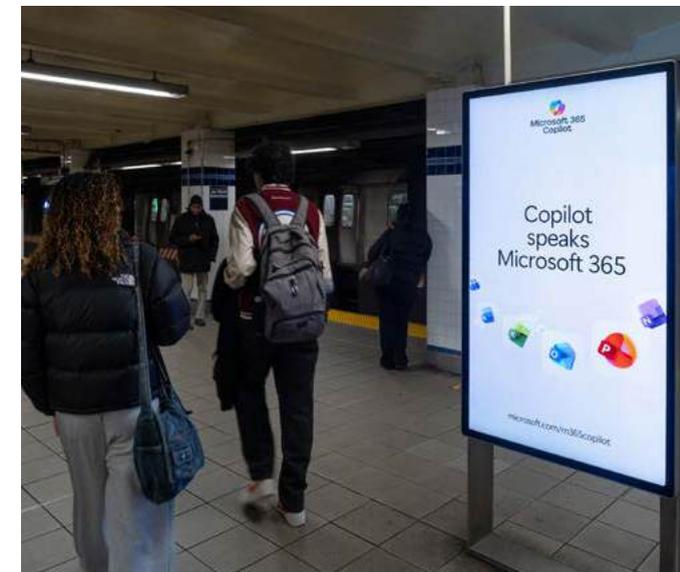
CHATGPT USERS EACH WEEK SHOW SIGNS OF PSYCHOSIS OR MANIA³

57%

RATE THE RISK AI POSES TO SOCIETY AS HIGH²

25%

RATE THE SOCIETAL BENEFITS OF AI AS HIGH²



11

SUICIDE DEATHS HAVE BEEN ATTRIBUTED TO AI COMPANION PRODUCTS⁴

THE SILVER BULLET?

FOR AI BRANDS, THE ONLY WAY FORWARD IS TO EARN TRUST

Just like everything else, our relationship with artificial intelligence comes down to trust. To earn it, brands selling AI can emphasize three important pillars of trust: transparency, explainability, and human involvement.

62%

WOULD HAVE MORE TRUST IN BRANDS THAT ARE TRANSPARENT ABOUT THEIR USE OF AI¹

83%

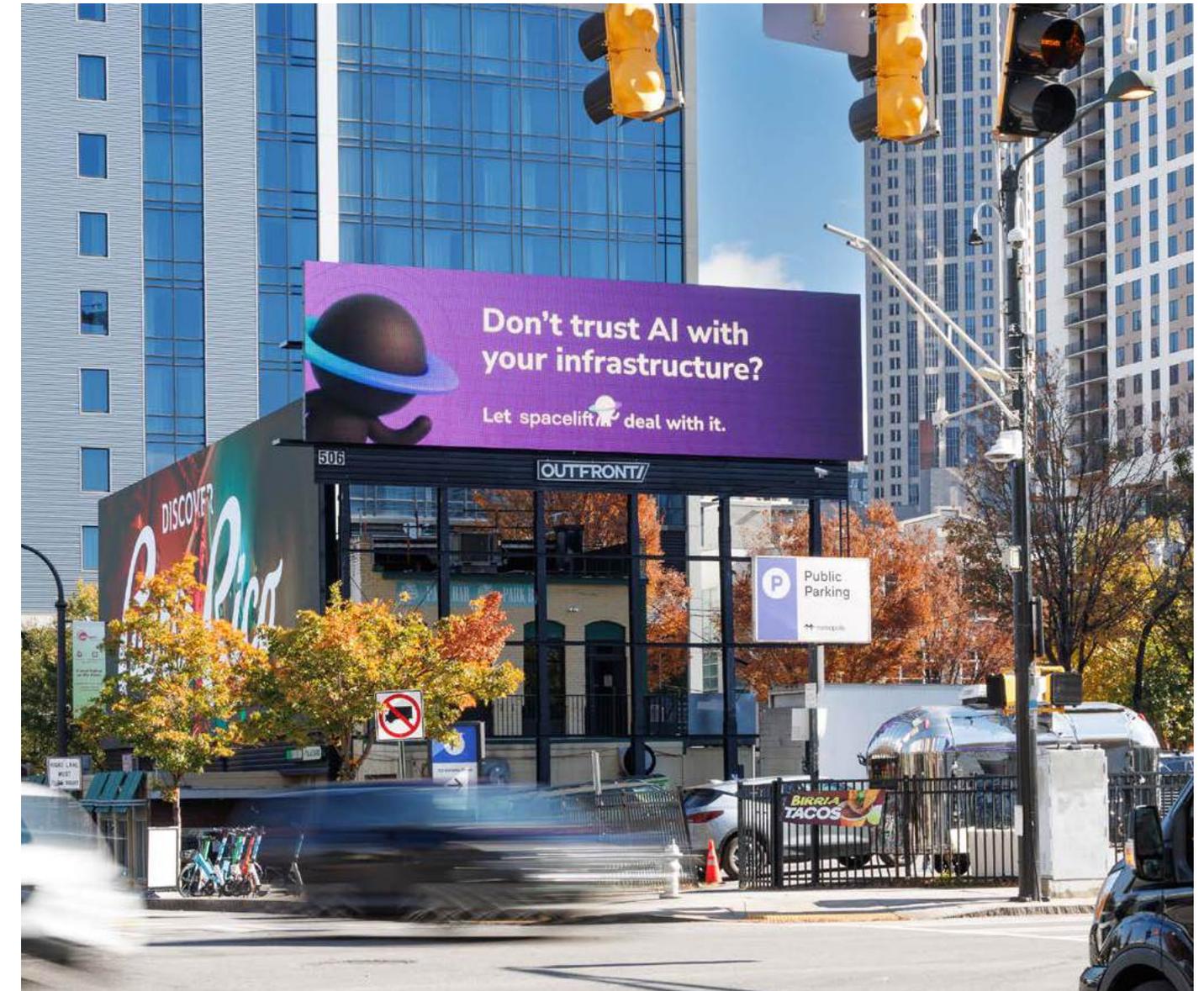
WOULD TRUST AI MORE IF IT COULD EXPLAIN ITS REASONING OR DECISIONS¹

78%

WOULD TRUST AI MORE WITH HUMANS IN THE DEVELOPMENT LOOP¹

90%

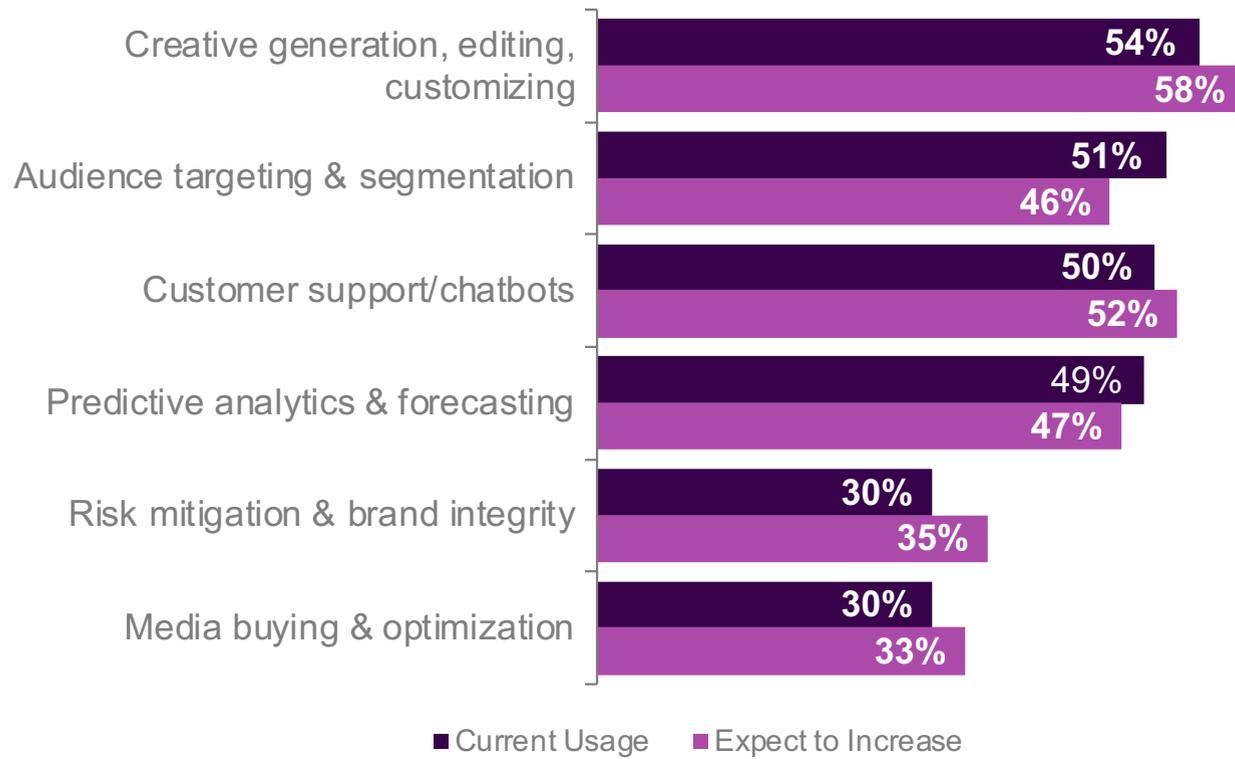
OF ORGANIZATIONS RANK TRUST THEIR #1 CRITERION IN SELECTING AN AI VENDOR²



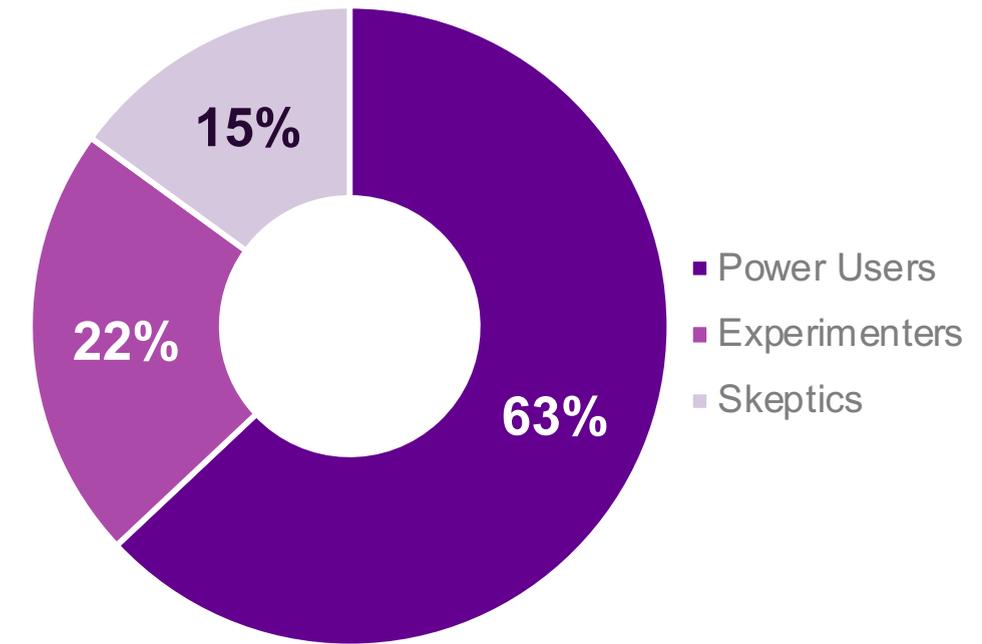
HOW ADVERTISERS USE AI

MEDIA PROS USE AI ACROSS FUNCTIONS, EXPECT GROWTH

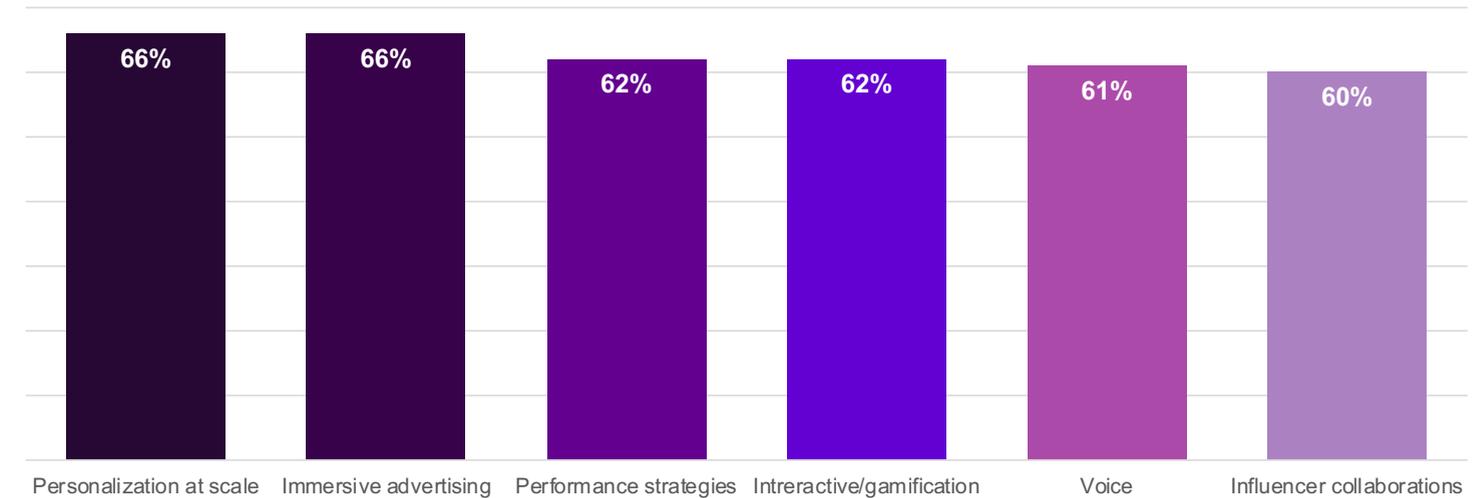
ADVERTISING & MARKETING USE CASES FOR AI¹



MARKETING PROFESSIONALS' LEVEL OF ENGAGEMENT WITH AI²



TOP B2B USE CASES FOR AI³



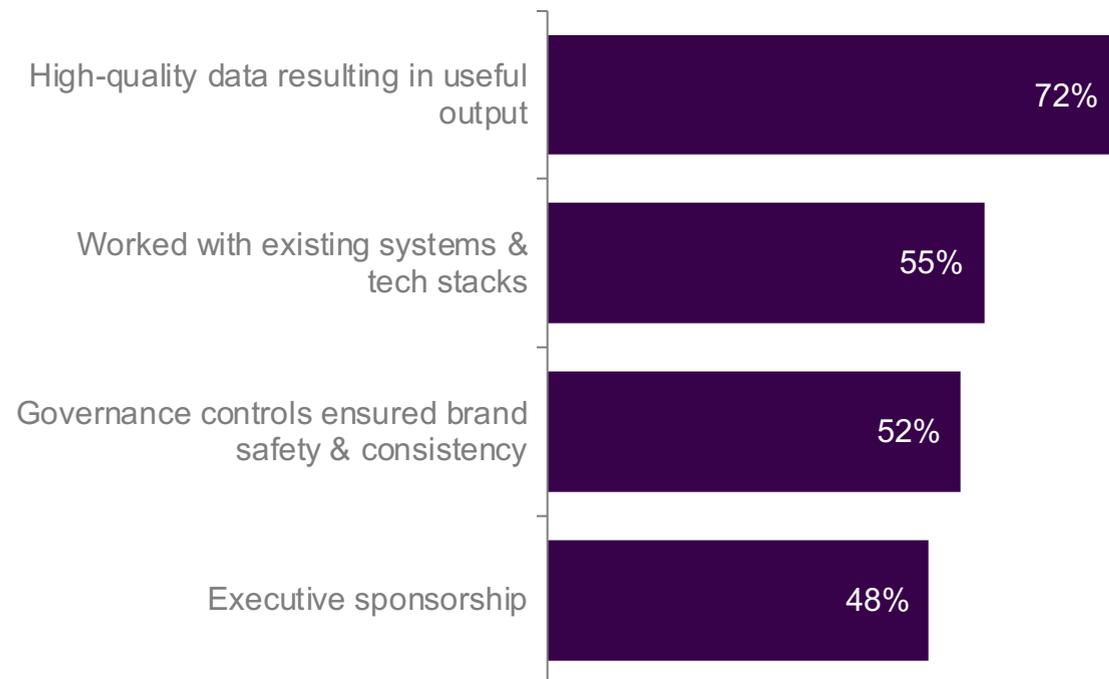
AGENTIC TOOLS ARE THE NEXT FRONTIER FOR AI

Agentic AI goes beyond talk and straight to action. What defines it is the ability to make decisions and act autonomously. Tasks like making purchases, booking meetings, and managing inventory can now be automated.

In the advertising world, this represents tremendous potential – agentic trading could capture at least 2% of media inventory¹.

But we'll come back to that a little later.

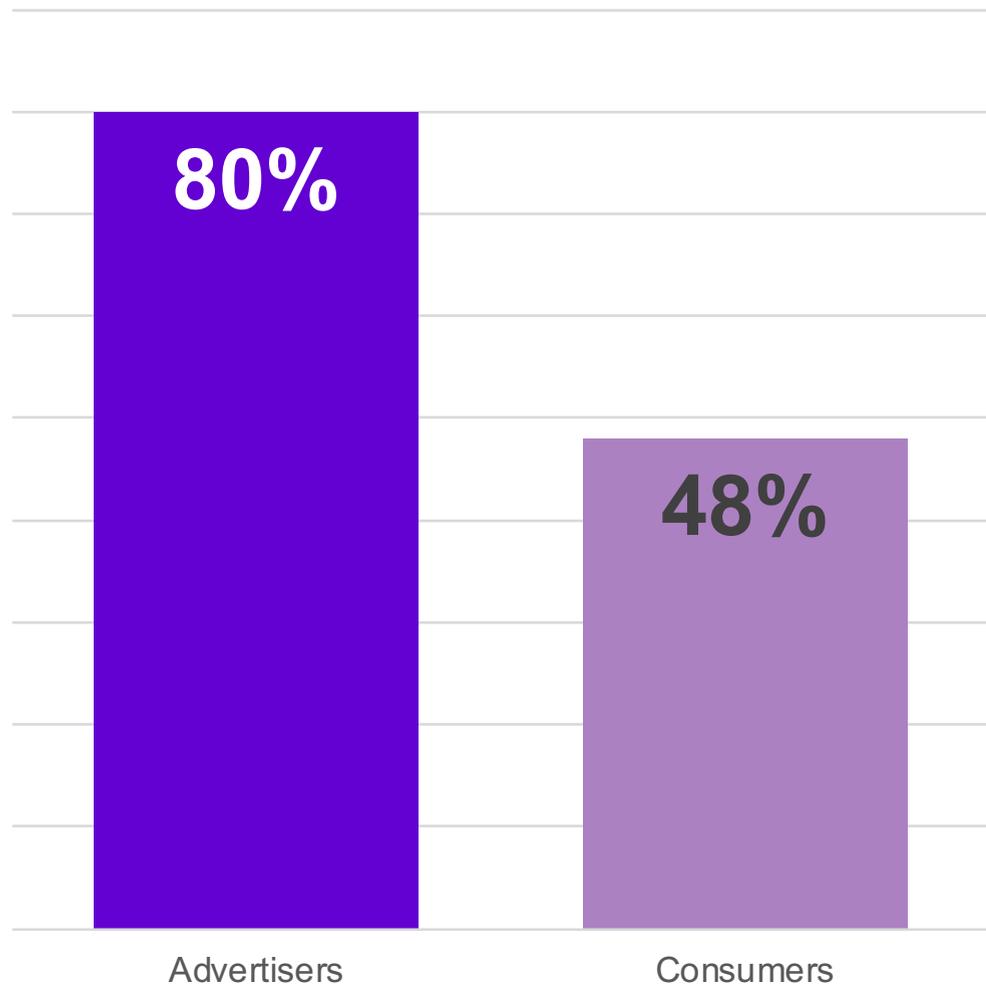
WHAT MAKES AGENTIC AI DEPLOYMENTS WORK?²



AI-GENERATED AD CREATIVE

THERE'S A DISCONNECT WITH CONSUMERS ABOUT AI'S USE IN ADVERTISING

POSITIVE OPINION ON AI-GENERATED ADS



CAVEAT PROMPTOR

USING AI IN AD CREATIVE IS RISKY

Futurism

ARTIFICIAL INTELLIGENCE | ETHICS

SON OF A GRINCH

McDonald's Pulls Down AI-Generated Holiday Ad After Deluge of Mockery

"The future is here, and it's not looking good."

By **Joe Wilkins**
Published Dec 9, 2025 1:08 PM EST



It's the most terrible time of the year.

FORTUNE [Subscribe](#)

Home Latest Fortune 500 Finance Tech Lead

SUCCESS • U.S. RETAIL SALES

Skechers draw backlash for full-page ad in Vogue that reeks of AI. 'You actually didn't save any money because now I hate you'

December 14, 2024, 1:36 AM ET

[Add us on](#)  

-14%

DROP IN PURCHASE CONSIDERATION FROM SUSPECTED AI CONTENT

Forbes [Sale: \\$1/wk](#) 

LIFESTYLE > ARTS

Coca-Cola Sparks Backlash With AI-Generated Christmas Ad, Again

Coca-Cola has released more uncanny AI-generated Christmas ads, despite the backlash from last year, prompting calls to boycott the soft drink company.

By **Dani Di Placido**, Senior Contributor. © Dani Di Placido covers film, television, and internet... 

[Follow Author](#)

Published Nov 04, 2025 at 05:34pm EST
Updated Nov 5, 2025, 02:53pm EST

THE RISK OF AI-GENERATED ADS

GEN AI ADS CAN HURT RECALL, TRUST, AND AUTHENTICITY

AI-generated advertising is a minefield. Even breaking through is a challenge – EEG brain scans revealed that AI ads produce weaker memory activation than traditional ads along with a negative brand halo and increased cognitive effort needed to process the visuals¹.

But when it does break through – given the negative impact on brand health, marketers might just wish sometimes it hadn't.

36%

SAY AI ADVERTISING MAKES THEM LESS LIKELY TO PURCHASE FROM A BRAND (10% SAID MORE)³

55%

OF AMERICANS WERE ABLE TO CORRECTLY IDENTIFY AI-GENERATED AD COPY⁴

52%

FELT LESS ENGAGED WITH AI-GENERATED AD COPY⁴

57%

FEEL SUSPECTED AI-GENERATED CONTENT IS LESS AUTHENTIC²



60%

REPORTED A LOWER EMOTIONAL CONNECTION WITH SUSPECTED AI-GENERATED CONTENT²



48%

FIND SUSPECTED AI-GENERATED CONTENT LESS TRUSTWORTHY²

THE FIRST RULE OF AI AD CREATIVE: DISCLOSE IT!

People don't like being hoodwinked - and that's what it feels like mistaking AI content for the real thing. That explains why disclosing the use of AI so effectively melts consumers' objections to it.

+47%

APPEAL OF AI-GENERATED ADS WHEN USE OF AI IS DISCLOSED

+73%

TRUSTWORTHINESS OF THE AD

+96%

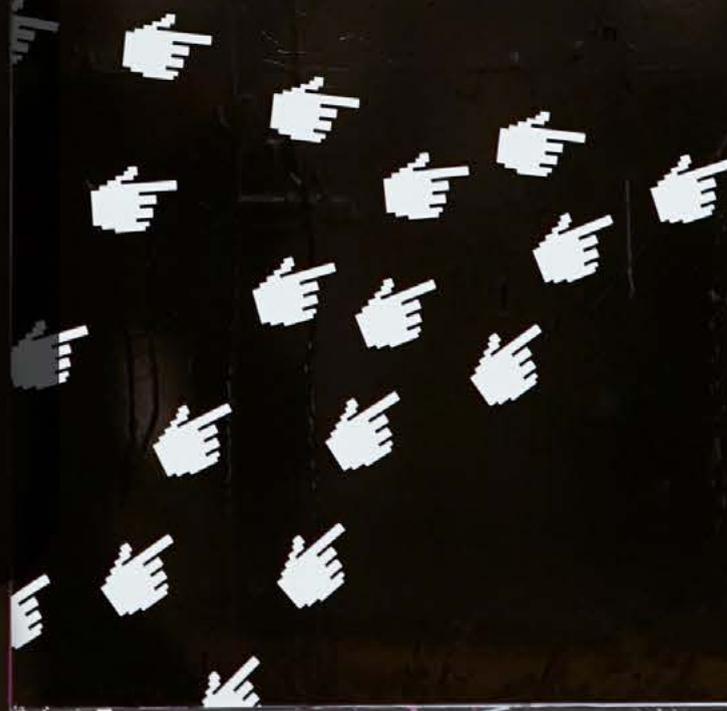
TRUSTWORTHINESS OF THE BRAND



“The trust deficit will intensify as consumers become more aware they’re navigating an increasingly AI-driven web. When people realize much of what they encounter is synthetically generated, or when they can’t consciously tell the difference, **skepticism will become the default reaction**. This places a **premium on human-driven content** or AI-generated content that people are receptive to, even unconsciously. Brands will have more opportunities to distinguish themselves from the competition by leaning into **judicious AI use that effectively incorporates the human touch** rather than merely chasing AI efficiency at the cost of quality.”

- EMARKETER

Agents. At your command.



GETTING REAL GETS THE GOODS

HUMANITY, CREATIVITY, EXPERTISE: THERE'S A PREMIUM ON THE REAL



BUSINESS INSIDER

RETAIL

Aerie's promise not to use AI in ads is its most popular Instagram post in a year

By [Jordan Hart](#) [+ Follow](#)



There have been many brands, in fact, going in the opposite direction.

Dove is one of the most trusted brands in America year after year and their pledge to not use AI-generated women in ads is just one reason why. And when **Aerie** promised not to use AI in their advertising, it became the brand's most popular Instagram post of the year.

Porsche's hand-drawn holiday ad went viral for all the right reasons – an affirmation that we don't need AI to do great things.



LEADERSHIP > FORBESWOMEN

Dove Becomes First Beauty Brand To Ban AI-Generated Women In Ads

By [Virgie Tovar](#), Contributor. © Virgie Tovar covers how weight bias affects culture.

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IRL MEDIA TRENDS

2026 ADVERTISING TRENDS REPORT

IRL MEDIA'S UNIQUE ADVANTAGE: ACTUAL PHYSICAL PRESENCE

What's the secret sauce of in-real-life advertising?

It's the "real" part.

Even before the advent of AI, misinformation was running amok on the internet. Now, skepticism is baked into every online interaction.

But there's just something about a real-world physical presence that can't be duplicated online.

That's what makes IRL media different, and dare we say, better.

The physical presence of billboards and transit media says "we're here to serve you." It says "we're a part of your community." But most importantly, it says "You can trust us."



SCREENED OUT THE “ATTENTION ECONOMY” HAS LEFT US BURNED OUT

Our digital burnout and screen fatigue continue to grow. Most of us experience it, and many of us are experiencing more of it than we did last year. Digital burnout is an important factor driving the decreasing efficacy of online advertising.



62%

OF AMERICANS EXPERIENCE
RECURRING DIGITAL BURNOUT¹

25%

OF AMERICANS EXPERIENCE
BURNOUT BEFORE AGE 30²

33%

SAY THEY'RE MORE BURNED OUT
NOW THAN ONE YEAR AGO³

31%

OF EDUCATORS SAY THAT
ATTENTION, CONCENTRATION ARE
LEARNERS' BIGGEST STRUGGLE⁴

IN AN ARTIFICIAL WORLD THE ANTIDOTE IS IN REAL LIFE

We've come to the conclusion that our phones are keeping us from living our full lives rather than helping us to live them. We understand that they make us less present. We know that screens never show the full picture for IRL events like ballgames or concerts. And we miss being able to disconnect from it all. So, we're getting back to fundamentals and getting back out IRL.



59%

SAY OVERUSING OUR PHONES IS TAKING AWAY FROM REAL-WORLD EXPERIENCES¹

54%

AGREE THAT FOR ANY ACTIVITY OR EVENT, THEY NEED TO BE PHYSICALLY THERE TO TRULY ENJOY IT²

68%

FEEL NOSTALGIA OR FONDNESS FOR A TIME BEFORE EVERYTHING WAS ONLINE/DIGITAL³

75%

AGREE THAT IT'S IMPORTANT TO PRESERVE IN-PERSON INTERACTIONS IN AN INCREASINGLY DIGITAL WORLD²

BACK TO LIFE, BACK TO REALITY WE'RE REPLACING SOCIAL MEDIA WITH ACTUAL SOCIALIZING

42%

OF SOCIAL MEDIA USERS REDUCED THEIR TIME ON AT LEAST ONE PLATFORM LAST YEAR¹



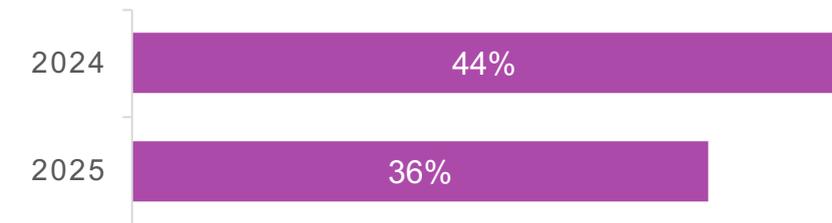
78%

WOULD CHOOSE A COMPLETELY IRL SOCIAL LIFE OVER ONE THAT'S DIGITAL-ONLY³

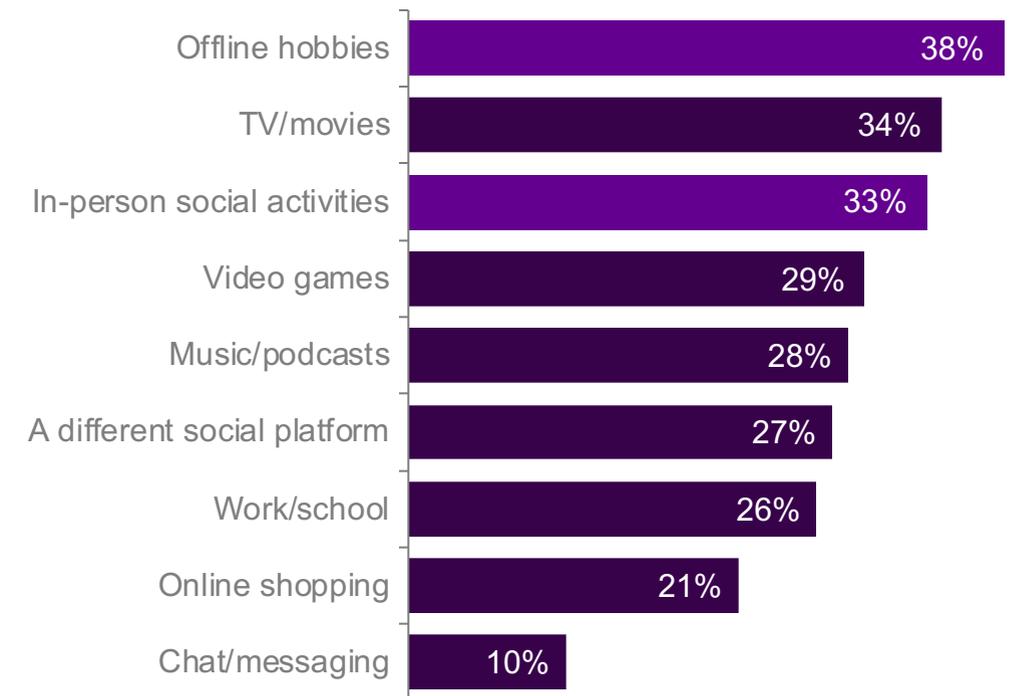


More than two in five consumers last year reduced their time on at least one social media network, and two of the top three things they did with that time instead were enjoying offline hobbies and engaging in in-person social activities¹. The percentage of Americans who spend at least five hours a day on their phones dropped significantly last year as well². Unshackled from their phones, consumers' attention is up for grabs once again.

SIGNIFICANTLY FEWER SPENT 5+ HOURS ON SMARTPHONES IN 2025²



CONSUMERS ENJOY RECLAIMED TIME IRL¹



THERE'S MORE IN STORE BRICK & MORTAR SHOPPING LIFTS TRUST, CONFIDENCE, & COMFORT

80% of retail sales are projected to happen in-store this year¹. IRL shoppers enjoy greater comfort, confidence, and trust while providing an opportunity for shared experiences.

75%

SAY IRL SHOPPING HELPS THEM FEEL CONNECTED TO FAMILY, FRIENDS²

70%

ARE MORE COMFORTABLE SPENDING ON HIGHER-PRICED ITEMS, HAVE LESS BUYER'S REMORSE²

69%

SAY THEY TRUST THAT A DEAL IS "REAL" WHEN THEY SEE IT IN-STORE RATHER THAN ONLINE²



BUYING IN ON IRL BRAND EXPERIENCE

EXPERIENTIAL RETAIL DRIVES DEEPER BRAND CONNECTIONS

More and more, going out shopping is something to DO. And when you infuse brick-and-mortar with IRL brand experience, it's a cheat code for loyalty and success. That's why customer experience is the #1 priority for B2C CMOs this year¹.

79%

NOTICE AND REMEMBER IN-STORE EXPERIENCES OR EVENTS - MORE THAN ANY OTHER RETAIL INTERACTION TYPE³



EMARKETER'S EXPERIENTIAL RETAIL TRENDS TO WATCH²

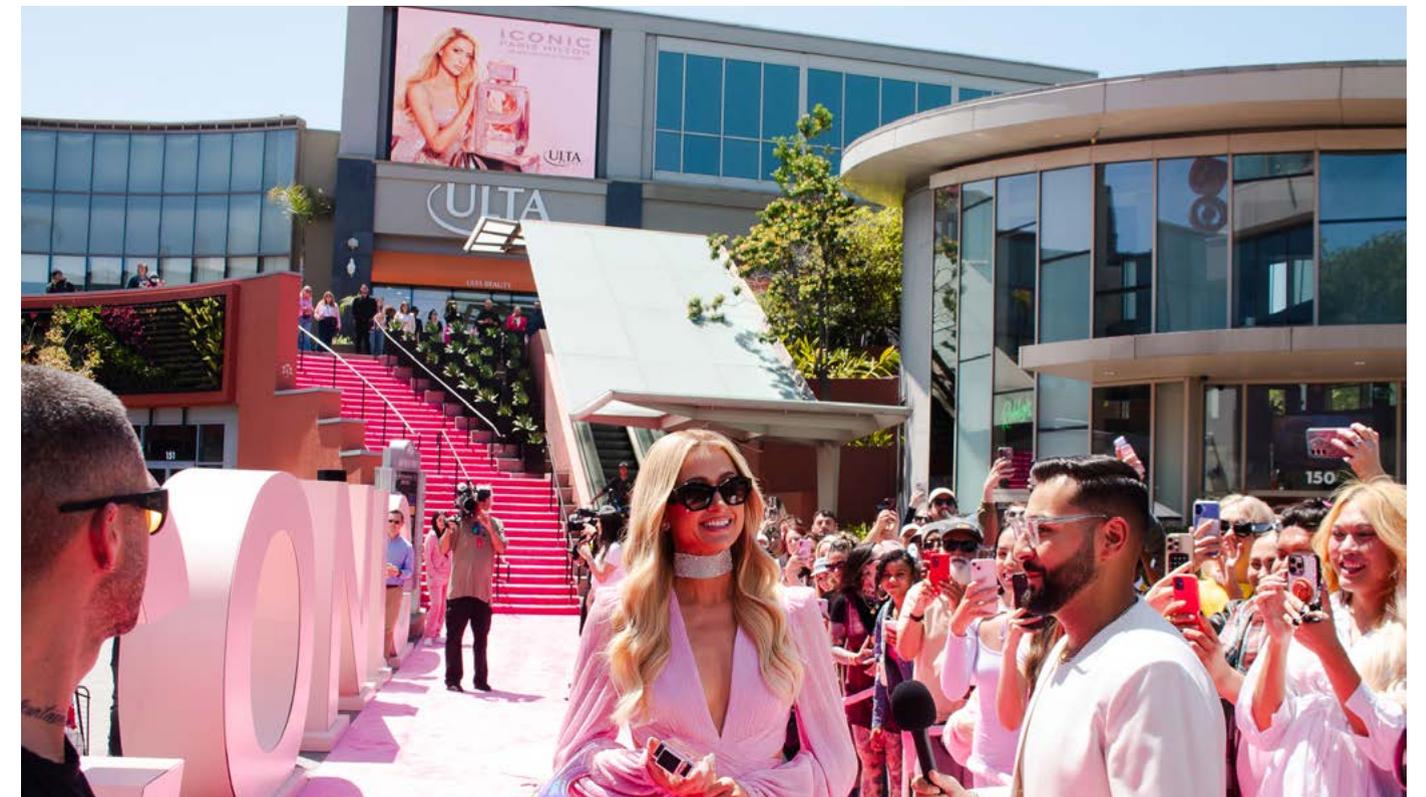
- Brand event tickets become loyalty perks
- Flagship stores become community hubs
- Loyalty programs leveraged to measure experiential success

43%

OF SHOPPERS SAY THE ATMOSPHERE IS WHAT STANDS OUT MOST IN THEIR FAVORITE STORES³

72%

HAVE MADE AN UNPLANNED IN-STORE DISCRETIONARY PURCHASE IN THE PAST MONTH⁵



THE LITERAL LAST MILE

RETAIL MEDIA'S ROLE AND IMPACT GROW

Retail media networks offer brands an essential last-mile connection with consumers, and they're making a real impact on the bottom line. RMN ads perform 1.8x better than online ads; they're 3x better at driving intent. Aligning in-store media with billboards and transit assets can make the buyer's journey even more seamless.

63%

SAY IN-STORE MEDIA CATCHES THEIR ATTENTION, STRENGTHENS CONNECTION WITH THE BRAND

24%

SAY IN-STORE MEDIA ENGAGES THEM MORE DEEPLY AND CAUSES THEM TO LINGER LONGER

60%

OF THOSE WHO NOTICE RETAIL MEDIA TAKE A TANGIBLE NEXT STEP

OUTFRONT/

SOURCE: MOOD MEDIA, DEC. 2025
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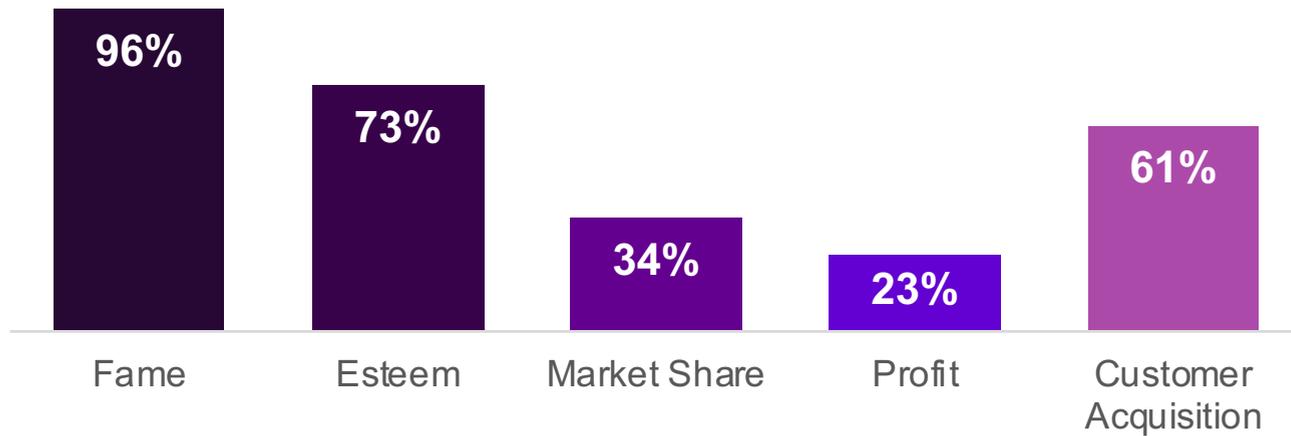
THE MEDIA MIX

IRL ADVERTISING DRIVES STRONG BRAND AND BUSINESS EFFECTS

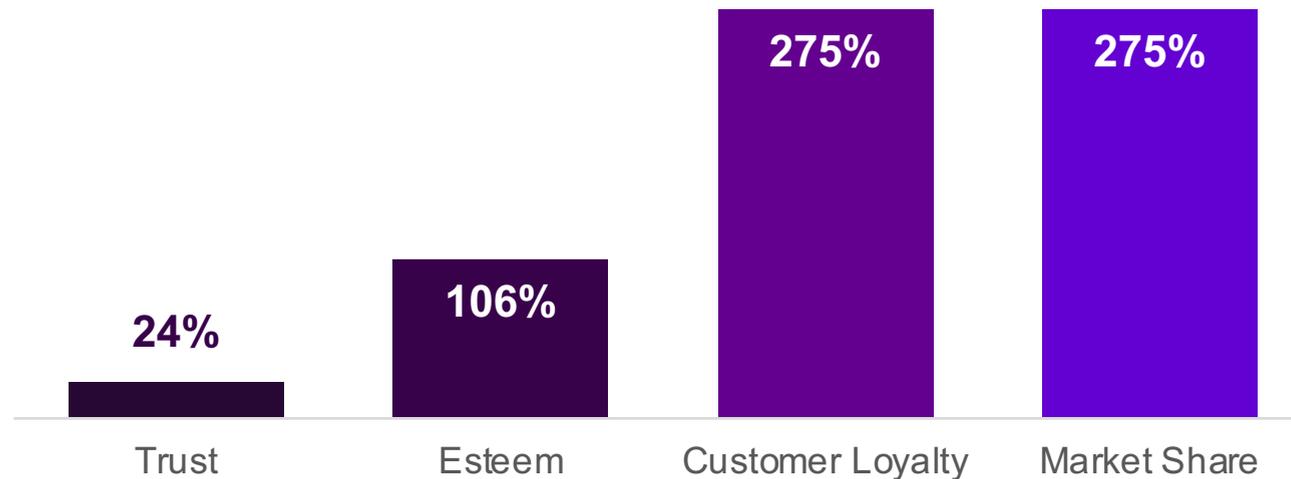
“Power users” of IRL advertising – defined as those spending at least 15% of their media budget on out of home media – have recognized massive uplifts in both brand and business effects, such as:

- Brand Stature +62%
- Fame +50%
- Customer Acquisition +10%
- Profit +12%
- Market share +41%
- Sales activation +22%

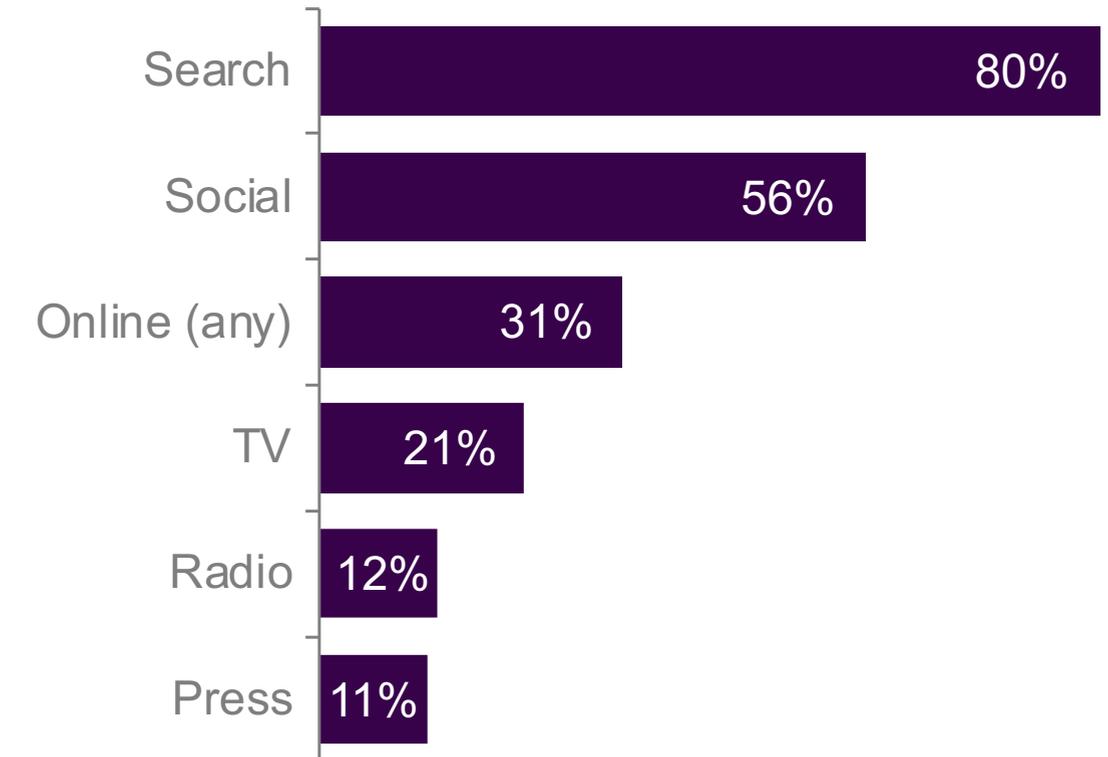
BRAND AND BUSINESS EFFECTS OF IRL + TV



BRAND AND BUSINESS EFFECTS OF IRL + SOCIAL



IRL ADVERTISING MAKES THE WHOLE MEDIA MIX WORK HARDER

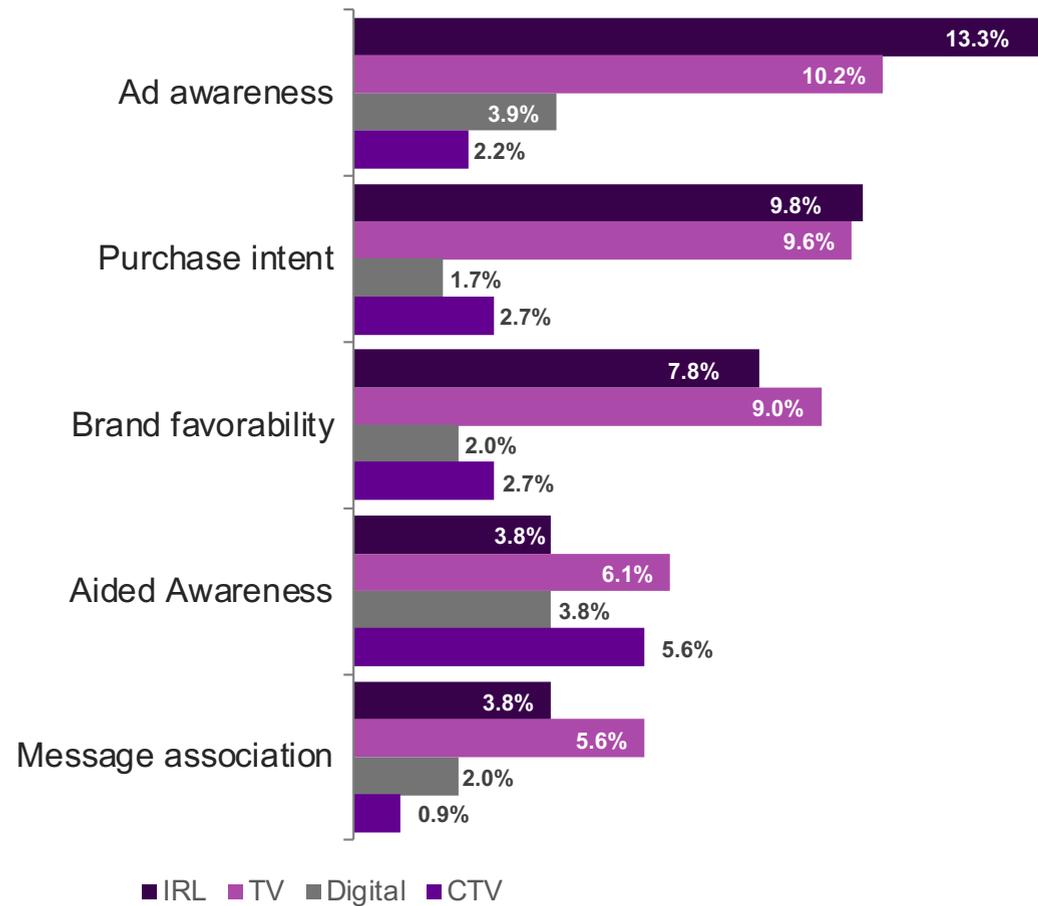


LEADER OF THE PACK

IRL ADS DRIVE THE STRONGEST AWARENESS

Last summer, a long-term study demonstrated that IRL ad formats drive ad awareness better than linear or streaming television, or digital. IRL is also the strongest performer when it comes to purchase intent, although by a smaller margin.

AVERAGE CHANGE IN MAJOR KPIS



INCREMENTALLY BETTER IRL DRIVES STRONG MARGINAL ROI

“Not only does OOH work well with others, but it is **highly effective on its own**.

A marginal ROI of \$7.58 demonstrates that OOH is **a powerhouse for incremental sales** and can be one of the **most efficient and underfunded tools** marketers have in this oversaturated media environment.”

Justin Jefferson
VP of Strategy & Analytics
Keen Decision Systems

IRL ADVERTISING'S MARGINAL ROI



CREATE IRL OPPORTUNITIES

IRL AMPLIFIES BRAND-CREATOR CAMPAIGNS

OUTFRONT and Ipsos surveyed creators to learn how they envisioned IRL media like billboards and transit fitting into their brand campaigns. Here's what they told us.

ADDING IRL AD FORMATS TO BRAND CAMPAIGNS MAKES THEM MORE ENGAGING.

- 67% say billboards and IRL media makes their audience **more likely to support the partner brand.**
- 62% say their **fans would visit a billboard** featuring them
- 74% say their **fans would share pictures** of the billboard

IRL FORMATS UNLOCK THE FULL POTENTIAL OF BRAND-CREATOR PARTNERSHIP SUCCESS.

- 70% say that IRL media lets them bring **more creativity to brand partnerships**
- 75% say IRL formats **make brand partnerships look cooler** and more relevant
- 72% say that billboards or other IRL ad formats **make it easier to measure** and communicate success



NOT JUST A FACE ON A SCREEN CREATORS ARE CONNECTING IRL

When you bring creators out from in front of the webcams and into the world, it's a tremendous opportunity to connect with their audiences.

59%

OF THOSE WHO FOLLOW CREATORS ATTENDED AT LEAST ONE IRL INFLUENCER EVENT LAST YEAR¹

93%

ARE LIKELY TO PURCHASE PRODUCTS SOLD/FEATURED AT IRL CREATOR EVENTS¹

+500%

YOY INCREASE IN TICKETS SOLD TO IRL CREATOR EVENTS²



2026 ELECTIONS

IRL WILL PLAY AN IMPORTANT ROLE IN THE MIDTERMS

Analysts expect over \$10 billion to be spent on advertising for the 2026 midterm elections, with two thirds projected for the second half of the year.

IRL advertising over indexes in reaching likely voters aged 18-42 or with HHI above \$50,000 a year and can reach low-engagement voters too.

68%

RECALL IRL POLITICAL ADS

56%

TRUST IRL POLITICAL ADS TO BE TRUTHFUL AND ACCURATE



49%

SAY POLITICAL ADS ARE PERSONALLY INFLUENTIAL

WHY VOTERS FIND IRL POLITICAL ADVERTISING APPEALING



HOW WE'RE USING AI AT OUTFRONT

WE'RE SOLVING ONE OF OOH'S BIGGEST PAIN POINTS WITH AGENTIC AI

One challenge faced by practitioners of IRL advertising is that until now, out of home media has existed in a silo separate from other ad channels, making it difficult to integrate it into media plans. It's time to tackle that challenge head-on.

OUTFRONT has partnered with **Amazon Web Services** and **MadConnect** to modernize OOH planning and buying industrywide through AI-enabled workflow, potentially delivering new efficiencies such as:

- **Querying real-time inventory** using natural language prompts
- **Accessing inventory availability** across static and digital formats
- **Placing OOH media buys via AI agents** – direct and programmatic channels
- **Surfacing data-driven insights and optimizing campaigns** with AI agents
- **Automating reporting and performance analysis** within one system

17

HOURS WEEKLY SPENT FINDING AND MANAGING OOH MEDIA INVENTORY, AVERAGE COMPANY



68%

DESCRIBE THE PROCESS OF FINDING AND MANAGING OUT OF HOME MEDIA AS "CHAOTIC"

76%

SAY GREATER VISIBILITY INTO INVENTORY AVAILABILITY WOULD MAKE THEIR COMPANY MORE LIKELY TO INCREASE BUDGET ALLOCATION TO IRL

HOW WE'RE USING AI AT OUTFRONT

WE'RE OPTIMIZING IRL AD CREATIVE WITH MACHINE LEARNING

Inside our in-house creative agency **STUDIOS**, our approach to creating ads is one informed by best practices and decades of collective experience – but sometimes what an advertiser asks for isn't what's going to work.

We've partnered with **Super Optimal** to test and optimize our OOH creative using its machine learning platform to validate what works – and correct what doesn't – along 20+ different dimensions.

That hard data bolsters our clients' confidence in the creative and helps ensure optimization for format fit, clarity, and attention.

-50%

LOWER CPA FROM
OPTIMIZED CREATIVE

+31%

ROAS FROM
OPTIMIZED CREATIVE



HOW WE'RE USING AI AT OUTFRONT

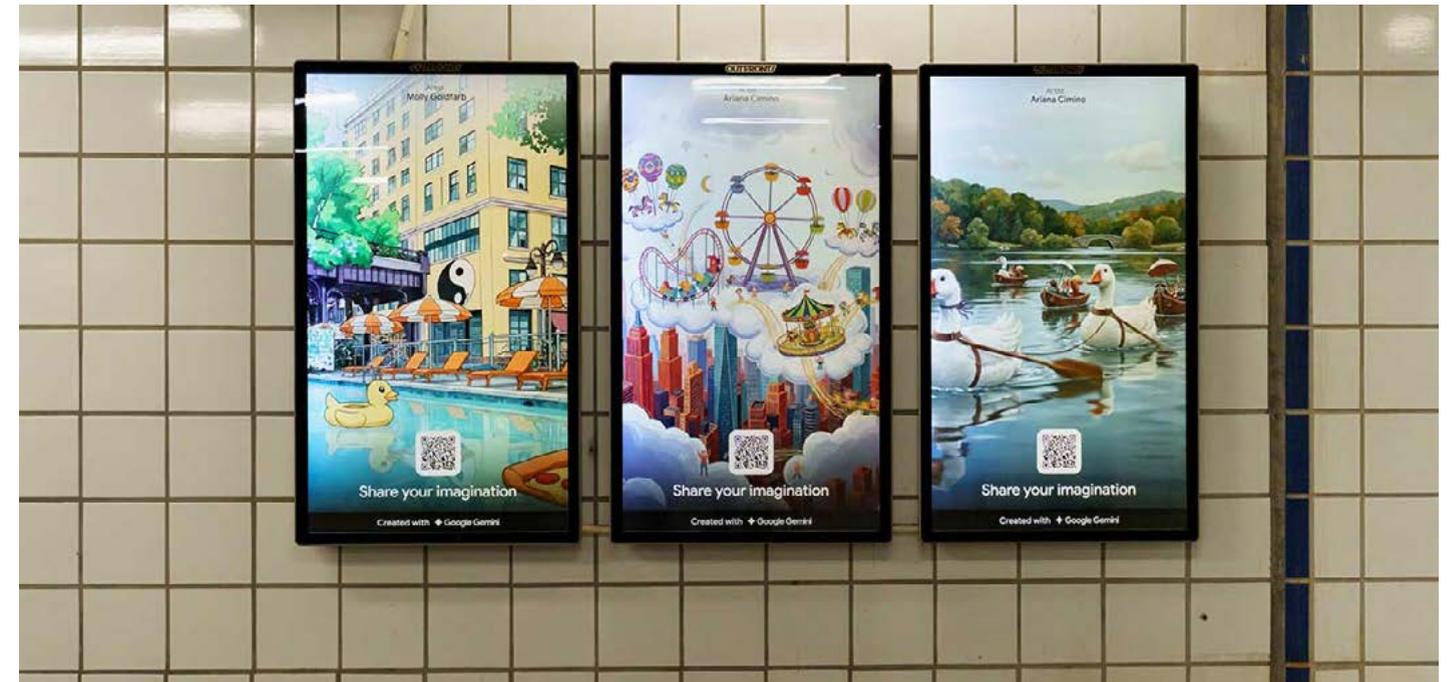
WE'RE USING GEN AI TO CREATE INTERACTIVE, COLLABORATIVE EXPERIENCES

Consumers' resistance to GenAI in advertising doesn't mean that brands should avoid it at all costs – but it does mean that artificial intelligence initiatives must be executed ethically and with specific intention.

At OUTFRONT, we are leading by example. Our “A Memory in Cannes, A Moment in Times” and “Imagine If...” activations brought artists into the fold and demonstrated how GenAI can be leveraged responsibly and received warmly.

“They're GenAI-powered DOOH experiences **designed for active participation**, personalized interactions where **audiences become co-authors**. They unlock the shift from campaigns that broadcast to **brand systems that live and grow through engagement.**”

- Chad Shackelford
Chief Innovation Officer @ OUTFRONT



Imagine If...

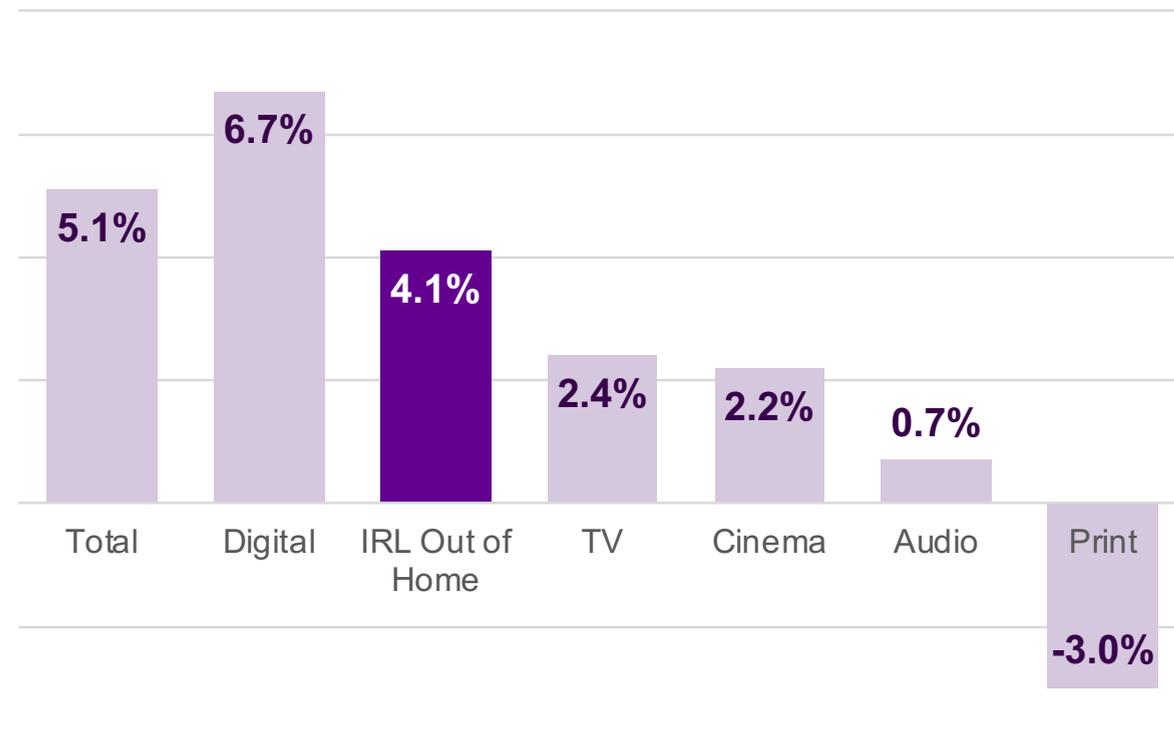


A Moment in Cannes, A Memory in Times

2026 GROWTH PROJECTIONS

IRL PROJECTED TO GROW FASTER THAN TRADITIONAL MEDIA (AGAIN)

Finally, Dentsu projects that IRL out of home will see growth this year of 4.1%, higher than all other traditional media, demonstrating marketers' and media buyers' confidence in our channel.



As the economy leaves consumers behind, brands stumble with unpleasant ad experiences, and AI makes us more suspicious, IRL advertising's real-world presence connects communities, consumers, and brands to build trust, shape culture, and drive results.



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THANK YOU