

 theTradeDesk® Intelligence

THE UNTAPPED OPPORTUNITY OF OMNICHANNEL

Groundbreaking neurological research reveals how marketers can deliver more efficient campaigns and stronger consumer connections.



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Moving beyond multichannel

Marketers today understand the need to reach customers across multiple channels, from connected TV (CTV) and display to audio and digital out-of-home (DOOH). As audience fragmentation grows, many have responded by diversifying media budgets across more platforms than ever before.

However, according to our latest research, the traditional multichannel strategy — purchasing media in isolated silos across different platforms — is both less efficient and less effective than a holistic omnichannel strategy.

An omnichannel strategy consolidates media buys across all channels to put your audience at the center of a well-coordinated, seamless campaign.

The advantages are far-reaching

In our study, connected omnichannel campaigns were more effective across every metric to people experiencing them, with connected campaigns shown to be:


1.5x
MORE IMMERSIVE


1.9x
MORE LIKELY
TO CONNECT


1.4x
MORE ATTENTION-
GRABBING


1.2x
MORE MEMORABLE


2.2x
LESS COGNITIVELY
FATIGUING

Understanding the difference



Multichannel

Multichannel marketing uses more than one channel to promote a product or service, but these channels are not seamlessly integrated. This marketing approach is usually planned and executed in a siloed way, across multiple disconnected platforms.



Omnichannel

An audience-first advertising strategy that unites three or more digital channels (such as mobile, display, native, video, audio, DOOH, or CTV) into a connected campaign and optimizes messaging and frequency to a consumer's media experience.

Observing the impact of advertising across channels

By understanding consumer mindsets, how they vary across different moments, and how this impacts media consumption habits, you can more effectively reach audiences in the right context, at the right time.

But people are complex and multifaceted, with ever-evolving needs and expectations. And advertising is often a subconscious force, subtly shaping our decisions in ways we may often struggle to realize or articulate. At the same time, the emergence of new digital channels over the last decade means that audience attention is more fragmented than ever.

This complexity is what shaped our three-pronged approach:

1. Dynamic engagement space segmentation

We conducted quantitative surveys with n=6,000 people across the U.S., U.K., and Germany to size the needs and priority of channels across different media moments and mindsets. To do this, we applied clustering techniques and conducted a chi-square automatic interaction detection analysis to reveal distinct omnichannel demand spaces.

2. Ethnographic media diary

We tasked n=30 people across the U.S., U.K., and Germany to create five-day remote qualitative diaries to capture in-the-moment interactions with media channels throughout their day. Each participant in this study was 18 or older.

3. Experimental neuro testing

We conducted controlled tests with n=78 people across the U.S. and U.K. to explore the neurological response to omnichannel (or “connected”) vs. disconnected campaigns running across five primary media channels: CTV, audio, display, online video, and DOOH. The aim was to assess the mental impact on attention, memory encoding, connection, immersion, persuasiveness, and fatigue.

FIRST-OF-ITS-KIND RESEARCH

Measuring the true impact of omnichannel advertising

We partnered with PA Consulting, Brainsights, and a diverse group of advertisers across various industries and sizes to collect over 120 hours of brain activity — capturing more than 1 billion brain-wave data points in the process.

As an innovative element of this research, we invited research participants to lounges in the U.S. and U.K., where they walked past DOOH ads, watched shows like Ted Lasso, listened to streaming music and browsed the web on laptops. With headsets that can pick up on feelings, behaviors, perceptions, and even actions, we were able to analyze how consumers responded to disconnected campaigns lacking frequency management, and then compare it to coordinated omnichannel campaigns that ensured a seamless experience. Their impact was measured across six key metrics:



ATTENTION

Is the ad capturing people's attention?

Indicator of:
breakthrough



CONNECTION

Is there a deeper affinity to the brand?

Indicator of:
intent



ENCODING

Is the ad/brand being committed to memory?

Indicator of:
brand/product link



IMMERSION

Is the brand/message being understood and internalized?

Indicator of:
recall



COGNITIVE LOAD

What is the mental effort required to understand the ad?

Indicator of:
mental effort



PERSUASIVENESS*

Is the ad activating key decision-making triggers?

Indicator of:
engagement

*Persuasiveness is the composite score of Attention, Connection, and Encoding.

Source: The Trade Desk Intelligence and PA Consulting, *The Untapped Opportunity of Omnichannel*, October, 2024.

Why are connected omnichannel campaigns more impactful?

When a brand plans its channel buys independently of one another, consumers are more likely to experience an ad too many times or at suboptimal times, reaching a saturation point. When fatigue sets in, the impact of that ad is diminished.

But our research reveals that by applying an omnichannel campaign that works with — not against — a consumer's media experience, you can reduce audience fatigue, maximize performance, and in turn, make your media investments work harder.

This audience-first approach requires an understanding of two key concepts:



DECODING ENGAGEMENT SPACES

Our research found that every opportunity to interact with your customers is defined by three elements: mindsets, moments, and media. The better you know them, the better you'll know your customers.



MAXIMIZING CHANNEL STRENGTHS

In a connected strategy, every channel plays a different role in converting customers. Understanding the strengths of each — and how they impact one another — is critical to a successful omnichannel strategy.



DECODING ENGAGEMENT SPACES

A new framework for omnichannel marketing

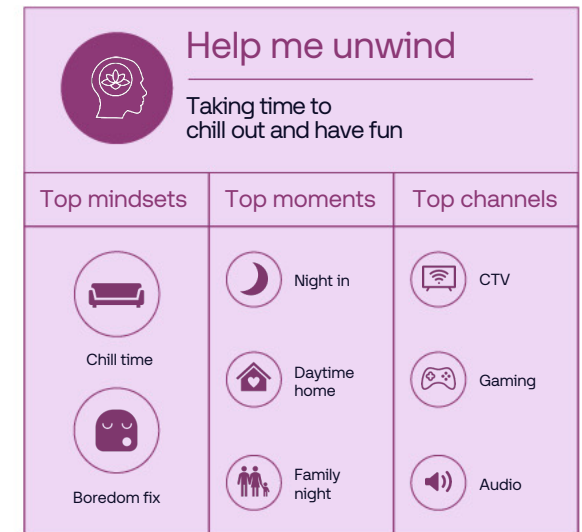
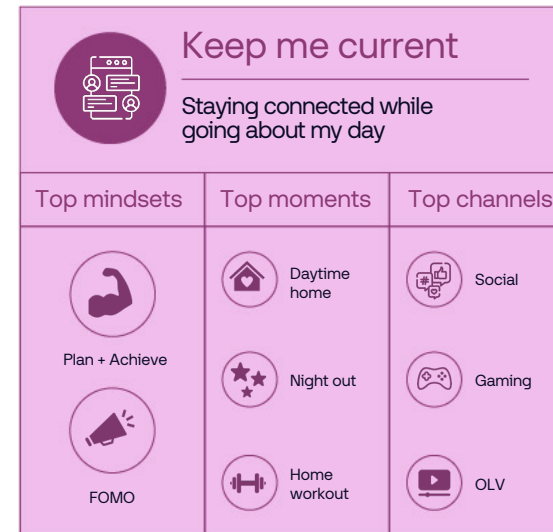
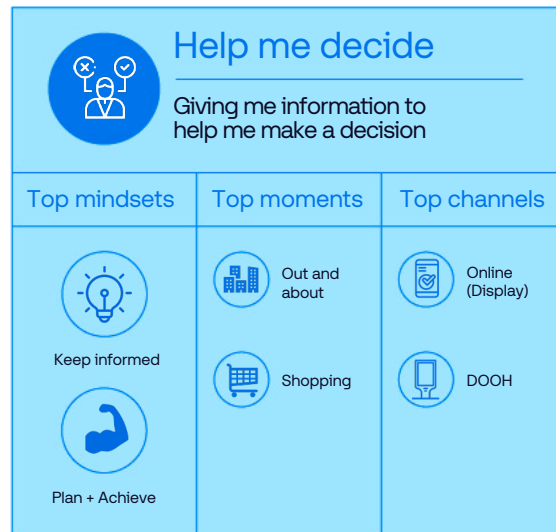
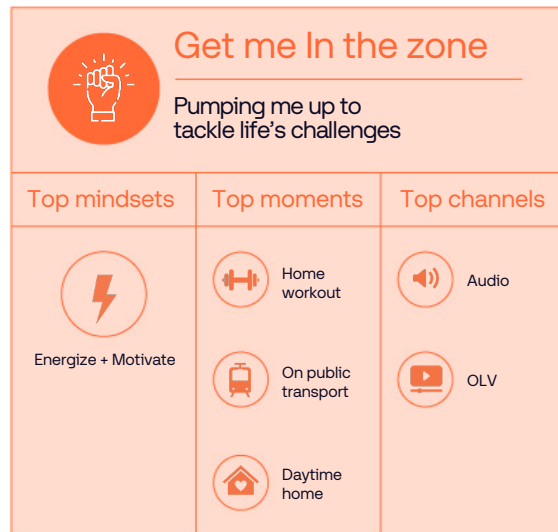
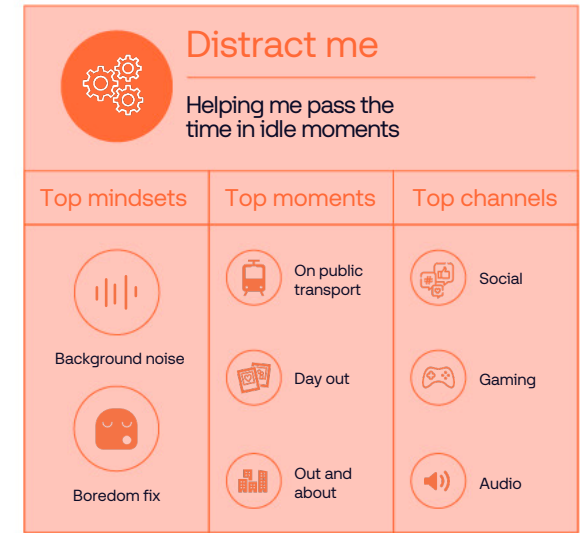
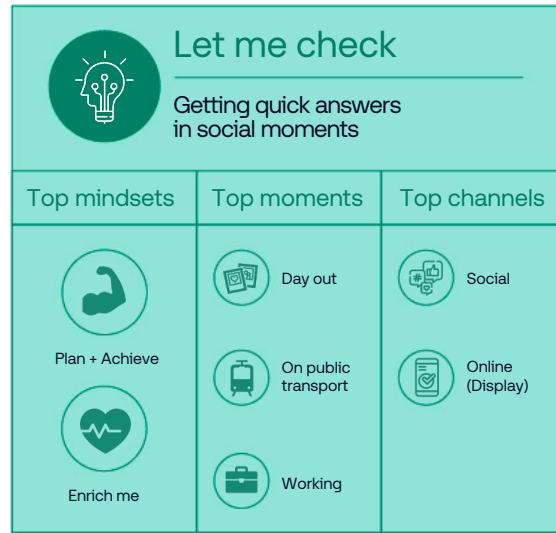
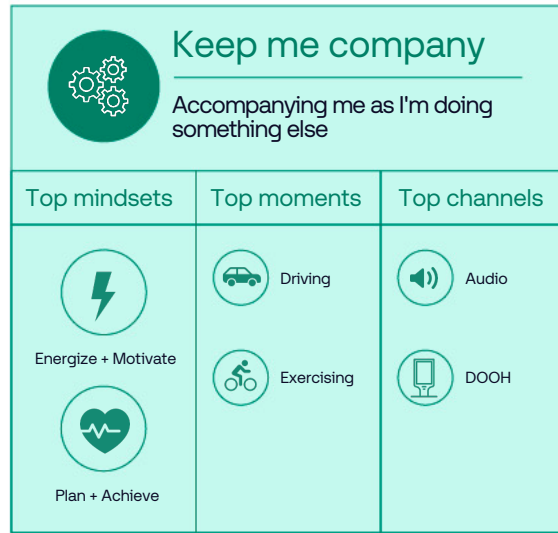
Audience behavior is often unpredictable and doesn't always follow a linear path. However, the engagement-space framework reveals some consistency in how and why consumers navigate among different media channels and formats throughout their day.

For example, someone might listen to a political podcast to “get in the zone” during their morning commute, then browse online to “help me decide” what to have for dinner. Later, as their day winds down, they may watch a cooking show to “develop my interests.”

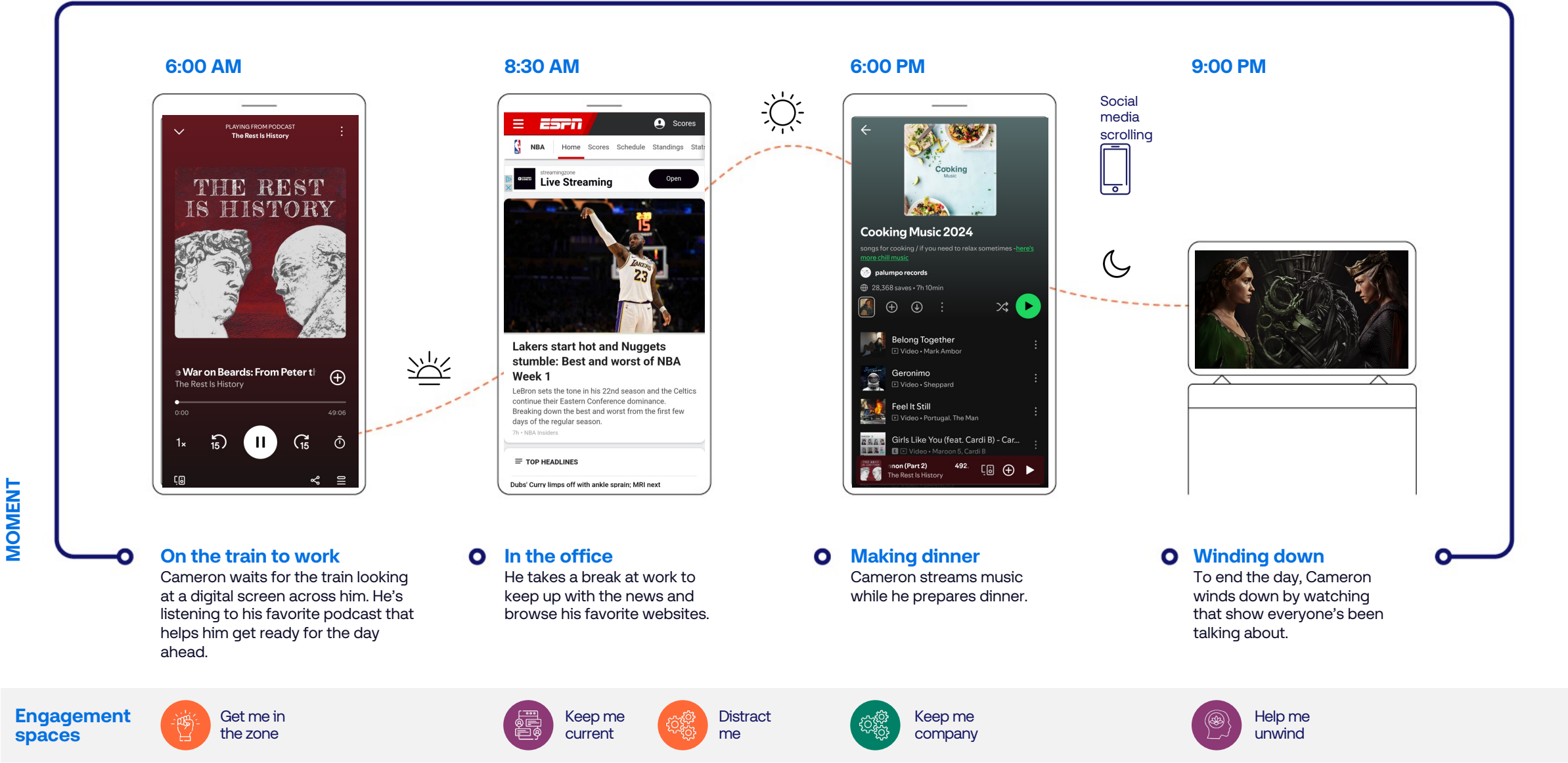
This framework provides additional insights into the mindsets driving media choices, which channels consumers turn to for what, and whether they are leaned in or passively listening.

By understanding these patterns, you can cut through the cluttered media landscape with ads that are tailored to how and when consumers experience them. This can reduce fatigue, minimize ad wastage from overexposure, and improve engagement.

Audiences move through different engagement spaces during their day



Cameron's media day: How engagement spaces help inform media consumption





MAXIMIZING CHANNEL STRENGTHS

Connecting channels based on their engagement profile can **enhance their capabilities, increase their performance, and deliver more value.** Here's how each excels.

MAXIMIZING CHANNEL STRENGTHS: CTV

CTV can build emotional connections

The visual nature of CTV gives brands a unique opportunity to build an emotional connection through storytelling. While attention is already high for big-screen streaming due to its immersive nature, our research finds that CTV consistently drives even higher attention and connection in an omnichannel campaign, while also reducing fatigue.

CTV CONSISTENTLY DRIVES



CTV IN AN OMNICHANNEL STRATEGY



Source: The Trade Desk Intelligence and PA Consulting, The Untapped Opportunity of Omnichannel, October 2024.

MAXIMIZING CHANNEL STRENGTHS: AUDIO

Audio aids short- and long-term recall

As a multitasking channel (think listening to music while working out or to a podcast while commuting), audio reaches audiences in contexts that no other media can, setting the tone and mood for different activities. In an omnichannel campaign, audio offers higher attention, connection, and immersion, with significantly less cognitive fatigue. Plus, consumers can process greater detail on audio, which improves recall across other channels.

AUDIO CONSISTENTLY DRIVES



Encoding
MEDIUM



Immersion
HIGH



Cognitive load
HIGH

AUDIO IN AN OMNICHANNEL STRATEGY



Connection
3.4x
GREATER



Immersion
1.9x
GREATER



Cognitive load
2.9x
LESSER



MAXIMIZING CHANNEL STRENGTHS: DOOH

DOOH sets the stage for brand awareness

DOOH excels at encoding brand messages in audiences' long-term memories in a non-intrusive way. It's also a strong primer for brand engagement and can make other channels significantly more impactful and effective. When DOOH is paired with audio, for example, connection and encoding soar.

DOOH CONSISTENTLY DRIVES



Encoding
HIGH



Attention
MEDIUM

DOOH IN AN OMNICHANNEL STRATEGY



Connection
5.3x
GREATER

Encoding
3.4x
GREATER



Source: The Trade Desk Intelligence and PA Consulting. The Untapped Opportunity of Omnichannel, October, 2024.

MAXIMIZING CHANNEL STRENGTHS: DISPLAY AND ONLINE VIDEO

Display and online video command user attention

Display and OLV ads create stronger brand awareness and can drive tangible actions. It's even more powerful when used in an omnichannel strategy.

DISPLAY & OLV CONSISTENTLY DRIVES



Attention
HIGH



Connection
MEDIUM



Encoding
MEDIUM



Attention
4.7x
GREATER



Connection
5.8x
GREATER



Encoding
3.3x
GREATER



Source: The Trade Desk Intelligence and PA Consulting, The Untapped Opportunity of Omnichannel, October, 2024.

PUTTING IT ALL TOGETHER

Break down silos to leverage the new omnichannel framework

By employing an audience-first omnichannel framework, you can play to the strengths of different channels while optimizing messaging and frequency. Ultimately, these connected omnichannel campaigns can create better experiences for consumers, and in turn help you drive better brand performance across every key marketing metric.

To begin building stronger connections with your audience, consider these steps:

1. Unite your channel leaders

Break down silos and bring channel experts together to create truly integrated marketing plans. Each channel leader remains vital but collaboration across channels can help enable omnichannel synergies.

2. Build a data strategy

Consider the data that's necessary to find your audience across channels. That could be first-party data that helps you build lookalike audiences or retail data that activates more precise targeting. Data is at the heart of every audience-first omnichannel experience.

3. Champion open identifiers

Channels are better when connected, but this relies on an interoperable identity strategy. Work with your partners to assess your ability to deliver more efficient, addressable experiences at scale.

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