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The Creator Economy Opportunity

WHERE AUTHENTICITY MEETS IMPACT

December 2023





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Creator Economy

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in Consumers' Lives

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Welcome to the Creator Economy



Welcome to the Creator Economy

In an era where digital content consumption is growing at an accelerated pace, we're witnessing an unprecedented shift to creator-driven content.

Creator content is not just part of digital content growth; it's leading the charge.

The numbers are clear. Digital video viewership is soaring, and creator content is rapidly gaining ground. The Creator Economy, valued at \$250 billion this year by Goldman Sachs, is expected to nearly double to \$480 billion by 2027.

This exponential growth reflects creators' abilities to spark cultural movements, make trends go mainstream overnight, and shape purchase decisions. Creator content provides a substantial opportunity for advertising that produces tangible outcomes, and marketers are taking notice.

To get the full picture of the impact of creator content for consumers and advertisers, **IAB partnered with Talk Shoppe on this first-of-its-kind, multi-phased research study** which combines quantitative surveys, qualitative interviews, and daily digital ethnographies.

Creator-driven content has gone from a niche medium to a mainstream phenomenon.

For marketers, it's the future unfolding.

Join us as we explore the Creator Economy Opportunity: Where Authenticity Meets Impact.

+ QUICK GLOSSARY

The research revealed that while studio content remains a cornerstone in ad strategies, providing consumers with immersive entertainment, the vibrant and engaging nature of creator content is attracting more ad investment and has elevated it to a "must-buy."

Advertising with creators does more than just sell products, it can speed up the path to purchase, build brand-consumer relationships, and open new engagement channels.

However, integrating creator content into traditional ad strategies poses its own hurdles. Advertisers want to ensure alignment with the right creators and maintain brand integrity, and creator-driven content is often unpredictable.

This report addresses these challenges as well as the opportunities, providing insights on:

- The unique roles of creator-driven and studio-produced video content in consumers' lives
- The distinct characteristics of creator and studio ads and their impact on the purchase journey
- Strategies for advertisers to strike a balance between creator/studio ads to maximize brand impact and ROI

Creator-driven content

is less scripted content published by anyone, from full-time creators with a staff of editors and producers to people experimenting with video for the first time. This includes short-form video, long-form content, live streams, and more, and appears on platforms such as YouTube, TikTok, and Instagram.

Studio-produced content

is scripted video, TV shows, movies, and documentaries, including clips and previews. This type of content appears on broadcast or cable TV and on streaming services.



How we got here

IAB partnered with TalkShoppe on a first-of-its-kind, multi-phased research study to investigate video content, focusing on the synergy of ads, partnerships, and the content crafted by creators and its relationship with studio content.

The research used four specialized methodologies to engage consumers and advertisers, dissect the consumer purchase journey, and understand the full impact of video content.

Results include quantitative surveys, qualitative interviews, and daily digital ethnographies.



Virtual 1:1 Advertiser Interviews

In-depth discussions with brand and media agency advertisers
n= 24



Virtual Consumer Ethnographies

Five-day online deep dive with 18- to 65-year-old video viewers
n= 41



Included a **deprivation experiment** where consumers had to give up creator and studio content for 48 hours



Online Advertiser Survey

Online survey with brand and media agency advertisers
n= 400

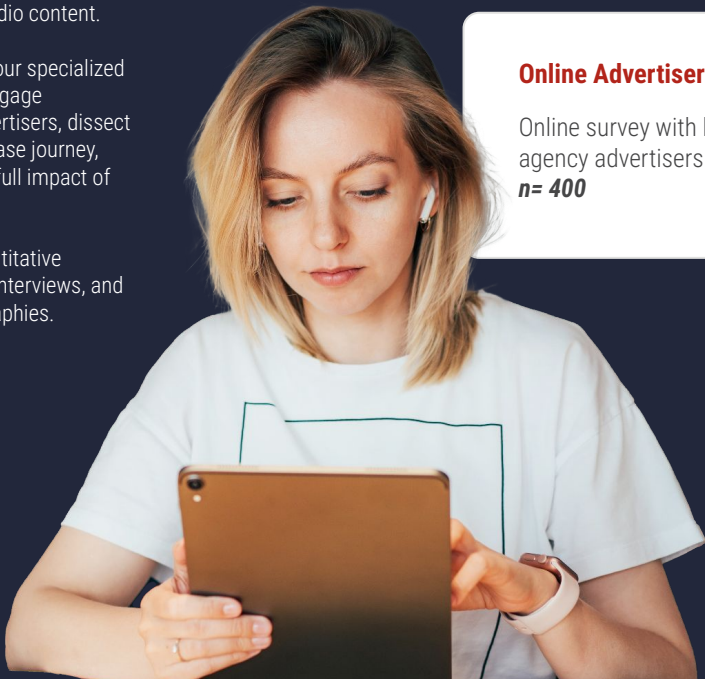


Online Consumer Survey

Online survey with 18- to 65-year-old video viewers
n= 2,001



Included **1,100+ accounts of purchase journeys** inspired by creator and studio content ads



The Creator Economy Opportunity

KEY INSIGHTS



01

Creator content is fueling digital video viewer growth

Creator content's rise from a niche to a mainstream media channel has never been more apparent. Digital video consumption is surging overall, but the audience for creator-driven content is growing faster than studio-produced content.

02

Creator and studio content have unique roles in consumers' lives

Studio content sparks conversations and immerses viewers, while creator content captivates with its personally relevant nature that inspires and engages. Both content types meet the diverse needs of viewers, establishing that "quality" content is subjective.

03

Advertisers recognize the opportunity with creator content

Consumers are equally receptive to ads in creator content as they are to ads in studio content, and advertisers are able to plan and measure successful campaigns in both environments. As a result, marketing budgets for creator-driven content will increase substantially in 2024.

04

It has a tremendous influence on the purchase journey

Creator content marketing significantly influences the consumer's purchase journey, speeding buying decisions and driving post-purchase loyalty and advocacy. It works in tandem with studio content to maximize influence on the consumer's path to purchase.

05

By taking action, advertisers can find success with creator content

By building trust with partners and creators, aligning budgets with areas of highest consumer impact, and focusing on aligning with quality content, marketers are finding long-term success integrating creator-driven advertising into their holistic media strategies.



The Role of Video Content in Consumers' Lives



Digital video consumption is at an all-time high, propelled by creator content

More consumers are turning to digital video to occupy their time than ever before, seeking engagement across sight, sound, and motion.

78% of the US population are now monthly digital video viewers¹ and those viewers are watching more than four hours per day. In fact, average daily time spent has grown by 30 minutes in the last two years as more content becomes available on digital and streaming platforms.

As time spent with digital video continues to surge, viewership is transforming, **with creator content unmistakably at the heart of this evolution.**

39% of consumers are watching more creator content than they were a year ago, compared to 22% watching more studio content across devices and services.

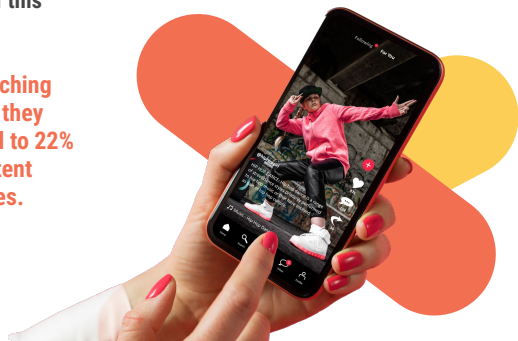
Viewership is becoming increasingly ubiquitous across devices: nearly 40% of consumers report watching creator content on their TVs. Far from just keeping pace, creator content is shaping the future of digital video engagement.

"I consume the most content here because it's quick, easily accessible, and I can watch a variety of things in a short amount of time."

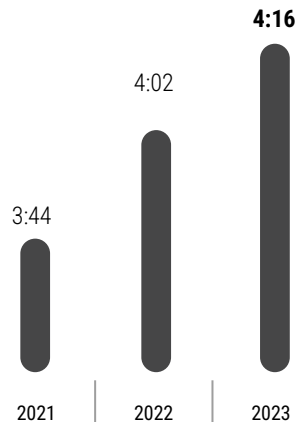
- Consumer, Female, Gen X 

"I access more creator content than I realized, and much more often make it part of my every day."

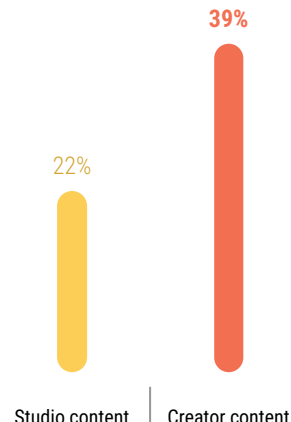
- Consumer, Male, Gen X 



AVERAGE TIME SPENT WITH DIGITAL VIDEO BY DIGITAL US VIDEO VIEWERS²
per day, hrs:min



CONTENT CONSUMERS ARE WATCHING MORE OF OVER THE PAST YEAR³
% increase past year



¹Insider Intelligence | eMarketer, September 2023

²Insider Intelligence | eMarketer, June 2023

³IAB/Talk Shoppe 2023, 2,001 A18-65 US consumers



Consumers find video content most valuable when it's personal and relevant

When identifying what's important regarding quality video content, consumers place the highest value on content that appeals to their personal interests: it's relevant to them, fits with their individual tastes, reflects their identity, and engages their attention.

In media, "quality" content is often associated with higher production characteristics. However, when considering what consumers truly value about video content, **the concept of quality is diverging from these traditional standards.**

Quality content is about more than just high-quality production. Consumers value personal relevance and engagement above all else.

Comparing the two formats, creator content more closely aligns with consumers top attributes of being personal and relevant. Studio content however excels at other top-ranked attributes such as having high production quality and providing content viewers want to watch with others.

Overall what's considered "quality" is a personal and subjective measure, defined by individual consumer preferences and the unique resonance of the content with its audience.

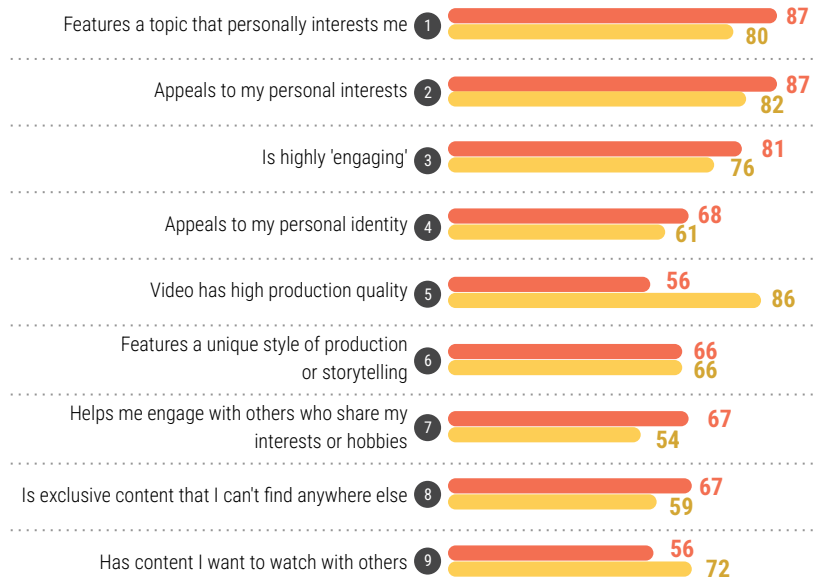
"I value authenticity and relatability as high quality traits within content. For me these are just as important as audio and video in content."

- Consumer, Female, Gen Z



VIDEO CONTENT QUALITY ATTRIBUTES RANKED IN ORDER OF IMPORTANCE TO CONSUMERS

● Creator content ● Studio content

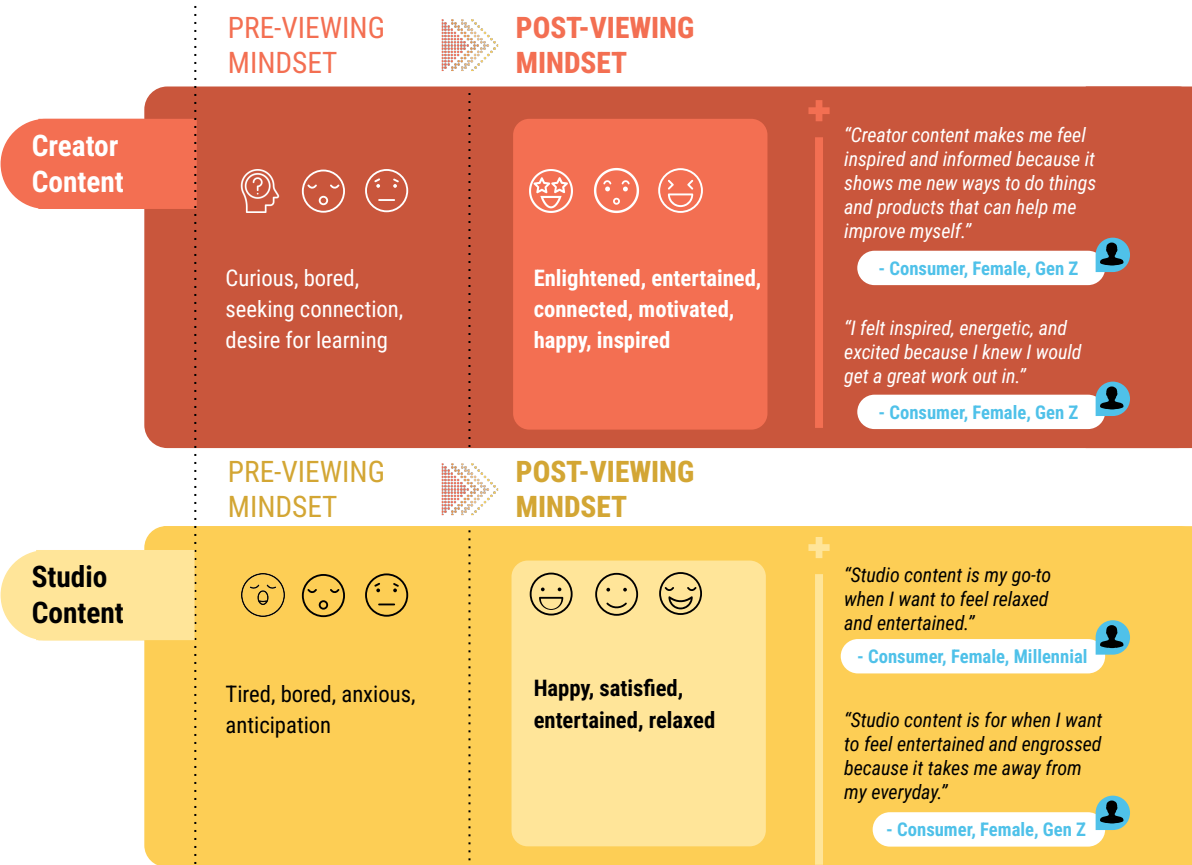


Mindsets differ across content types before and after viewing

Consumers' differing mindsets before and after consuming creator compared to studio content highlight the different roles each type plays in their lives.

Consumers approach **creator content with a desire to learn and find connection**. After watching, creator content typically results in a **positive transformation** of mindset and activities, from feeling entertained and educated to fostering a sense of community and engagement.

Studio content attracts consumers in a **more passive state**, often tired or bored, aiming primarily for **relaxation and entertainment**. The emotional journey here varies but leans towards contentment and unwinding. Post-viewing, consumers tend to participate in low-key activities including sleeping or continuing household chores. However, this viewing can also lead to discussions about the content.



When deprived, the lack of video content is disruptive to consumers' lives

++ As part of this research, consumers were asked to **completely step away from both creator and studio video content for 48 hours**. This experiment revealed that both types of content are integrated into daily routines, are sources of entertainment, and consumers miss them when they are not available.



The absence of creator content disrupted not just daily entertainment routines, but also a daily sense of community.

When consumers couldn't access creator content, their emotions spanned from frustration, to annoyance, to being overwhelmed with anxiety. There was also a broader range of intense emotions experienced than when deprived of studio content. **Consumers didn't merely miss the content, they missed their 'online friends,' the creators and the audience community.** This connection with creators is a unique bond offering a sense of community that studio content doesn't provide.

++ By contrast, missing out on studio content primarily affected their planned entertainment routines and social currency, **with feelings leaning more towards detachment and milder stress.**

The deprivation exercise highlights that while both content forms are essential in daily life, they play different roles and serve different needs. Creator content is a space where consumers engage with content and each other, forming a crucial part of their daily community interactions. In contrast, studio content serves more as a stable pillar of regular entertainment.

Creator Content

WHAT DEPRIVATION FEELS LIKE:



Frustration, detachment, boredom, annoyance, overwhelm, anxiety

WHAT IS MISSED:



Daily habits, community/social interactions, quick entertainment, personalized content

WHAT IT MEANS:

Creator content provides connection, personal relevance, and routine comfort.



"I missed the feeling of being connected."

- Consumer, Male, Gen X

"I missed having alone time scrolling and watching creator content. It can be my peace sometimes."

- Consumer, Female, Gen Z

"I missed talking to my online friends about creator content... I felt like I was missing out on gossip and discussions."

- Consumer, Female, Millennial

Studio Content

WHAT DEPRIVATION FEELS LIKE:



Detachment, boredom, stress

WHAT IS MISSED:



Routine entertainment, cultural connection, relaxation

WHAT IT MEANS:

Studio content provides daily unwinding, cultural engagement, and mental downtime.



"I missed having a vacation from thinking as I do all week long."

- Consumer, Male, Gen Z

"My spouse and I usually watch content together ... It's a way we unwind at the end of the day. I did miss that part the most."

- Consumer, Female, Millennial

"It was most difficult during meal times. I'm so used to playing TV shows/movies whenever I eat."

- Consumer, Female, Millennial

Core viewing motivations transcend content type

Looking at the top reasons consumers watch a particular type of content, many of their core motivations are quite similar.

Regardless of the content type they end up choosing, consumers are looking to be entertained, elevate their mood, and pass the time.

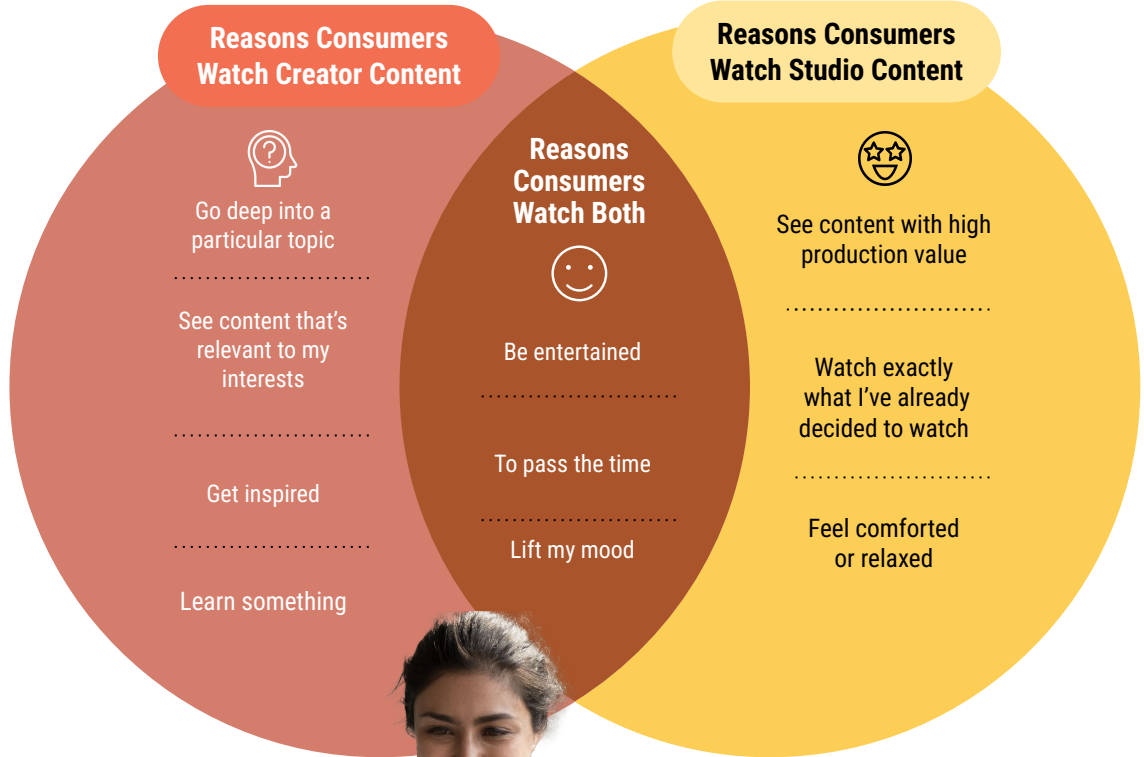
Where differences emerge is when viewers are seeking an **active, investigative experience** they tend to turn to creator content. And when they're looking to be **engrossed in a highly cinematic experience**, they seek out studio content.

"I look to creator content to research, become inspired, and support my favorite creators and beauty enthusiasts on my socials. I could watch skincare videos all day!"

- Consumer, Female, Gen Z 

"Studio-produced content is my go-to content when I want to feel more immersed in a story because it has a longer form and more setting, effects, and storytelling."

- Consumer, Male, Millennial 



“Watching videos that are packed with actionable information is a big part of why I like creator content. This is usually the easiest to access from home, work, on the go—and usually short-form videos.”

- Consumer, Male, Gen X





The Advertising Opportunity



Advertiser dollars are following the creator viewership trend

As video viewers continue to shift from linear to digital, advertiser spend is rising to capitalize on the growth. US digital video spend is projected to climb 17% in 2023 to \$55 billion at a rate more than twice that of digital media overall, and marking an acceleration in an already rapidly expanding landscape.

This upward trend is driving advertisers toward a strategic integration of both studio and creator video content, maximizing audience reach and engagement.

Studio content remains a critical component of advertising strategies, delivering broad reach and a reliable platform for broadcasting a brand's message. At the same time, creator content excels in providing direct consumer engagement, fostering a personal and authentic connection, and swiftly adapting to trends and audience preferences.

Nearly half of advertisers report they consistently allocate budgets towards creator content marketing and **44% of advertisers are planning to increase their investment in creator content in 2024, with an average increase of 25%.**

This shift indicates a growing recognition of the distinct value creator content brings to the advertising landscape, complementing the reach and dependability of studio content with its planning agility and genuine appeal.

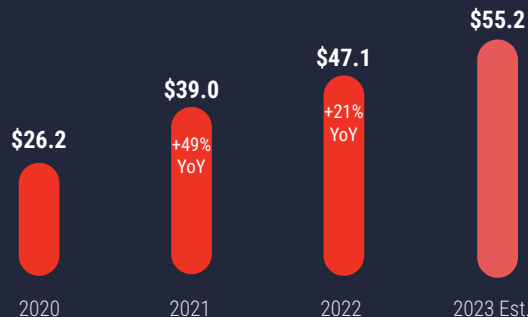
+ *"Creator content can easily reach numerous audiences, especially among niche communities, which is helpful for business and brand promotion. We expect to increase our budget."*

- Advertiser, Media Agency 

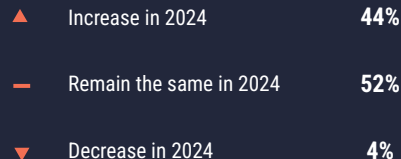
"Consumers trust recommendations from creators, making it a valuable investment for brand promotion."

- Advertiser, Brand 

US ANNUAL DIGITAL VIDEO AD SPEND (\$B)¹



I EXPECT MY BUDGET FOR ADVERTISING WITH CREATOR CONTENT WILL...²





THE ADVERTISING OPPORTUNITY

The experimental days of creator content are over

Advertiser interviews revealed that creator content has officially moved from being a “nice-to-have” to a “must-have” in media plans, driven by its authentic engagement and strategic alignment.

Creator content was at one point an experiment, limited to straightforward deals with creators. But the medium matured and advertisers that invested have seen their efforts gain credibility and increase in impact. **The result is that 89% of advertisers feel positive about creator content advertising, and 92% consider it a “premium” channel.**

Additionally, the growing ability to fluidly move budgets to creator content marketing has lifted the barriers of it being siloed in an experimental budget bucket, especially for ad agencies. As a result, advertisers see a future where creator content takes a bigger part of the digital budget, stands on its own as a strategy, and forms the basis of long-lasting brand partnerships.



89%

of advertisers report **feeling positive** about advertising alongside creator content

(49% feel very positive)



9 out of 10

advertisers agree creator content can be considered **“premium”**



86%

of advertisers say it's **easy to move ad budgets** to creator content



“My use of creative content for advertising used to be focused on reaching niche audiences. Now it is a channel I use as a mass vehicle.”

- Advertiser, Media Agency



“My use of creator content for advertising used to be to spark and initiate a conversation, and now it's more about opening hearts and minds. In the future it will be to continue the conversations and deepen the relationships.”

- Advertiser, Media Agency



++ Creator content enables advertisers to meet crucial marketing objectives

It's no surprise advertisers have now deemed creator content a "must-have," as their top reasons for investment reflect its ability to deliver on key advertising objectives: KPI and ROI effectiveness in brand-suitable environments and authentic connections with consumers.

Additionally, **86% of advertisers have confidence in the ability to measure the effectiveness of creator content campaigns**, the same confidence they have in measuring their studio content campaigns. Advertisers are able to plan their creator campaigns more assuredly when they know how they'll be able to measure their effectiveness.

+ Advertisers are also tapping into creator content as they're able to evaluate the campaigns the same way as they do for studio content. In fact, **nearly 90% are using the same KPI metrics across content types**, which include video events, conversions, viewability, ad engagements, and brand health (e.g., brand awareness, consideration, etc.). Being able to rely on familiar and trusted KPIs inspires confidence among advertisers and encourages repeat media buys.

This shared confidence in measurement, brand suitability, and consistency in metrics across studio and creator content is empowering advertisers to leverage both formats to maximize campaign effectiveness.

TOP REASONS ADVERTISERS INVEST IN CREATOR CONTENT ADVERTISING

- 1 Delivers KPI and ROI effectiveness

- 2 Offers a brand safe & suitable environment

- 3 The authentic, honest connection it forges with audiences



On budget and ROI:

"Budgets for creator content are growing as a result of its dependable ROI, authenticity, and modern capacity to successfully engage consumers."

- Advertiser, Brand



On tracking metrics:

"Creator content campaigns often provide clear trackable metrics, making it easier for advertisers to justify higher budgets based on demonstrated ROI."

- Advertiser, Media Agency



On authenticity:

"Creator content relies on the trust and credibility built with their audience. It can strengthen your brand's reputation, improve audience engagement, and increase conversions."

- Advertiser, Media Agency

Both ad environments are considered trustworthy, and offer distinct value to advertisers

When asked about each type of content, advertisers agree that creator and studio ads each have their own distinct characteristics.

When it comes to trustworthiness, advertisers place equal confidence in both creator and studio content.

Advertisers view both types of content as equally brand-safe and suitable for advertising, and can leverage the specific strengths of each content type to effectively target and engage their desired audience within appropriate environments.

Advertisers view creator content as a more engaging and relevant place to advertise than studio content, and a format that delivers unexpected inspiration with ads that reach viewers at just the right moment.

Studio content is perceived as having higher production value, with our interviewees sharing that it delivers broad reach at scale.

"The more creator content we see in partnerships with brands and big organizations, that will build more trust that this is a brand-safe environment."

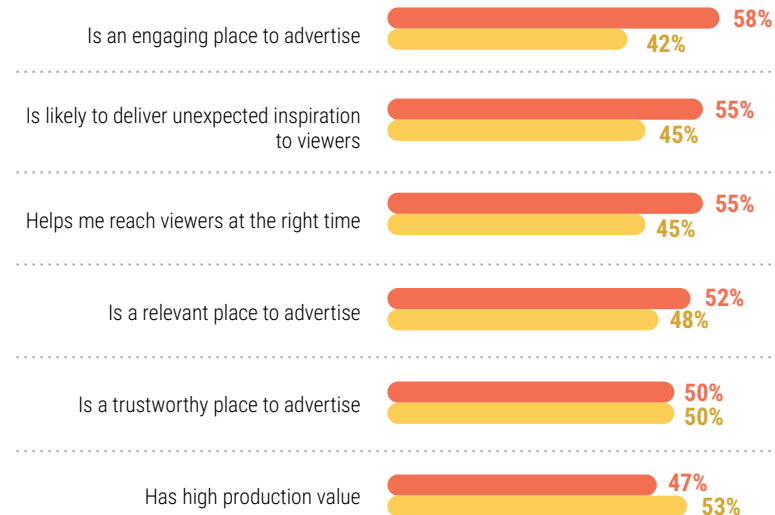
- Advertiser, Brand 

"You're engaged with an audience that's already engaged with that creator. It's just sometimes you hear your friend, creator, more than you hear your parent, studio, because you don't want to listen to your parents. It's the same thing."

- Advertiser, Brand 

ADVERTISERS: TYPE OF CONTENT EACH PHRASE BEST DESCRIBES

● Describes Creator Content More ● Describes Studio Content More

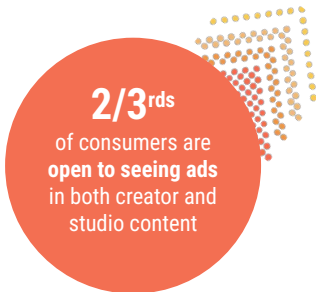




Creator and studio content share common strengths, yet each offers unique qualities for marketers

Both creator and studio content capture audience attention to brands and gain consumers' favor. And consumers are just as open to seeing ads in creator content as they are in studio content.

This parity means that no matter the choice, advertisers can reach their audience effectively through both formats. But by knowing the unique traits of each, advertisers can tailor their media strategy accordingly, whether aiming for relevance, memorability, or achieving a native ad approach. Additionally, the shorter lead times with creator content can offer greater agility in advertising planning.



"I'm more inclined to believe direct or indirect ads by people I respect. That's why I follow them."

- Consumer, Male, Gen Z



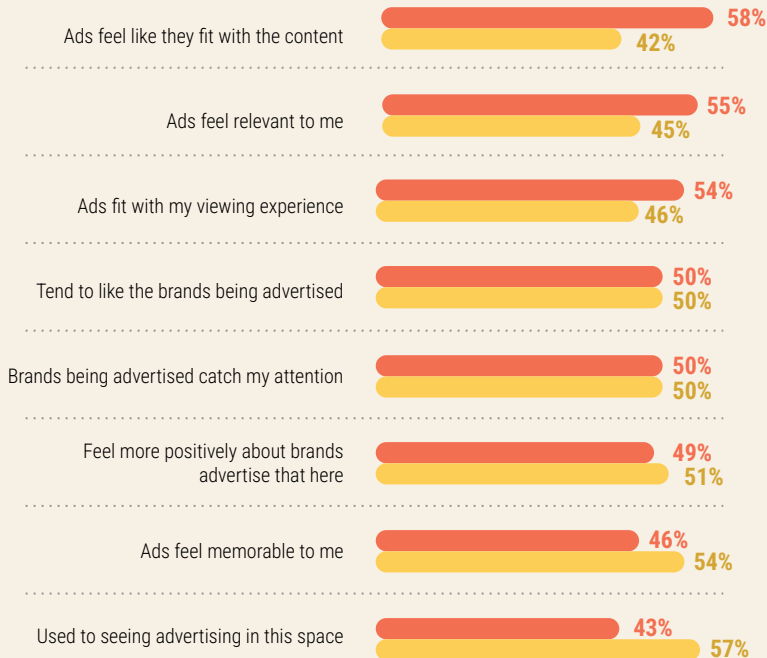
"I saw a burger commercial. The burger looked so good on TV I had to try it for myself. The ad wasn't even long, but they sure made the burger look good."

- Consumer, Female, Gen Z



CONSUMERS: ADVERTISING CONTENT EACH PHRASE BEST DESCRIBES

● Describes Creator Content More ● Describes Studio Content More



For consumers, **ads feel like they fit better within creator content** and appear as a natural part of the viewing experience. They also feel more relevant to the viewer.



Studio content is an environment where consumers **are more used to seeing advertising**, and ads in this space are perceived as slightly more memorable.

++ THE ADVERTISING OPPORTUNITY

Still, the unpredictable nature of creator content can be a barrier

While the advertising industry has embraced creator content and ad spend is swiftly increasing, **for marketers that might choose not to spend with creators there are some hesitations that could be holding back investment.**

The top reasons include the lack of control on what creators will say or where their ads will appear, fearing potential negative brand association or impact.

Next, while confidence in effective measurement is not a challenge, the performance of creator content can be inconsistent; and might not always align with a brand's image or message.

Finally, for some marketers creator content advertising is perceived as confusing to buy, or they don't know where to get started adding it to their media strategies. Education is key for overcoming this perception.

"Sometimes you have to be comfortable being a little uncomfortable, and trust the creators. Though sometimes that just doesn't happen, there is a little bit of lack of accountability."

- Advertiser, Brand 



TOP REASONS WHY MARKETERS MAY CHOOSE NOT TO INVEST IN CREATOR CONTENT ADVERTISING

- 1 Not sure what specific creators ads will be placed alongside
- 2 Inconsistent performance
- 3 Don't know where or how to add it to media plan/mix
- 4 Is confusing/complicated to buy
- 5 Lack of control over what creators will say or do

“Before, you only saw creators in the social space. Now, it's not uncommon to see a creator getting interviewed on TV or showing up to the Met Gala. They are getting more visibility, and with that visibility comes more power, and more dollars are naturally going towards working with them because they're easing out into the entire ecosystem.”

- Advertiser, Media Agency





Impact on the Consumer Purchase Journey

How content types influence behavior across the purchase funnel

Tracking the purchase journeys of more than 1,100 consumers over three months, we examined the influence of creator and studio content ads across a variety of industry categories.

PURCHASE FUNNEL



AWARENESS

Discovering a brand, product, or service



RESEARCH & CONSIDERATION

Researching and narrowing options



PURCHASE

Buying a product or service



LOYALTY

Repeating purchases



ADVOCACY

Actively recommending



+

The following industry categories were explored:

- Fast-Moving Consumer Goods/CPG
- Travel/Hospitality/Leisure
- Retail
- Apparel/Fashion/Style
- Beauty/Personal Care
- Homegoods/Garden

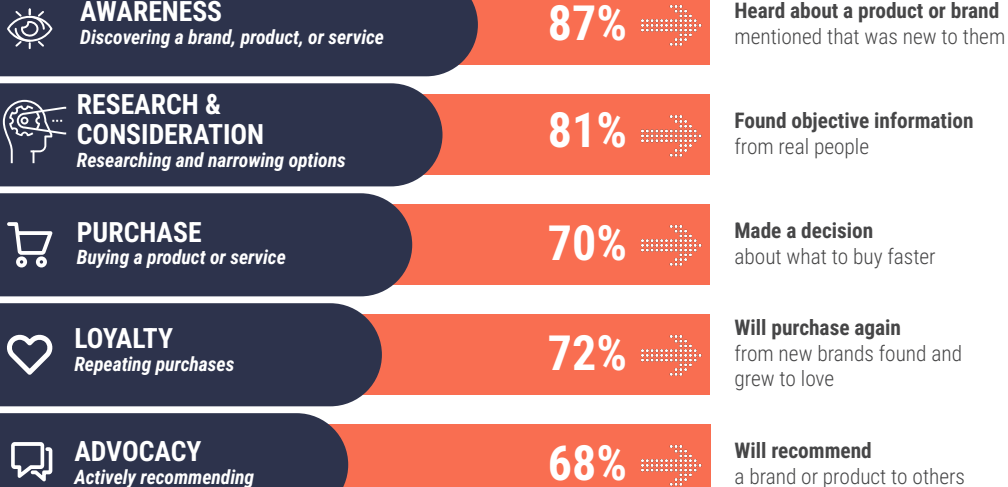
Creator content profoundly shapes consumers' purchase journey, and there are divergent ways creator and studio content guide consumer decisions at every turn of the purchase path.

Creator content influences action throughout the consumer purchase journey

Creator content ads inspire consumers to take action all along the path to purchase, from **discovering new brands and products to finding new brands they love and will purchase again.**

PURCHASE FUNNEL

CONSUMERS WHO WERE SERVED
CREATOR CONTENT ADS



+ *"Creator-produced videos can be a great way to learn about new products, services, and trends. Creators often have a deep understanding of their topic, and they can share their knowledge with their audience in a way that is both informative and engaging."*

- Consumer, Female, Gen Z 

+ *"[Creators] give honest reviews about topics like makeup or clothing and I can use their feedback to see whether or not I want to purchase."*

- Consumer, Female, Gen Z 

Creator content advertising is especially powerful at influencing consideration, loyalty, and advocacy

As consumers approach creator content to fulfill their need to learn, learn about topics, and find connection, **creator content ads have tremendous impact during the consideration and lowest funnel stages of loyalty and advocacy.**

PURCHASE FUNNEL

IMPACT OF CREATOR VS. STUDIO CONTENT ADS



AWARENESS

Discovering a brand, product, or service

No significant variance



RESEARCH & CONSIDERATION

Researching and narrowing options

+1.23x
impact vs. studio



PURCHASE

Buying a product or service

No significant variance



LOYALTY

Repeating purchases

+1.43x
impact vs. studio



ADVOCACY

Actively recommending

+1.30x
impact vs. studio

"Something creator content can do for me that other content cannot is convince me to buy products because it is catered towards me."

- Consumer, Female, Gen Z



Following consumers' purchase journeys showed the impact of both creator and studio content throughout the funnel.

While both creator and studio content have a strong influence throughout, **the creator content ads have outsized impact when it comes to the research and consideration, loyalty, and advocacy stages.**



Advertising alongside creator content inspires product consideration and speeds up the purchase journey

For consumers, **creator content is exceptionally powerful in the research and consideration stages** (it has a 1.23x greater impact for a recent purchase versus studio content). Consumers see the brand aligned to a creator that's part of their daily life and can readily envision themselves using the product. This compresses the purchase funnel, enables a purchase decision more quickly, and results in consumers who are more confident making their purchase.

PURCHASE FUNNEL



AWARENESS

Discovering a brand, product, or service



RESEARCH & CONSIDERATION

Researching and narrowing options

+1.23x
impact vs. studio



PURCHASE

Buying a product or service



LOYALTY

Repeating purchases



ADVOCACY

Actively recommending

"Creator content is a fast track to conversion. For traditional brand marketers, it eliminates what you try to accomplish in awareness. Creator content will get you the sale."

- Advertiser, Media Agency 

"An creator doing a try-on for a haul she received from a brand, or an unboxing of makeup products followed by a tutorial on how to use them—these have value to me as they are products I might want to purchase at a later date."

- Consumer, Female, Gen Z 



79%

of consumers say that seeing an ad in creator content **inspires them to find out more about a product or brand they saw** (vs. 72% for studio content)



76%

of consumers say that seeing an ad in creator content **helps them picture a product in their lives** (vs. 69% for studio content)



73%

of consumers say they **look at a product or brand mentioned in an ad on their phone, tablet, or laptop** while watching creator content (vs. 67% for studio content)



70%

of consumers say that seeing an ad in creator content **enables them to make a decision about what to buy faster** (vs. 61% for studio content)

Creator content boosts consumer confidence, collapsing the funnel

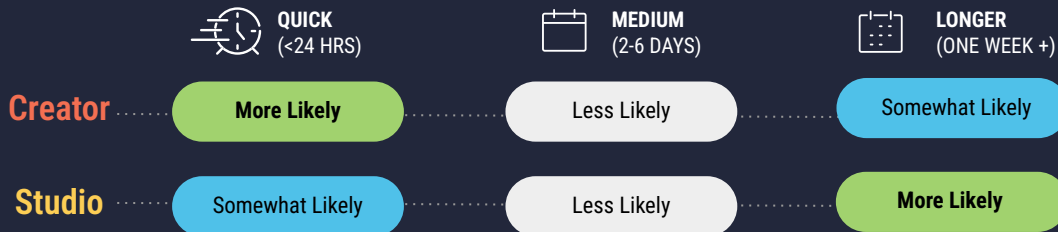
RESEARCH & CONSIDERATION Researching and narrowing options

To more deeply understand the influence of creator and studio content ads, we had consumers detail their actual purchase journeys after exposure to various types of advertising.

While ads aligned with both types of content inspired purchases, creator content ads are notably more effective in collapsing the funnel, enabling multiple stages to happen simultaneously. These ads foster a more confident and rapid buyer decision-making process.

Creator content ads drive quicker and more decisive purchase decisions—often within a day. Studio content ads lead to decisions made over a longer period.

PURCHASE DECISION TIMEFRAME AFTER AD EXPOSURE BY CONTENT TYPE



ACTUAL PURCHASE JOURNEYS FOR HEALTH SUPPLEMENTS

Creator Time Spent: A few minutes

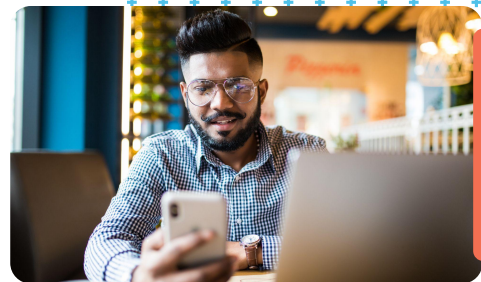
- 1 Became aware watching a promo by the creator
- 2 Clicked the affiliate link in the creator's description
- 3 Made online purchase

Studio Time Spent: 2 days

- 1 Saw the product during a TV program
- 2 Researched product information online
- 3 Read reviews on workout forums
- 4 Went to product website, read more reviews
- 5 Made online purchase

Creator content advertising drives impact post-purchase, increasing loyalty and brand advocacy

Creator content ads are more effective at increasing brand loyalty (they have a 1.43x greater impact than studio content) and inspiring brand advocacy (where they have a 1.3x greater impact than studio content). Aligning with creator content builds brand favorability prior to purchase while continuing to drive value post-purchase - resulting in powerful long-term brand relationships.



PURCHASE FUNNEL



AWARENESS

Discovering a brand, product, or service



RESEARCH & CONSIDERATION

Researching and narrowing options



PURCHASE

Buying a product or service



LOYALTY

Repeating purchases



ADVOCACY

Actively recommending

+1.43x
impact vs. studio

+1.30x
impact vs. studio

"After purchasing the product, I was proud to wear it, share it with my friends, and even got some of my friends to purchase some apparel as well."

- Consumer, Male, Millennial



"Many creators maintain a regular posting schedule, which helps me build trust and loyalty."

- Consumer, Male, Gen X



75%

of consumers say that seeing an ad in creator content helps them get more out of the products they buy (vs. 61% for studio content)



68%

of consumers say that after seeing an ad in creator content they're inspired to recommend a brand or product to others (vs. 63% for studio content)



67%

of consumers say that after seeing an ad in creator content they're motivated to talk about brands and products with others (vs. 63% for studio content)

“Many marketers still think of creator marketing as a brand awareness driver only. But as the channel has evolved, it's increasingly become a powerful tool for driving action and results at every stage of the funnel, from awareness and consideration, to conversion and even advocacy.”

- Advertiser, Media Agency





Call to Action

Turning insights into action

It's time to transform insights into action, and **unlock the marketing potential of the creator economy.**

It's time to **redefine the rules, seize opportunities, break barriers, and create a new framework for success.**

This is your call to action, and your chance to shape the future of advertising in the digital landscape.



Redefine the rules

Prioritize content that meets both consumers' and brand's needs



Break barriers

Solutions for how to get started working with creators



Seize the opportunity

How to best fit creator content in your mix



Put it to work

Capitalize on partnerships and trust





CALL TO ACTION

Redefine the rules: The barometer for video content is quality



When it comes to what consumers care about most with video content, many advertisers aren't in sync. **Only 3 of the top 10 video content attributes for consumers align with the top attributes for advertisers.**

While consumers place more value on the personal resonance of content, many advertisers still consider high-production values to be most important—a trait of what's traditionally considered "premium" content. But production value is no longer the sole hallmark of great content for consumers, nor does it guarantee that advertisers will connect with their audience or achieve their goals.

This pivot redefines the measure of video for marketers. The real value lies in "quality" content that resonates with viewers, delivers what's personally important to them, remains authentic, and meets brand objectives.

This is an opportunity for advertisers to not only adjust their media strategies, but their creative strategies to prioritize quality content that meets the needs of consumers and brands.

Advertisers and consumers are misaligned when it comes to attributes of importance in video content



"Something about the content creator makes me feel connected and a part of things. It's a very personal thing. I feel like I know them, and look forward to seeing them each time they post. They become a part of my life. I guess that is the quality I treasure above all else."



- Consumer, Female, Gen X

"I'm trying to keep up with trends so the production is of less value. It is the relevant content I'm after."



- Consumer, Female, Gen X

"Premium... feels like 'Well, there could be an extra fee or could go behind the paywall.' Quality seems more ubiquitous, 'I'm creating good content for the people.' Although the two probably aren't mutually exclusive, I think the way they're positioned is very different."



- Advertiser, Media Agency

WHAT CONSUMERS CONSIDER IMPORTANT IN QUALITY VIDEO CONTENT

- 1 Features a topic that personally interests me
- 2 Appeals to my personal interests
- 3 Is highly engaging
- 4 Appeals to my personal identity
- 5 Uses high-production value video
- 6 Features a unique style of production or storytelling
- 7 Helps me engage with others who share my interests or hobbies
- 8 Is exclusive content that I can't find anywhere else
- 9 Has content I want to watch with others

ADVERTISER RANKING

8

17

1

21

2

5

19

18

13



Seize the opportunity: Advertisers can optimize their media mix throughout the funnel

Ads around creator content have a more powerful effect on consumers at three key stages of the purchase funnel: research and consideration, loyalty, and advocacy. These are moments when consumers seek deep engagement with brands and presents **opportunities to optimize ad formats throughout the funnel** where creator dollars will have the most impact.

PURCHASE FUNNEL

IMPACT ON CONSUMERS:
CREATOR VS. STUDIO
CONTENT ADS



AWARENESS

Discovering a brand, product, or service

No significant variance



RESEARCH & CONSIDERATION

Researching and narrowing options

+1.23x
impact vs. studio



PURCHASE

Buying a product or service

No significant variance



LOYALTY

Repeating purchases

+1.43x
impact vs. studio



ADVOCACY

Actively recommending

+1.30x
impact vs. studio

Creator content is effective in the consideration phase due to authenticity, relatability, niche appeal, engagement, informative reviews, and the ability to reach specific audiences across diverse platforms.

- Advertiser, Media Agency



"It is very effective because it builds strong, personal connections with audiences and fosters trust, relatability, and ongoing engagement through authentic and niche content."

- Advertiser, Media Agency



Advertisers can align their budgets and strategies to effectively use creator content by **focusing on the stages where it has the biggest impact on consumers: research and consideration, loyalty, and advocacy.**



Break barriers to maximize potential

For marketers that might choose not to invest with creators, there are three areas holding back spend: not knowing how to get started, uncertainty of where ads will appear or what creators might say, and inconsistent performance.

However, just as the creator economy has evolved, so have tools and services to address these challenges, and ensure creator marketing is accessible for all advertisers.

By partnering with platforms and creators, and following best practices, advertisers can break through these perception barriers and find success integrating creator-driven marketing into their media strategies.

"For some folks, brand safety is a big hurdle to overcome. So, it's really teaching them about how we approach brand safety and suitability."

- Advertiser,
Media Agency



"There's always going to be fear of what that creator is going to do online. So we have to find creators that align with your brand."

- Advertiser,
Brand



Creator Activation

Navigating creator content can be challenging, with a variety of options and paths to get started



Ad Placement Uncertainty

Advertisers are not completely sure where their ads will appear or what creators will say/do



Performance Variability

The performance of creator content towards KPIs can be inconsistent

- **Advertisers can partner with creator-driven platforms** and use their ad solutions to treat creator-produced content as a media channel. Like other media, advertisers can select marketing objectives, upload creative, and run campaigns so ads show up alongside the optimal content.
- **Advertisers can also work with creator agencies, or go through creator-driven platforms to partner with a creator directly.** Start with a sharp, informative brief and general content guardrails. From there, let the creator take the lead. Have confidence in their production style and storytelling techniques so they can authentically connect your brand with their audience.
- **Many platforms have instituted brand safety and suitability controls** that ensure creator content is safe to run alongside advertising, as well as provide the ability to tailor ad placements across platforms.
- With the rise of AI, video platforms are already using it to identify and remove harmful content and spam that violates platform rules.
- **The Global Alliance for Responsible Media (GARM)** has brought together the industry to improve digital safety, aiming to address harmful and misleading media environments and develop a concrete set of actions, processes, and protocols for protecting brands.
- The most reliable way to track performance is by **managing your campaigns through creator-driven platforms.** Leverage platform ad solutions to test, learn, and optimize your campaigns in real time.
- Or, if you're partnering directly with a creator, **collaborate with them on strategies to track performance** such as discount codes and affiliate links.
- Incorporate creator-driven platforms into your overall media strategy. Consider all channels—traditional TV, digital, and social media—and ensure your media investment optimizes ad delivery to meet campaign objectives.

Put it to work: Trust your partners. Trust the creator.



Trust your partners

Marketing with creators means developing campaigns that are authentic and genuine to what the creator is about. **Advertisers can benefit from bringing creative and media agencies together to the table.**

Creative agencies know how to seamlessly integrate your brand with the creator and their audiences, while media agencies have experience driving creator marketing efforts and ensuring the effectiveness and ROI of advertising with creators.

Trust the creator

Creators know their audience. Let them guide the best way to bring your brand into their environment. They'll understand the value of maintaining authenticity and their relationship with their followers, while bringing your brand to life.

Refrain from requesting creators to do something they don't normally do, and give them room to stay genuine to their audience. That's what delivers the relevance and personal interest consumers want to see in their video content when it comes to quality.

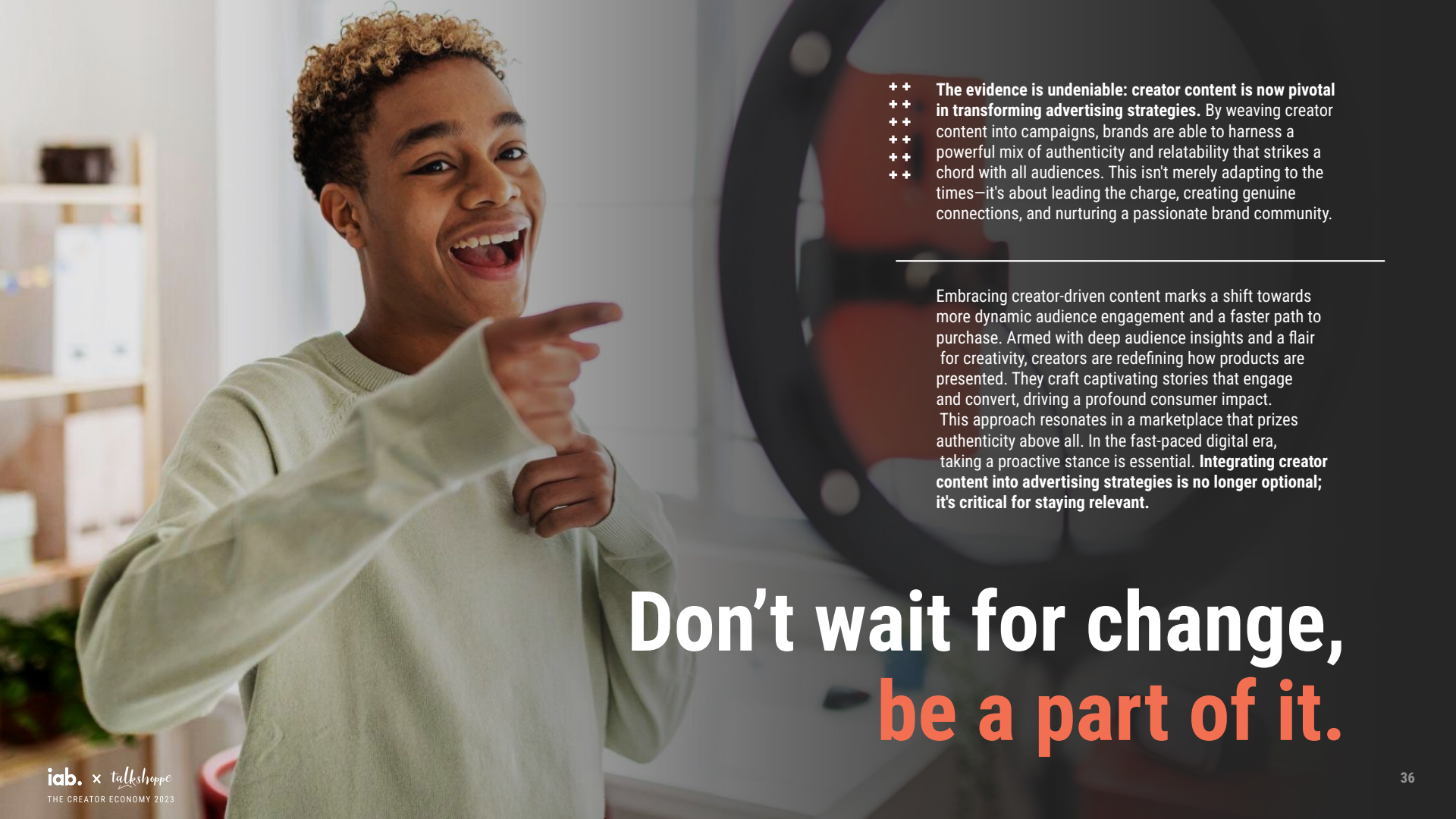
90% of media agency advertisers are **confident** in their ability to measure the effectiveness of **creator-produced content** in their marketing mix

+ *"My use of creator content today is more about opening hearts and minds because the creators are the people who I'm going to trust as an advertiser, since I know my consumer trusts them. At times, they will trust the creators more than what my brands have to say."*

- Advertiser, Media Agency 

+ *"With creators, you typically go through an agency that understands how to work with them and have done a deep dive into their character into how they create what they create. There's a lot of due diligence that happens up front."*

- Advertiser, Brand 



++ **The evidence is undeniable: creator content is now pivotal in transforming advertising strategies.** By weaving creator content into campaigns, brands are able to harness a powerful mix of authenticity and relatability that strikes a chord with all audiences. This isn't merely adapting to the times—it's about leading the charge, creating genuine connections, and nurturing a passionate brand community.

Embracing creator-driven content marks a shift towards more dynamic audience engagement and a faster path to purchase. Armed with deep audience insights and a flair for creativity, creators are redefining how products are presented. They craft captivating stories that engage and convert, driving a profound consumer impact. This approach resonates in a marketplace that prizes authenticity above all. In the fast-paced digital era, taking a proactive stance is essential. **Integrating creator content into advertising strategies is no longer optional; it's critical for staying relevant.**

**Don't wait for change,
be a part of it.**

About IAB



The Interactive Advertising Bureau empowers the media and marketing industries to thrive in the digital economy. Its membership comprises more than 700 leading media companies, brands, agencies, and the technology firms responsible for selling, delivering, and optimizing digital ad marketing campaigns. The trade group fields critical research on interactive advertising, while also educating brands, agencies, and the wider business community on the importance of digital marketing.

In affiliation with the IAB Tech Lab, IAB develops technical standards and solutions. IAB is committed to professional development and elevating the knowledge, skills, expertise, and diversity of the workforce across the industry. Through the work of its public policy office in Washington, D.C., the trade association advocates for its members and promotes the value of the interactive advertising industry to legislators and policymakers. Founded in 1996, IAB is headquartered in New York City.

www.iab.com



About Talk Shoppe



Talk Shoppe is an award-winning, female-owned research agency founded in 2010 and based in Los Angeles. They reject the one-size-fits-all approach, focusing on delivering the 10% of data that truly matters to clients' businesses. Talk Shoppe's foundation lies at the intersection of strategy and consumer market insights, providing exceptional service and innovative solutions.

Celebrating over a decade in business, Talk Shoppe is certified by the Minority Supplier Development Council and the Women's Business Enterprise Council. They specialize in serving world-class brands across various industries, including media and entertainment, consumer packaged goods, and technology, helping them navigate growth and innovation with confidence.

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