



OPEN INTERNET REPORT 2024 | U.K.

Mind the gap!

Consumers are there.
But advertisers are not.
How the open internet can offer
new ground for brand growth.

About this report

Consumers now spend more than half of their online time on the **open internet**, likely driven by the high-quality entertainment and positive experiences found in that space. Yet the majority of digital advertising still happens within **walled gardens**. This means you could be missing out on opportunities to connect with your audiences where they spend most of their time.

In this report, we reveal the ways you can make sure your advertising budget keeps pace with consumer trends.

Research methodology

In April 2023, The Trade Desk Intelligence surveyed 2,000 U.K. adults about their online media habits, attitudes and experiences. This sample represents key demographic factors, including age, gender, and income, and we applied additional weights to ensure that the sample was representative of the population. Over the same period, we conducted qualitative interviews with industry experts.



Key terms explained

The open internet encompasses a vast number of digital platforms, apps, websites, connected TV and podcast networks, where consumers can engage with content funded through advertising.

From a marketer's perspective, the open internet consists of all the places where they can purchase digital advertising via independent media buying tools, versus having to rely on the tools of each walled-garden publisher.

Walled gardens are closed ecosystems controlled by a few tech giants (such as Apple, Amazon, Google and Meta) who own their content and media. They have full control over the technology used to target, place and measure ads.

Key findings

1 U.K. consumers say they spend more time on the open internet than inside walled gardens – yet advertisers underinvest in the open internet.

Meanwhile, consumers report spending 43% of their online time within walled gardens, while 70% of advertiser money is spent there.¹

2 Online gaming is becoming ever more popular. This year, 18- to 24-year-olds said they spent more time gaming online compared to the previous year.

51% of respondents use their mobile or gaming device to interact with this type of content, highlighting the appeal of interactive and immersive digital experiences.

3 Brits say they are more inclined to trust certain channels with their personal data than others.

Survey participants cited video streaming platforms as the most responsible when it comes to handling their information. Online news, magazines and entertainment sites also rank amongst the top channels that Brits trust most to manage their personal data.

4 Consumers perceive brands that advertise on the open internet to be more premium and credible.

According to our survey, the top channel most associated with premium brand advertising is video streaming, at nearly 40%. At the same time, only 13% of respondents perceived social media to be aligned with premium brand advertising.

¹Standard Media Index, U.K. ad spend data, 2023.

Attention has become a valuable commodity

Never in human history have there been so many ways to inform, entertain, and distract ourselves. We have an endless supply of TV shows, movies, podcasts, music, games, news and sports, all available around the clock – via our phones, TVs, laptops and tablets.

As our research shows, given this abundance of choice, we tend to gravitate towards the online experiences that engage – and reward – us more fully.

Nearly 60% of Brits’ time is spent on the open internet. And this trend shows no sign of changing: 30% of respondents expect to devote more of their time to the open internet in 2024.

But only 30% of ad budgets are following them there. In fact, 70% of advertiser money is spent in walled gardens, even though respondents spend only 43% of their online time there. Which means you may be missing out on the opportunities to connect with your audience across the open internet – specifically within ad-supported audio and streaming services.



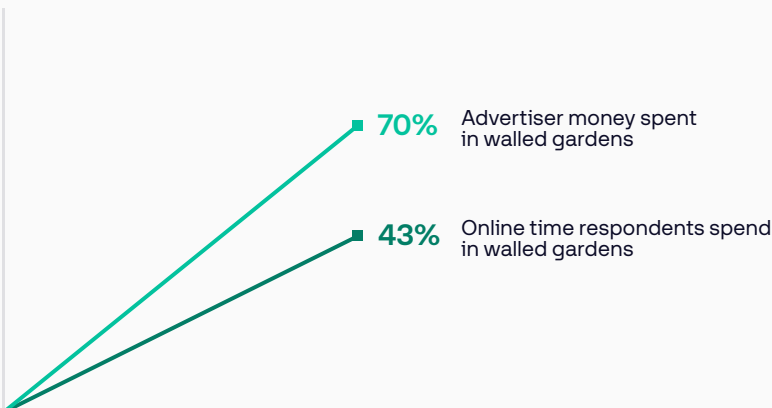
Attention builds connection

But it’s not just about the amount of time people spend online – in an attention economy, it’s more about the quality of that time spent. And consumers report positive experiences when they watch, read or listen to premium-quality entertainment, versus the infinite scroll of a social media feed – heavy on user-generated content driven by automated algorithms.

While there’s arguably room for both, you may see greater opportunities to win the hearts and minds of your audience – and aim to move consumers closer towards a purchase decision – in spaces they associate with more positive experiences.

In the attention economy, these differences matter.

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Beyond social: breaking down the walls

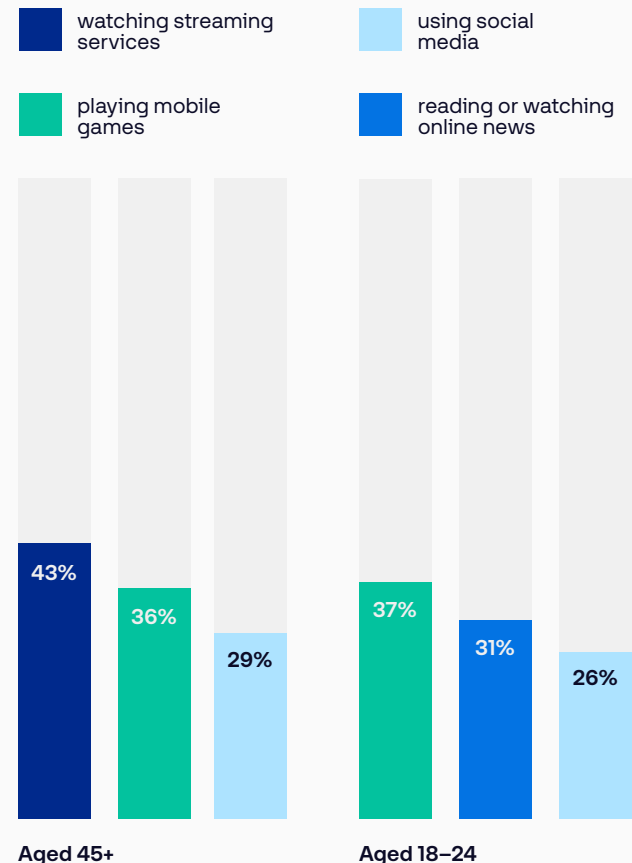
Consumers are increasingly aware of the difference between quality content and content that's designed to keep them scrolling and clicking without deep engagement.

In fact, there's an apathy towards social media and the algorithms that feed them more of the same based on their patterns and habits. Of the Brits we surveyed, 57% said they find ads on social media channels annoying.

“I wouldn't run our ads on Facebook's streaming video product because I don't know the video on either side of our spot. There could be some risky content that could damage my brand. We only run in environments where we know we've got quality media around our advertising.”

Alexis Faulkner
Chief Transformation Officer, Mindshare U.K.

% of Brits who reported being focussed while...



Meanwhile, as the internet has matured, there's been an explosion of premium content. Podcasts are booming, and streaming video is abundant. E-commerce sites and marketplaces offer new and exciting ways to shop. It's no wonder consumers may be inclined to spend more time outside of these passive walled-garden experiences, looking instead for more engaging, premium content.



Brits seek diverse digital experiences

There’s a growing appetite for digital leisure activities amongst younger consumers across the open internet – highlighted by a rise in attention paid to news and personal-interest sites, blogs, and streaming TV services.

In fact, Brits across all age groups said they spent more time watching video streaming services over the last year.

40%

increase in time Brits spent watching video streaming services over the last year

All for the love of sound

Audio streaming is on the rise, too, as people invest more time into listening to their favourite music and podcasts. Even younger audiences love the freedom to stream the almost-infinite library of sounds: 54% of people aged 25 to 34 reported spending more time streaming music and podcasts.

60%

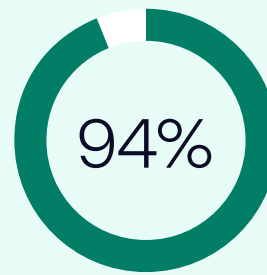
of Brits aged 15+ listen to online audio every week²

²IAB U.K., “Listening Britain: 33.2M Listening to Online Audio Weekly,” 4 April 2022.

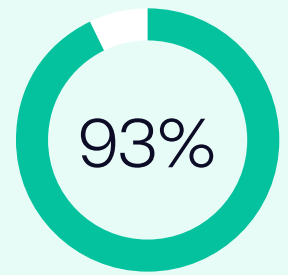
Satisfaction, guaranteed

Of course, this increase in “attention” is likely driven by the promise and reward of the positive experiences people now expect from the high-quality entertainment found on the open internet.

% of Brits aged 45 and up who said they had positive experiences when:



listening to podcasts and streamed music



browsing personal-interest websites

What does this mean for advertisers?

Given the positive experience consumers report, you may find channels on the open internet to be more effective in reaching and engaging with your audiences. What’s more, they can offer better transparency into your campaigns’ performance than walled gardens, which often lack data portability and independent third-party measurement.

The rise and acceleration of ad-supported models

In 2022, Netflix and Disney+ introduced ad tiers to their platforms. Since then, other big providers have either launched or are planning a similar model.

Amazon has started to increase its ads on Prime Video, while offering an ad-free version of the streaming platform at an additional cost. Similarly, Apple is looking to expand its advertising business within its subscription platforms, including Apple TV+.³ This move aligns with the strategy of other major platforms, like NBCUniversal's Peacock, Paramount+ and Max, which already incorporate ads.

The wider rollout of ad-supported streaming TV services reflects where audiences are spending their time. And it's a model other channels – such as gaming – may well parallel. Indeed, certain game companies are already opening their advertising ecosystems. This is likely because they can see the potential value of bringing in advertisers to incentivise publishers, fund development and expand revenue opportunities.

“The advertising market is starting to place more value on metrics like attention. It's not just about viewing an ad on page. It's asking, ‘Is that page cluttered with 101 other things that are drawing your eye elsewhere?’ Or, ‘Are you actually spending time understanding that ad and the kind of usage it has?’”

Alexis Faulkner

Chief Transformation Officer, Mindshare U.K.

What does this mean for advertisers?

With more consumers using ad-supported digital entertainment services, now's the time to consider diversifying your spend towards omnichannel campaigns – which can make it easier to show up in spaces where you will likely find a more engaged and attentive audience.



³Travis Clark, “It's Been a Year Since Netflix Launched Its Ad Tier. Here's What Advertisers Can Expect Next,” *The Current*, 3 November 2023.

The open internet offers new ground for growth

Consumers are moving towards online channels that promise (and deliver) consistent, trustworthy, high-quality content. And this trend shows no sign of slowing. So, now's the time to seize the opportunities those channels on the open internet have to offer.

If you do, you could align your brand with the positive experiences and attributes associated with these channels – and work towards influencing people as they watch shows, play games, read or listen to the news, or shop the next new fashion trends.



Online moments matter

That's why you should look to build creative omnichannel strategies that will complement the positive consumer experiences that the open internet has to offer – and which your audience has come to expect.

Disclaimer: Unless otherwise specified, all results reflect the proprietary research conducted by The Trade Desk. The Trade Desk provides this information for general knowledge and does not make any representations or guarantees of any kind with regards to the future performance of the information set forth.



A media platform built for the open internet

The Trade Desk helps brands and their agencies advertise to audiences across millions of ad-supported apps, websites and streaming providers all around the world. Our media buying platform is focussed solely on the buy side and empowers advertisers with the data, transparency and precision they need to reach and grow their audiences everywhere. We help power the content that fuels the free and open internet.

For more information, contact us [here](#).