



What's Hot?!

March 2025



Households Shifting Towards Ad-Supported Streaming

It has not been long since Netflix released a cheaper, ad-supported streaming tier for customers, but it has already had a sizeable impact on how UK audiences are consuming their TV content. According to BARB data, the number of UK homes that are subscribed to ad-tiers for streaming services has climbed for every major streaming service. Disney+ and Amazon Prime ad-tiers have jumped by 0.3 and 0.1 million households respectively between Q3 and Q4 2024. However, the biggest indicator that we are seeing a large-scale shift towards cheaper streaming options is reflected within Netflix, as 1.3 million extra households have recently opted to join their ad-tier.

These figures reflect the financial demands of UK consumers, as SVOD platforms generally offer streaming services at a discount when compared to the “classic”, ad-free tier. However, it also suggests that subscription services are listening to and understanding consumer needs.

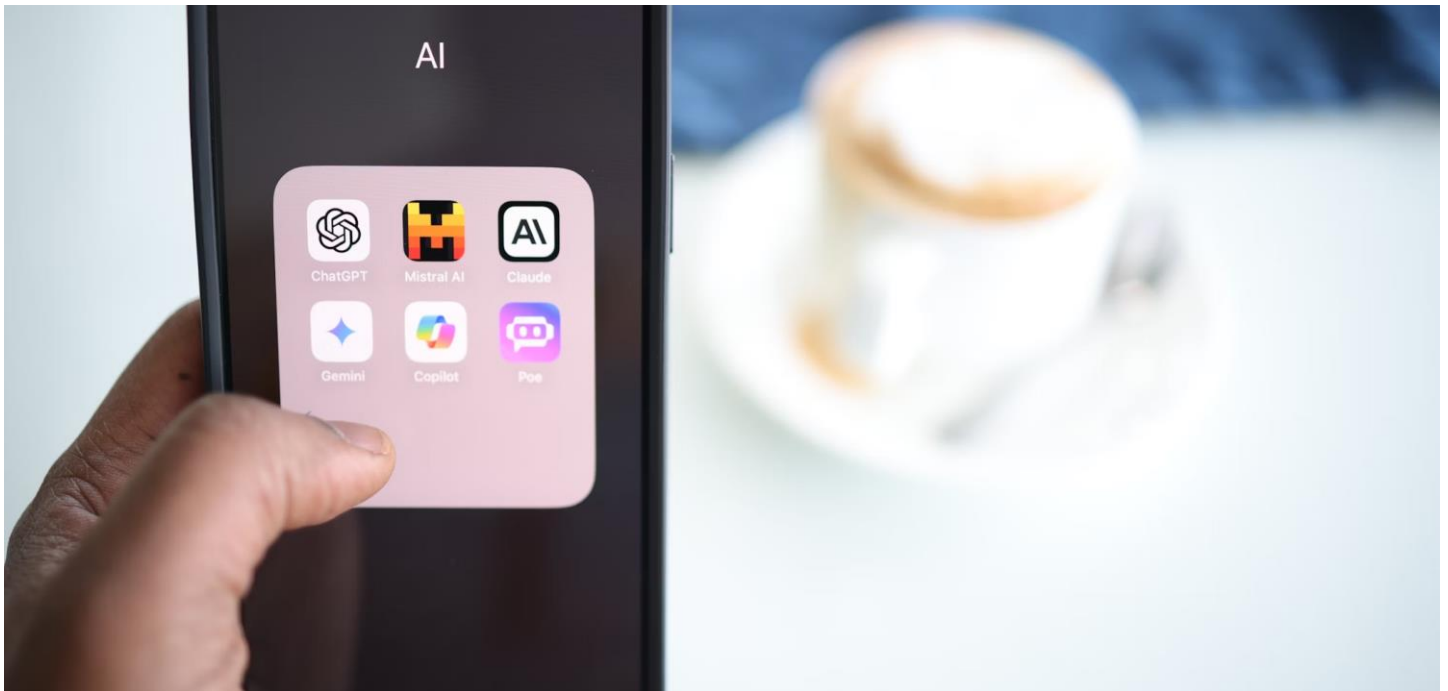
the7stars' latest thought leadership, *Giving Media Back Its Mojo*, notes that the driving force behind consumer impact is showing up for your audience in ways that make them feel heard and understood, beyond the brand's main output. As such, trading off uninterrupted viewing time for a cheaper payment plan has successfully tapped into adjusting consumer needs.

This agility has paid off in more ways than one. Firstly, the growth of consumers signing up for ad-supported SVOD services is indicative of grassroots changes in the UK media consumption landscape, which continues to fragment away from traditional linear TV.

Beyond this, streaming platforms have seen a boost to their consumer perception ratings since the announcement of ad-tiers. Media Strategy and Research specialists MTM released their own bespoke tracking data, showing that people now had a more positive perception of all major streaming services. Following the introduction of ad tiers, all video subscription services tested saw an increase in positive value perceptions of between 6-9 percentage points.

These changes have also cemented SVOD's place as an essential service for many households, with 43% of Netflix's audience stating that they couldn't live without it. Amidst a tough economic climate, this allows media subscriptions to stay top-of-mind for price-conscious consumers.

The current trends are promising for Adland, offering a reputable alternative to linear TV planning. While currently streaming services with ad-tiers aren't bringing in the same viewing figures as the big broadcasters, the upward trajectory of ad-tiered viewing, coupled with increasingly positive perceptions of the services themselves, indicate that this shift could be the start of longer trend.



Will Competitive AI Reshape Media and Advertising in the UK?

The media and advertising industry has undergone profound transformations over the past decade, with major technology corporations—Google, Meta, Amazon, and Apple—consolidating their market influence through advertising-driven revenue models. Now, a new contender, DeepSeek, introduces an open-weight AI model, where the internal mechanics of the AI system are openly shared, allowing businesses to customise and refine its functions to better suit their needs. This level of transparency and adaptability could prove disruptive.

The importance of independent decision-making

A key consideration in this evolving landscape is the significance of independent thought. As AI technologies advance, businesses will require strategic guidance to evaluate platforms, algorithms, and data models. Agencies that maintain an impartial perspective will be indispensable in an era where AI is not merely a tool but a transformative force. Selecting the appropriate AI system may become as fundamental to media planning as choosing between traditional and digital channels, as it directly influences targeting precision, efficiency, and overall campaign effectiveness.

Can DeepSeek compete with Google?

DeepSeek's entry into this space raises pressing concerns: can it rival Google's dominance in digital advertising? If AI-powered agents transform search and information retrieval, how will this shift impact the distribution of digital advertising expenditures? At present, Google capitalises on search queries through targeted advertising. However, if AI-generated responses reduce reliance on conventional search engines, advertisers may need to reassess their spending strategies. This shift could encourage diversification in ad placement, offering greater opportunities for independent media platforms and publishers. It could even have positive ramifications for traditional publishers. A better understanding of where engaged human attention is spent could lead to increased value and higher CPMs.

The role of human expertise in an AI-driven world

Despite advancements in automation and AI-driven media buying, human expertise remains indispensable. Agencies that provide strategic oversight, unbiased counsel, and creative direction will continue to be critical players, even as AI reshapes the industry. A central challenge lies in ensuring AI systems do not reinforce biases or create monopolistic barriers, underscoring the necessity of independent advisory services in guiding ethical AI adoption.

The future of AI in advertising

The rise of competitive AI presents both disruption and opportunity. As automated technologies redefine search, content generation, and media planning, the UK's advertising sector must adapt. Businesses that position themselves as AI-agnostic consultants—helping brands navigate an increasingly automated landscape—will not only sustain their relevance but may emerge as pivotal figures in shaping the industry's future trajectory.



Why Diversity and Inclusion Still Matter: Lessons from Leading Brands

In recent months, several high-profile brands have scaled back their diversity and inclusion (D&I) programmes, sparking industry-wide debate. Meta, McDonald's, Walmart, Ford, and Lowe's are among those reducing their commitments, with some facing pressure from far-right groups. However, diversity in media remains essential—not just ethically, but as a driver of brand success.

The importance of D&I in media

Diversity and inclusion have been central to media discussions, particularly as brands recognise the need to reflect society's varied identities. Many brands have demonstrated the power of diversity-driven storytelling. Nike, for example, consistently champions inclusivity in its marketing by featuring athletes from different racial backgrounds, gender identities, and abilities. Their 'You Can't Stop Us' campaign celebrated unity in sports through diverse representation, reinforcing the impact of inclusive media. Similarly, Dove's 'Real Beauty' campaign challenged unrealistic beauty standards, ensuring broader representation in advertising. These brands highlight why D&I is not just a trend but a crucial element of authentic and effective marketing.

The business case for diversity

Beyond representation in media, diverse workplaces have been proven to drive long-term business success. According to the Human Rights Campaign (HRC), workplace inclusion policies help attract and retain top talent and are 'directly tied to long-term business growth' (BBC). Employees increasingly expect their workplaces to reflect their values, and businesses that foster inclusive environments tend to see higher job satisfaction, lower turnover rates, and stronger innovation. A prime example of D&I success is Microsoft, recognised for embedding inclusivity into its workplace and products. The company prioritises diverse hiring and leadership while ensuring accessibility in technology. The Xbox Adaptive Controller exemplifies this commitment, making gaming more inclusive for players with disabilities. By aligning its values with its business strategy, Microsoft demonstrates how diversity fuels both corporate success and meaningful impact.

Impact on advertising and media

Decisions to scale back D&I programmes could have lasting consequences. As consumers increasingly favour brands that demonstrate social responsibility, companies that deprioritise inclusivity risk losing relevance. Ben & Jerry's, for instance, has woven activism into its brand identity, advocating for racial justice and LGBTQ+ rights—an approach that has strengthened its consumer connection. Indeed, the brand's founders, Ben Cohen and Jerry Greenfield, have [openly flouted](#) a buyback if they feel the brand strays too far from its original values. For brands, staying ahead means recognising the value of diverse representation. Inclusive media isn't just about ethics—it's about maintaining a competitive edge in a market where audiences demand authenticity.

Despite the scaling back of D&I programs by certain brands, diversity and inclusion remain vital in media. The future of advertising and media hinges on the ability to reflect the diversity of the audiences it serves. Companies that continue championing inclusivity will maintain their relevance, foster brand loyalty, and drive meaningful change.



Brits Prioritising Health & Wellbeing Spend in 2025

As the new year takes shape and Brits settle into a still-unpredictable economic climate, consumers are focusing their spend in areas that help them to live healthier, more balanced lives. This represents a shift from the traditional Q1 mantra, with Brits seeking small, incremental changes over ambitious, oft-broken resolutions.

This trend was revealed by Gravity Connect, the7stars' proprietary geo-insight platform. Through a combination of open banking data, mobile network movement data, and social listening, Gravity Connect allows us to understand how the UK consumer landscape is changing down to individual postcode sectors.

the7stars has uncovered three pronounced shifts in how Brits are spending their money in Q1 2025.

New year, new me? Fitness spend grows nationwide

After a mixed 2024, Brits are starting the year on the front foot by focussing small ticket spend on fitness activity. Across the UK, there has been an above-inflation 8% increase in fitness spend year-on-year. This trend is most pronounced in parts of the West Midlands and South West, with Birmingham seeing the highest growth.

This is supported by Experian data showing an 11% increase in spend on gym memberships over Christmas. 18-34s led the way, with many shifting to a lifestyle that prioritises holistic health & wellbeing over nights out.

While the cyclical nature of people purchasing gym memberships in January only to underuse or cancel them by spring has often been repeated, this year Brits think things might really be different. According to the7stars Pulse, 42% of UK adults reported doing more fitness activities in January 2025 compared with January 2024.

Bon appetit! Meal kits grow in popularity

Amidst a push for a balanced lifestyle, many are turning to meal kits to realise their health goals. This January, Brits spent 16% more on meal kits month-on-month, with over three-quarters of postal areas seeing growth.

While Brits continue to keep their purse strings tight in the face of high costs, many view small luxuries such as meal kits as a positive cost-benefit. Consumers expressed willingness to try a range of subscriptions that could help them live a healthier life – though some expected to churn through subscriptions once initial offers ended.

Budget breaks: as priorities shift, Brits cut back elsewhere

According to the7stars QT, in February 2025 just 15% of UK adults were feeling better about their finances than they did a year ago – a 2-percentage point decline quarter-on-quarter. As such, while increasing spend on healthy and mindful activities and services, many Brits continue to be frugal in seeking savings elsewhere.

Expenditure on items classified as 'budget' rose over the last year in 70% of UK postal areas. As a result, there are now 4% more consumers buying products from budget brands than there were a year ago. Notably, many affluent areas saw steep increases, with Guildford in Surrey leading the way at 24% year-on-year growth.

This suggests that, while Brits are seeking products that help them to live healthier lives, the prevailing economic climate remains unfavourable. In 2025, discount retailers will continue to play a prominent role in consumers' lives, as many seek small cost savings whilst allowing themselves occasional luxuries.



Restoring Media's Mojo in 2025: The Power of Impact

The media and marketing landscape faces a perfect storm of challenges in 2025: economic pressures, budget scrutiny and a fragmented communications environment. Advertisers have leaned into data-driven decision-making but, in doing so, have deprioritised bold creativity and long-term brand building. As a result, marketing has lost some of its energy and effectiveness.

Our latest thought piece 2025 Trends: The Year of Impact explores how we can overcome the short-termism that has become prevalent in marketing communications today. To regain its mojo, media must embrace impact—focusing on consumer, cultural, and executional excellence to reconnect with audiences. By mojo, we mean embracing communications with personality and swagger while having the confidence to be bold – we call it 'defeating the bad and the boring'.

1. Consumer impact: making a difference to people's lives

Consumers expect brands to understand their needs and reflect their values. Nearly three-quarters of Brits believe brands should understand their needs (the7stars Pulse, December 2024), making ethical and purpose-driven marketing more important than ever. Brands that actively engage with social issues—from sustainability to individual empowerment—build trust and loyalty.

Who's doing this well?

Lush created a soap product line where all proceeds are donated to helping children in Gaza. Meanwhile, TSB launched a dedicated educational initiative to help families improve their financial literacy amid rising financial anxiety.

2. Cultural impact: embedding brands into the things people love

More than half of Brits feel it is important for brands to play a meaningful role in culture (the7stars Pulse, December 2024). Whether through strategic sponsorships, reactive campaigns, or social media trends, brands that integrate into culture see higher engagement (the7stars Pulse, November 2024).

Who's doing this well?

IRN-BRU successfully became the unofficial sponsor of the 2024 Euros through humorous AV, reactive OOH, and a well-timed national TV spot, whilst H&M Tapped into the excitement around Taylor Swift's Eras tour with highly visible placements around Wembley, generating an estimated earned reach of 25 million.

3. Media impact: embracing executional flair

The rise of safe, formulaic advertising has diluted consumer excitement. To combat this, brands must break category norms with standout creative executions that ultimately drive business growth. It is the brands that break out of this homogeneity that reap the rewards, often redefining these so-called category norms.

Who's doing this well?

People's Postcode Lottery delivered an ambitious TV and outdoor campaign, culminating in an unmissable 90-second TV spot that led to record-breaking sign-ups. CALM (Campaign Against Living Miserably) created the 'Missed Birthdays' installation, a deeply moving activation raising awareness of youth suicide, which resulted in a 731% increase in website traffic and over 2.5 million organic TikTok shares.

2025 is set to be the year media reclaims its mojo by prioritising impact. By embracing bold creativity, embedding into culture, and aligning with consumer values, brands can generate long-term success in an increasingly complex landscape. Read more in 2025 Trends: The Year of Impact.



UK Adspend Breaks £10bn Barrier for the First Time

In Q3 2024, UK adspend grew by 9.7% to £10.6bn, a record high, according to the Advertising Association. This rise outperformed forecasts and was driven by growth in Online Display (+15.2%), Search (+12.6%), BVOD (+8.7%) and Direct Mail (+12.9%).

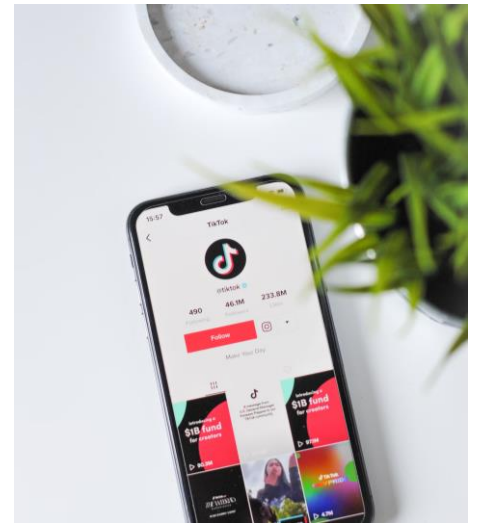
This shows that, despite the challenging economic climate, brands continue to show faith in the power of advertising. Indeed, for the FY 2024, spend is expected to top the £40bn mark.



Love Was in the Air this February

Some say romance is dead, but loved-up Brits were having none of it this February as searches for Valentine's Day inspiration reached their highest point of the last five years. According to Google Trends, searches for 'Valentine's' more than doubled year-on-year, whilst improving by over 25% from the previous peak in 2023.

This trend also played out on socials, with over 3m mentions of 'Valentine's' on February 14th, according to Brandwatch – over 100,000 of which were in the UK.



TikTok Returns to US App Stores

TikTok was also feeling the love this Valentine's Day after it returned to Apple's and Google's app stores in the US, having previously gone dark in January. The news will bring relief to TikTok's more than 170 million user base in the United States.

However, TikTok is not completely out of the woods yet, as it remains subject to a US law attempting to force it to sell to an American company or risk being banned in the country.