

NATIONWIDE SHOPPABLE TV SURVEY

STRATEGIES FOR SUCCESS

White Paper

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SHOPPABLE TELEVISION: STRATEGIES FOR SUCCESS

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INTRODUCTION

In December 2024, Origin conducted a survey to gain a deeper understanding of consumer perceptions and behaviors regarding shoppable Connected TV (CTV) advertising. By polling over 10,000 U.S. households, our aim was to uncover insights into how consumers interact with CTV ads and their preferred methods for purchasing products advertised on television. This information is crucial for developing effective strategies that align with consumer preferences, thereby enhancing engagement and driving sales.

The survey revealed that consumers have grown to expect increasingly seamless experiences across devices. **The information contained** within this report provides vital strategies on how brands can drive both brand affinity and direct conversions.

By understanding these consumer behaviors and preferences, brands can fuse cutting edge creative solutions with bold strategies to meet consumers wherever they are in the purchasing process, effectively transforming CTV into a versatile platform for engaging audiences at every stage of the buying journey.



WHAT IS SHOPPABLE TELEVISION?

Shoppable TV can be defined as the use of CTV/TV advertising to deliver a direct and/or immediate commerce experience to the viewers watching. It allows viewers to purchase products featured in shows, movies, or advertisements directly from their screens—whether through a remote, QR code, or voice command—without disrupting the content.

By combining engaging storytelling with real-time shopping opportunities, Shoppable TV creates a frictionless and immersive experience that transforms passive viewers into active consumers. Through personalized product recommendations and the ability to tailor the call to action based on the viewer, Shoppable TV is redefining how brands connect with audiences and how consumers shop.



QR Codes

Viewers scan on-screen QR codes with their phones to shop instantly.



Interactive TV Adverts

Viewers use their remote to browse and purchase products directly onscreen.



Voice-Activated Shopping

Viewers use voice commands with smart devices to buy products seen on TV.



Shoppable Slots

Complete contacts to be reached out in a different way outside the TV ecosystem. With **62%** of consumers discovering new products through TV-based marketing and millions already making purchases directly from what they see on screen, it's clear that TV has **evolved beyond being a top-of-the-funnel** marketing channel. By 2027, nearly **108.7** million U.S. consumers are expected to engage with shoppable media, making up almost half of all digital shoppers. Plus, the rise of "second screening," with **210.2** million people using their phones while watching TV by 2025, makes it even easier for viewers to go from watching to buying in seconds. As this trend accelerates, television will become an even more powerful driver of performance, delivering a seamless and engaging shopping experience.



- Consumer Spending: Over the past year, more than half of consumers spent between \$100 and \$499 on products they encountered during TV shows, with nearly 19% spending \$500 or more. (<u>Business Wire</u>)
- Future Projections: By 2027, the U.S. is expected to have approximately 108.7 million shoppable media buyers, representing 46.6% of all digital shoppers. (Business Wire)
- Product Discovery: Television remains a significant medium for brand discovery, with 62% of consumers finding new products through TV content. (MNTN Research)
- Second-Screen Usage: The rise of "second screening," where viewers use mobile devices while watching TV, is notable. This behavior is projected to include 210.2 million U.S. users by 2025, facilitating seamless transitions from viewing to purchasing. (Business Wire)

QUALITY DRIVES ACTION

Just because you can buy something with the click of a button, doesn't mean you will. Both the quality and relevance of the creative's messaging are essential if the viewer is to make that decision. A well crafted ad is a love story waiting to happen.

It's not just about showcasing the product; it's about weaving a narrative, evoking emotions, and leaving viewers wanting more. Investing in storytelling that captivates the viewer, you are creating a desire, a need, an 'I-can't-live-without-it' feeling. If I see something in the context of 'who I am' then it is more likely that i will see that thing existing in my life.

Why does ad quality matter more than ever in the age of shoppable TV?

It's the first impression. In a world of instant gratification, viewers have little patience for generic ads. A high-quality ad grabs their attention and makes them want to learn more.

It builds trust. A well-produced ad conveys professionalism and credibility, essential factors in establishing trust with potential customers

Compelling Creative Converts. Compelling creative earns interest by using emotionally resonant storytelling and seamless calls-to-action, thereby offering true value in exchange for engagement

Breaking Through Banner Blindness. In today's cluttered digital landscape, shoppable TV stands out as the only content on screen, offering an uninterrupted, immersive experience that grabs attention and keeps it focused on the brand.

When asked by Origin the true reason why quality is important, the data showed not everyone wants every moment to be shoppable. When asked if they were more or less likely to purchase after seeing a TV ad:

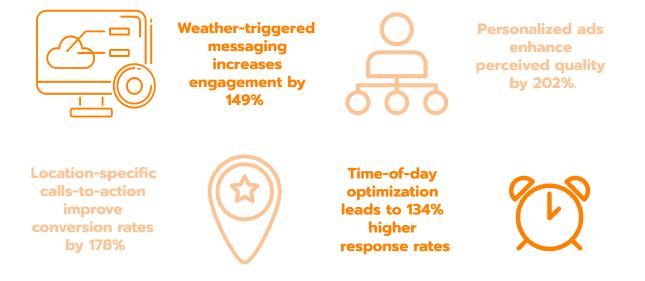


Everyone is different, from preferences to shopping journeys, making ad quality more important than ever. High-quality visuals, compelling storytelling, and a seamless call to action capture attention and build trust. In a world where consumers can skip in seconds, investing in engaging ads is essential. A great ad doesn't just inform—it inspires, turning casual viewers into loyal customers.

Consider focusing on story-driven, high-quality shoppable TV ads that captivate audiences, build trust, and inspire action. If your ad struggled to deliver brand uplift, do not be surprised to get the same outcome using direct Call-to-action.

MAXIMIZING PROBABILITY THROUGH CREATIVE INNOVATION

By leveraging dynamic creative strategies—such as A/B testing, location-based messaging, and time-sensitive offers—advertisers can continuously refine their campaigns to maximize impact. The result? More meaningful connections with audiences, higher engagement rates, and a measurable boost in performance.



Dynamic creative doesn't just improve performance metrics—it elevates the overall quality of CTV advertising. By leveraging real-time data and automation, advertisers can A/B test different messaging, visuals, and calls-to-action to identify what resonates most with viewers.

This iterative approach ensures that every ad is optimized for engagement, delivering a more relevant and compelling experience. Whether adjusting creative based on audience segments, contextual triggers, or past interactions, dynamic personalization turns static campaigns into continuously improving, high-quality ad experiences that drive better results.

Origin <u>case studies</u> demonstrate the power of this approach:

Retail brand saw **312% increase** in store visits using weather-triggered messaging **OSR** achieved **267% higher** conversion rate with time-of-day optimization **DTC** brand realized **189% improvement in ROAS** through narrative testing

DIFFERENT VIEWERS, DIFFERENT JOURNEYS

Just like some folks prefer shopping malls over websites, it is important to accept that buying something directly through the TV is not everyone's cup of tea. A successful campaign strategy understands its audience and tailors its approach accordingly, segmenting viewers and crafting targeted campaigns that resonate with their preferences. For technology lovers, go all out with interactive ads and personalized recommendations. For the more traditional shoppers, offer a gentle introduction to shoppable TV that highlights its convenience, while inspiring a quick online search or trip to the store.

Preferred Method of Purchase

After seing an advert placement on television





To maximize direct sales, the data clearly supports adopting a multifaceted approach to shoppable TV. As shown in the chart above, **46.09%** of consumers prefer searching online after seeing a TV ad, while **33.13%** prefer in-store purchases, and smaller segments engage through QR codes (**10.90%**) and TV remote controls (**9.87%**).

Relying on a single purchase method risks alienating a large portion of potential customers. By offering diverse, flexible shopping options tailored to varied preferences, brands can significantly expand their reach and drive higher conversion rates.

How to personalize the shoppable TV experience:



Know your audience

Use first and third party data to understand your viewers' demographics, interests, and shopping habits.



Tailor your content

Create different versions of your ads to appeal to different audience segments.



Offer a variety of shopping options

Some viewers may prefer to purchase directly through their TV, while others may prefer to complete their purchase on their phone or computer.



Use dynamic ad insertion

Deliver personalized ads to individual viewers based on their viewing history and interests.

Personalization is key to unlocking the full potential of shoppable TV. By understanding your audience and tailoring your approach, you can create a more engaging and effective shopping experience.

Product Fit & Brand Balance

Not every product is a match for shoppable TV. Similarly, some products lend themselves better to the shoppable TV format than others. Think impulse buys, trendy gadgets, and products with a 'wow' factor. But here's the kicker: It's not just about the product; it's about the brand. Shoppable TV offers a unique opportunity to weave your brand identity into the broader story you are telling. It's about finding that sweet spot between performance marketing and brand building.





Align your brand's personality and values with the product you are selling.

Integrate Products Seamlessly into Storytelling: Feature products naturally with engaging narratives which enhance authenticity.

Maintain Consistent Visual and Messaging Standards: Ensure that product product visuals adhere to your brand's established aesthetic and communication style.



Why is product fit so important for shoppable TV?

Impulse buys rule.

Shoppable TV is perfect for products that trigger instant gratification, like that must-have kitchen gadget or the latest fashion accessory.

Wow factor sells.

Products with a strong visual appeal or a unique selling proposition tend to perform well on shoppable TV.

Brand building matters.

Shoppable TV offers a unique opportunity to showcase your brand's personality and values, not just your products.

What our panel said they would buy

Understanding consumer preference is crucial, especially when it comes to shoppable TV.

Insights from this survey discloses a previously unknown understanding of the most popular product categories, and offers actionable recommendations for converting every type of audience being targetred

> Household Supplies (24.4%)

Why They Buy: Consumers seek convenience and value in essential items that simplify daily tasks.

Marketing Strategy: Emphasize product quality and practicality. Utilize clear, informative visuals and highlight time-saving features to appeal to efficiency-minded shoppers.



Clothes and Personal Items (24.4%)

Why They Buy: Shoppers are drawn to apparel and accessories that reflect personal style and current trends.

Marketing Strategy: Showcase diverse, fashion-forward selections. Incorporate lifestyle imagery and user-generated content to create relatable, aspirational campaigns.



Why They Buy: Purchasers of luxury items value exclusivity, superior craftsmanship, and status symbols.

Marketing Strategy: Highlight the uniqueness and quality of luxury products. Employ elegant, highquality visuals and storytelling that convey the brand's heritage and prestige.



Why They Buy: Consumers appreciate the ease of booking travel directly from their screens and are enticed by exclusive offers.

Marketing Strategy: Highlight special discounts and unique travel packages. Use high-quality visuals to showcase destinations and accommodations, and ensure a seamless booking process with clear calls to action.

ORIGIN'S DYNAMIC SHOPPER SOLUTIONS

Respecting your audience is paramount. Gone are the days of generic creatives and static targeting; marketers need to be able to reach into the hearts and minds of their customers. Enter Origin - the full package when it comes to finding, engaging and converting your audiences on TV.



What is it?

It's dynamic and continuously evolving tools that help you understand your client on a deeper level and speak to them accordingly.

It's delivering hyper-targeted creatives that understands different shopping habits and speaks directly to every different persona.

It's building relationships and forging loyal customers who will want to be back for more.

How Does It Work?

By analyzing a wide range of data points, including demographics, viewing habits, and purchase history, the framework paints a vivid picture of your ideal customer and more importantly their preferred shopping modality. Utilizing Origin's dynamic overlay and ad extension products, we are then able to create the perfect story for the viewer

If they like shopping in store, we dynamically overlay their nearest location. If they like to buy online, we dynamically pull up a unique URL for them to search. If they like to shop on their phone, we dynamically serve a QR code.

Personalize the shopping experience: Tailor your shoppable TV campaigns to resonate with individual viewer segments.





Maximize ad relevance and engagement: Deliver the right message to the right audience at the right time.

Drive conversions and foster loyalty: Transform passive viewers into active, engaged buyers.



Tailoring ads in real time to match each shopper's preferences isn't just innovative—it's essential. With Origin's brands have seen purchase likelihood surge by up to **300%**, making every ad more relevant, actionable, and effective.

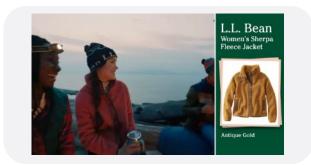
By seamlessly tailoring ad content to align with individual users, Origin has demonstrated that purchase likelihood can increase by up to **300%**.

Origin achieves this by utilizing it creative technology platform to either extend or overlay the advert. By using either the <u>dynamic ad overlays</u> or <u>native ad extensions</u>, Origin will customize each experience.



ONLINE SHOPPERS

For users who prefer shopping online, we provide searchable terms and highlight specific items, directing them to personalized URLs for seamless online purchasing.





IN STORE SHOPPERS

For those favoring in-store experiences, we dynamically display information about the nearest store locations, including maps and operating hours, facilitating convenient visits.





For consumers inclined to use QR codes, we integrate dynamic QR codes that, when scanned, offer instant access to product details, promotions, or direct purchase options, enhancing the shopping experience.



EXECUTIVE SUMMARY

Understanding and catering to individual shopping preferences is essential for driving engagement and sales. By leveraging first and third party data such as demographics, location, and purchase history—brands can craft highly personalized and adaptable advertising experiences that resonate with consumers.

Origin's Dynamic Creative framework enables full creative adaptability, ensuring that every element, from overlays to core messaging, aligns with each potential customer. By moving beyond one-size-fits-all campaign strategies, you are transforming your ads into genuine experiences that feel more like personalized shopping assistants.

By aligning marketing efforts with consumer behaviors and motivations, brands can foster deeper connections, enhance brand loyalty, and drive higher conversion rates. Origin's datadriven, dynamic creative capabilities empower brands to engage consumers more effectively across all major shopping preferences, ultimately increasing satisfaction and sales.

> To learn more about Origin's Dynamic Creative Framework for shoppable TV or to request a custom demo, write to: <u>solutions@originmedia.tv</u>