

Perception vs. Reality: The In-Store Advertising Disconnect



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Despite the rise of digital shopping, brick-and-mortar still dominates retail, capturing 83.5% of retail sales in North America, according to EMARKETER. This massive footprint represents an opportunity for advertisers, but our research reveals a critical disconnect: **Marketers consistently overestimate the influence and impact of digital in-store advertising on consumer behavior.**

A joint study by EMARKETER and Placer.ai exposes this reality gap through two parallel surveys: one of 286 marketers and another of 1,143 consumers. The findings illuminate perception differences that marketers must understand to develop effective in-store strategies.

By understanding where marketer perceptions diverge from consumer reality, advertisers can improve in-store outreach while preserving what makes physical shopping experiences valuable.

"There is ample evidence that consumers are being influenced by in-store advertising and this should only deepen excitement around the channel's potential," said Placer.ai senior vice president of marketing Ethan Chernofsky. "Yet gaps between the perceptions of marketers and consumers, and even between consumer expectations and their own behavior provide powerful indications of how this rising channel can be utilized to the fullest."

Key survey takeaways:

- **Marketers feel confident about in-store digital advertising.** They want to leverage the in-store shopping experience and optimize their strategies with digital components.
- **Consumers are less enthusiastic about these ads.** While digital in-store ads may sway their choices, consumers say they don't find them particularly helpful. Retailers could risk losing in-store shoppers by overwhelming them with ads that are distracting or irrelevant.
- **Impulse purchases are driven by discounts.** Marketers looking for immediate results can lead with value-driven messaging.
- **Marketers should consider more than just the immediate impact of ads.** Consumers report more long-term actions after engaging with digital in-store ads than marketers think. Marketers can swap some of their lower-funnel messaging, which often lacks measurability, with messaging that is focused on brand awareness and lift.

The confidence gap: What marketers think vs. what consumers do

The retail environment is challenging, and consumer confidence is low. Economic fears are heightened, yet consumers have more choices than ever. For marketers, this means finding ways to stand out in-store. While marketers know discount messaging is important, they think other tactics have more impact on consumers than they actually do.



Consumers know in-store digital advertising exists

Both marketers and consumers generally agree on awareness of in-store advertising.

Marketers estimate: 62.2%
of consumers are aware of these ads



Consumers report: 66.1% are aware
of digital in-store advertising

Marketers, however, are overconfident in their in-store advertising

Marketers are highly confident in the digital advertising they place in stores, but consumers aren't matching that excitement.

Marketers estimate: 71.3%
of consumers are influenced by in-store digital advertising



Reality check: Only 32.3%
of consumers report being influenced

Consumers may not admit it, but in-store ads make them buy more

What consumers say: Only 24.5%
claim they would make an unplanned purchase after seeing an in-store ad



What consumers do: 48.6% report
having actually made such purchases

Consumers significantly understate their own susceptibility to in-store digital advertising.

Marketers should consider this gap between shared intent and reported behavior when evaluating an advertising activation.

“Everyone has accepted that the shopping journey is no longer linear and very individualistic,” said EMARKETER vice president of content Suzy Davidkhanian. “Consumers can do many steps in one trip or take months between first learning about a product to making the purchase, so it is no surprise that consumers have a tough time attributing in-store advertising as a touchpoint that helped sway them,” said EMARKETER vice president of content Suzy Davidkhanian.

“Everyone has accepted that the shopping journey is no longer linear and very individualistic.”

Suzy Davidkhanian

Vice President of Content,
EMARKETER

Consumers don't say they're that helpful

Marketers believe: 52.5%

of consumers find in-store digital ads helpful

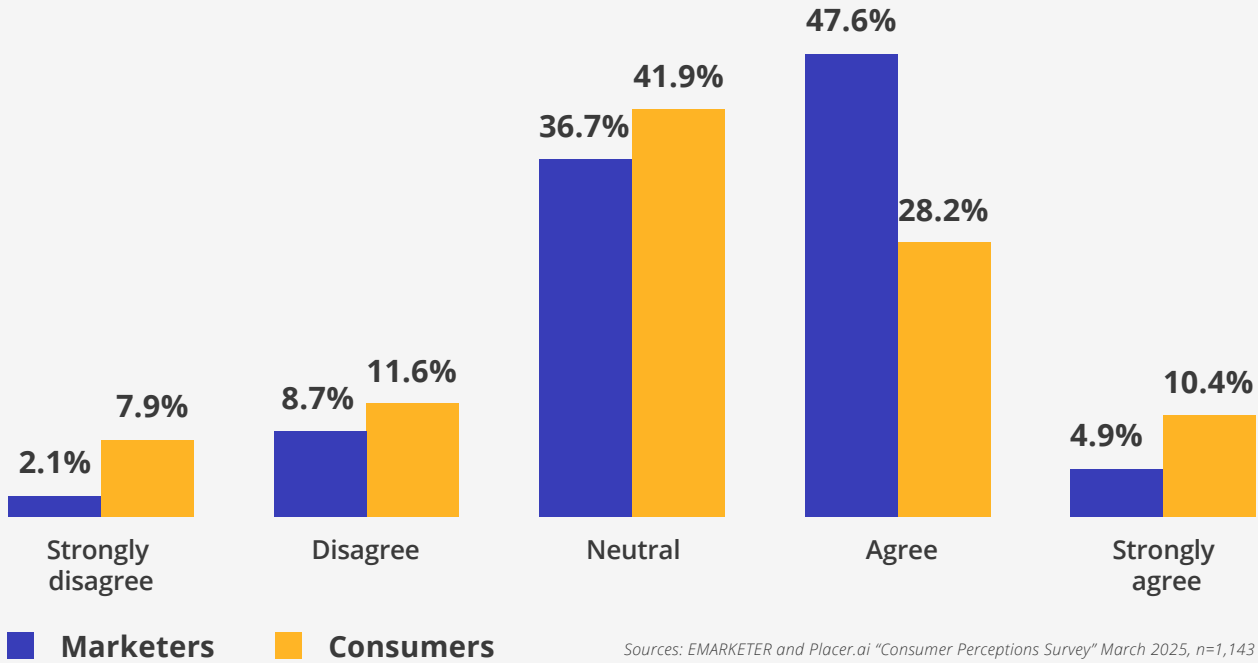


Reality check: Only 38.6%

of consumers actually find them helpful



Please rank your level of agreement with the following statement:
Consumers find digital advertising in stores to be helpful.



This gap means marketers should consider how their in-store messaging actually improves the consumer’s shopping experience—instead of just convincing them to add more to their shopping carts—to maintain customer loyalty.

“At the end of the day, consumers in the store are going to be exposed to all sorts of ‘noise,’ so ensuring marketers understand the reason behind their activation will help reduce these perception gaps,” said Davidkhanian.

This misalignment between consumer sentiment and purchasing patterns could also signal that in-store ads have a significant but less obvious impact on shopping experiences, which isn’t necessarily negative, said Chernofsky.

“This indicates that there is a powerful, albeit subtle effect where consumers see their behavior influenced without attributing it back to an ad,” he said.
“This is a sign that the ads themselves are adding to the consumer journey, not distracting from it.”

Where marketers get it wrong

Marketers are overestimating both the short-term action and long-term recall inspired by in-store digital advertising.

Marketers think in-store ads inspire in-store research

Marketers believe: **41.3%** of consumers have researched a product from an in-store ad during the same shopping trip

Reality check: Only **27.0%** of consumers report doing this

They also overstate how often consumers come back for those products

Marketers estimate: **53.9%** of consumers have purchased a product they saw in an in-store ad on a later shopping trip

Reality check: Only **30.5%** of consumers report making such delayed purchases

Discounts drive decisions

Generally, 49.3% say discounts get their attention and are the top factor impacting unplanned purchases.

Marketers and consumers are both confident that value-driven messaging works.

Marketers believe: **75.5%** say discounts, sales, or special offers most influence consumers

Consumers say: **53.9%** said a discount, sale, or special offer is most likely to entice them to purchase a product they weren't intending to buy when it comes to in-store ads

"A promotional component when intent is already high helps drive discovery and potentially bigger basket size," said Davidkhanian.

The full-funnel misconception

Marketers fixate on immediate results and undervalue long-term impact.

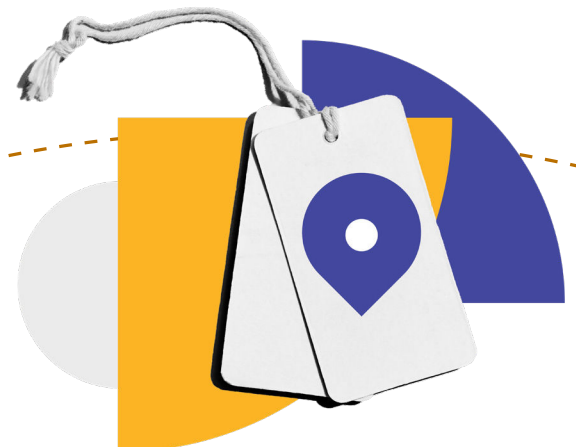
- **Overreporting instant action:** 52.1% of marketers believe consumers purchase products immediately after seeing in-store ads, and 79.4% think consumers have purchased products they didn't intend to because of an in-store ad
- **Instead of purchasing the product immediately (24.5%),** consumers are more likely to:
 - Research the product or company later (44.3%)
 - Purchase on another shopping trip (29.8%)

When marketers overstate the immediate results of in-store ads and understate the long-term results, they could be limiting their approach to strictly discount, value-based messaging.

"Value-based messaging, like emphasizing deals or promotions, is important, but the perspective is limited," said Chernofsky, who emphasized the potential for non-endemic advertising. "For the full value of in-store advertising to be unlocked, marketers need to embrace the long-term effect that it is having on consumers. This isn't just an increase in the power of the channel but a powerful widening of who can and should take part."

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Ethan Chernofsky,
Senior Vice President
of Marketing, Placer.ai

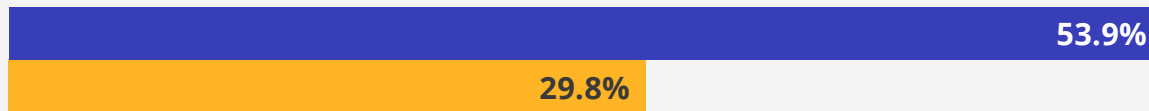


Which of the following actions do you believe consumers have taken in the last year after encountering an ad in-store?

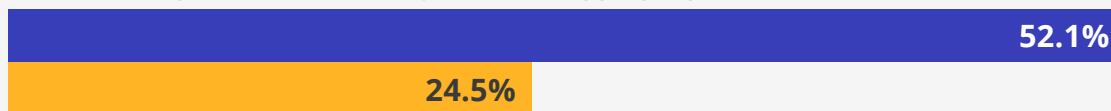
Research the product or company at a later point



Purchase the product on another shopping trip (either in a store or online)



Purchase the product immediately on that shopping trip



Research the product or company immediately on that shopping trip



I don't know



■ Marketers ■ Consumers

Sources: EMARKETER and Placer.ai "Consumer Perceptions Survey" March 2025, n=1,143
EMARKETER and Placer.ai "Marketer Perceptions Survey" March 2025, n=286

Consumers don't prioritize finding new brands

The gap between interest in new products on the marketer and consumer side is one of the most significant in the study.

While **marketers believe 71.7% of consumers find in-store advertising helpful** when introducing a new product,

Group	Percentage
Marketers believe	71.7%
Consumers actually feel	43.4%

only 43.4% of consumers actually feel this way

"I think this gap is probably heightened for everyday purchases when consumers are crossing off another item on their to-do list and looking to go through the grocery store quickly," said Davidkhanian. "I could see consumers wanting to discover new products in a place like in fashion, where they look to ads for inspiration."

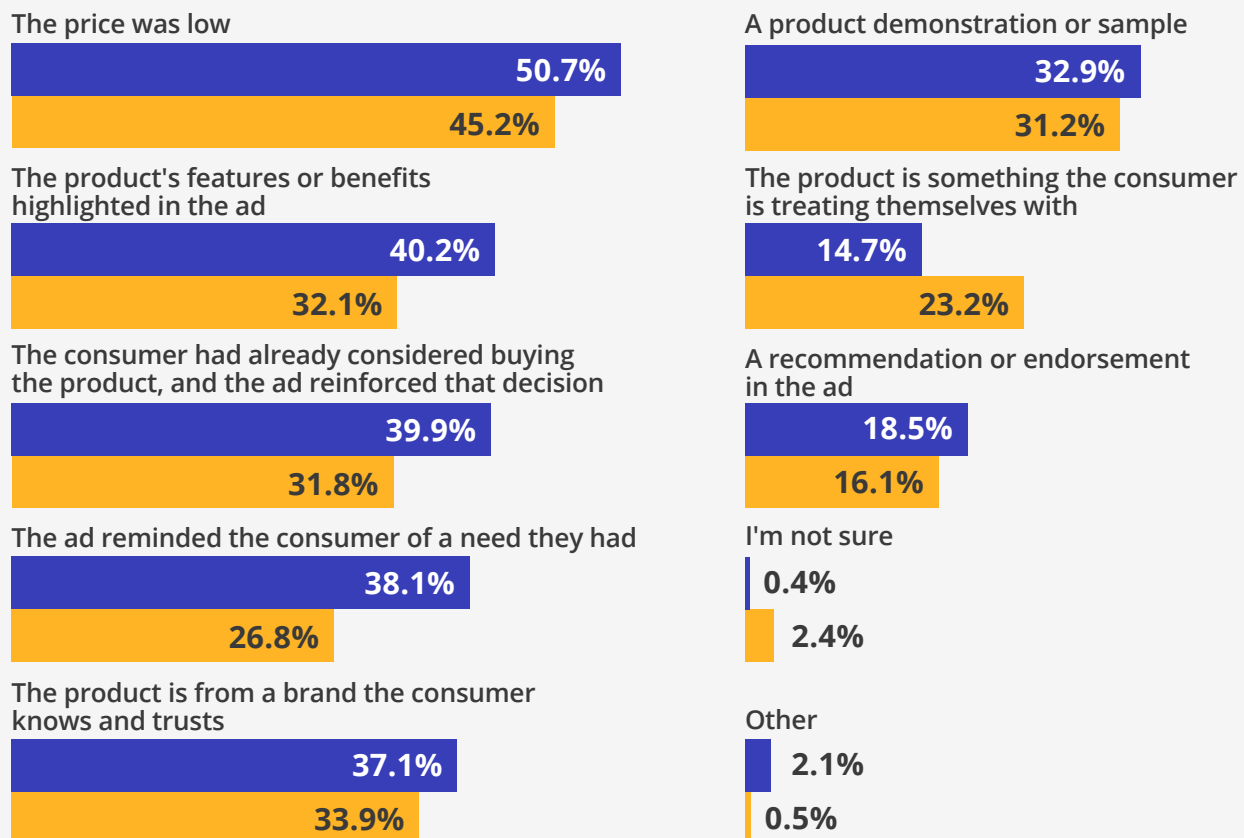
The experiential gap

Marketers underestimate the power of product demonstrations and samples:

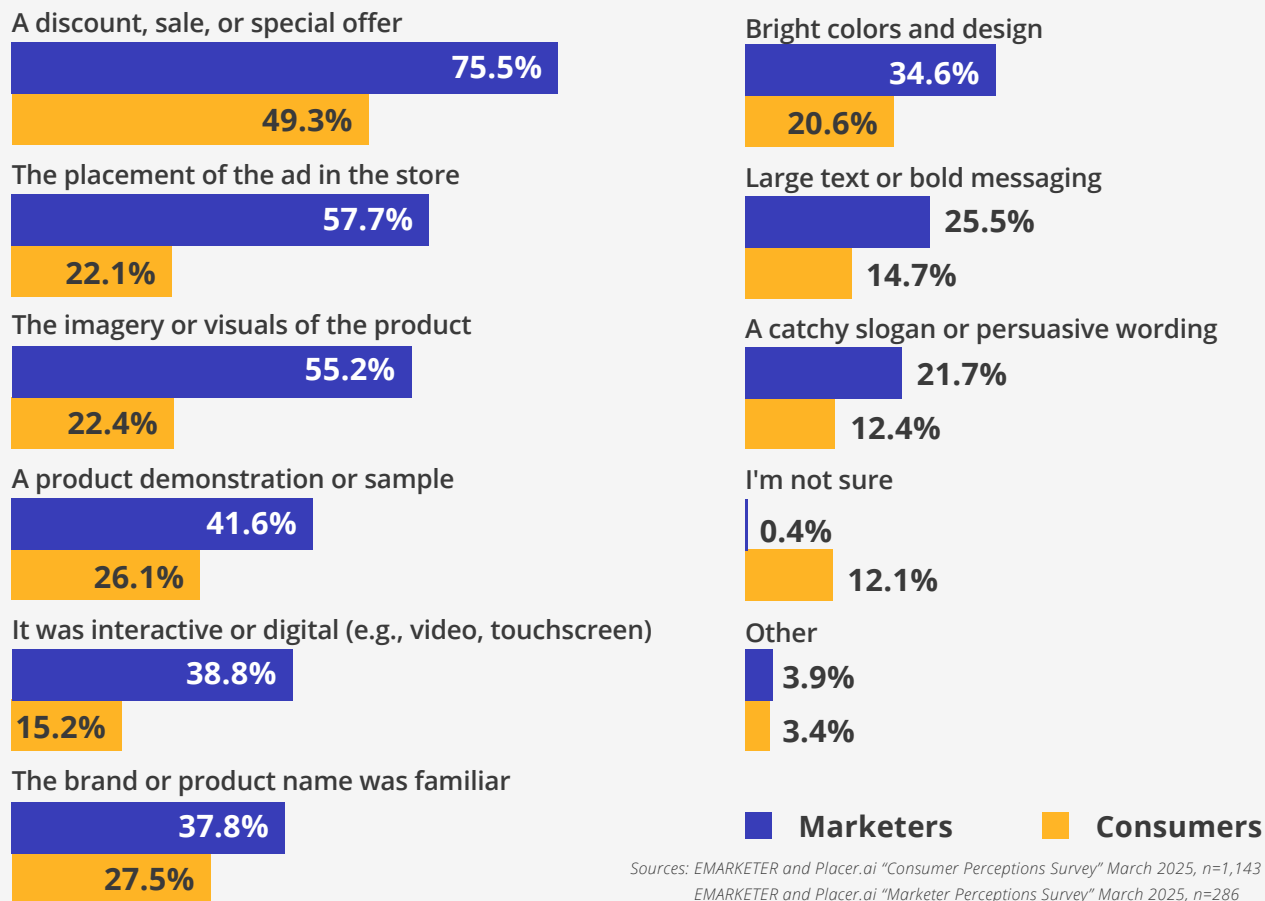
- **Consumer preference:** Ranked as the second-most influential form of in-store advertising to entice a purchase that wasn't intended (28.5%)
- **Marketer blindspot:** Ranked only sixth in what marketers believe influences consumer behavior

"There are a lot of different ways you can think about advertising in the form of brand-building that is at the store level," said Davidkhaninan, who mentioned samples and personalized coupons attached to receipts to encourage return visits.

What factors commonly highlighted in an ad do you think influence purchases the most?



What do you think catches a consumer's attention most with in-store ads?



Barriers to implementation

Some 38.8% of marketers cite infrastructure and capital investment as the primary barrier, while 19.6% identify fragmented networks limiting impact as a challenge.

"Retailers should first make sure they have a strong, well-curated in-store experience," said Davidkhanian.
"Advertising can definitely enhance the store experience, but it can also be very costly to outfit stores with screens."



What is the biggest blocker to wider adoption of in-store ads?

Infrastructure/capital investment needed in the stores

38.8%

Too many disparate networks to maximize impact

19.6%

Challenges delivering ads at scale

14.7%

Lack of effectiveness of the channel

14.7%

In-store ads negatively impact the consumer experience

7.0%

Other

5.2%

■ Marketers

Sources: EMARKETER and Placer.ai "Consumer Perceptions Survey" March 2025, n=1,143
EMARKETER and Placer.ai "Marketer Perceptions Survey" March 2025, n=286

Measurement gaps

The measurement challenge is substantial: 71% of marketers identified advancements in analytics, attribution, and measurement models as their greatest opportunity in 2025, according to an October 2024 NCSolutions study.

Creating in-store ads that integrate online and physical experiences can address some of these measurement gaps, while creating more engaging consumer experiences. For example, a shoe brand could include QR codes in ads directing shoppers to product reviews or styling advice, said Davidkhanian.

"For marketers to truly understand what influences consumers in-store, they need to embed a link or a QR code with a call to action," she said. "This can be anything from styling tips to reviews to coupons. Connecting the in-store experience to an online activity will then help marketers measure what mediums are working effectively to grab the consumer's attention."

Product location agreement

This suggests marketers have an accurate view of how in-store advertising can improve the consumers experience by helping them find what they need.

37.8% of consumers find in-store ads helpful for locating products,



and **32.9%** of marketers say this is the case

“Shopping in physical stores is less mission driven and focused than a visit to an ecommerce website, and consumers are more open to being inspired and engaged,” said Chernofsky. “Whether it be surfacing new products, creating context that boosts urgency or simply easing the route to finding the product, in-store advertising has a unique capacity to maximize this discovery orientation.”

Demographic insights: The targeting opportunity

Marketers have the greatest opportunity to reach young, urban shoppers through in-store advertising, per the survey.



Urban shoppers are more likely than rural or suburban shoppers to:

- Engage with in-store advertising
- Find ads that remind them of items they need to buy
- Strongly agree that in-store ads influence them
- Notice digital or interactive ads



Older shoppers (60+) are less:

- Aware of digital ads in-store
- Likely to find in-store ads helpful
- Influenced by digital ads in-store
- Influenced to buy something as a treat for themselves after seeing an ad in-store
- Likely to buy something they didn't intend to after seeing an ad
- Responsive to bright colors/design or a catchy slogan in an ad

Older shoppers are, however, significantly more likely to say a discount or a sample/demonstration would entice them to purchase a product they weren't intending to buy on that shopping trip.

Preserving the in-store experience

Before implementing advanced in-store advertising, retailers must understand their unique value proposition as a brick-and-mortar store, said Davidkhanian.

"There are a lot of things a retailer needs to do before they start putting up screens everywhere," said Davidkhanian. "They need to ensure that they offer a compelling shopping experience that will get people to stay in their store longer."

Conclusion

The disconnect between marketer perception and consumer reality represents both a challenge and an opportunity. By aligning strategies with actual consumer behavior rather than marketing assumptions, retailers can create in-store advertising that drives results while preserving what brings customers into physical stores in the first place.

For effective in-store advertising, marketers should:

- **Prioritize value messaging** through discounts and special offers to trigger an immediate purchase or increase basket size
- **Expand beyond immediate conversion** to account for delayed research and purchasing
- **Enhance, rather than complicate,** the core in-store experience
 - › **Invest in experiential elements** like demonstrations and samples
 - › **Integrate online and offline experiences** through interactive elements like QR codes
 - › **Balance technology investments** with fundamental in-store experience improvements

“Shoppers are uniquely open to being engaged and influenced in the store, and leveraging in-store advertising offers a powerful potential to impact consumer behavior in both the short and long terms,” said Chernofsky. “The more brands and advertisers embrace this channel and tailor their process to the unique advantages it brings to the table, the more impact they will drive.”



About the surveys

This report includes two surveys developed and fielded by EMARKETER in collaboration with Placer.ai in March 2025. We surveyed 1,1403 US adults to assess their attitudes toward in-store advertising.

We also surveyed 286 marketers in the US to assess their attitudes on consumer behavior regarding in-store advertising.

About this report

Research for this report was compiled by members of the EMARKETER Studio team in partnership with Placer.ai, using reports, forecasts, and research by EMARKETER on consumer behavior, digital advertising, and retail conducted between March and May 2025.

EMARKETER forecasts used:

Physical Retail Sales, North America

Author: Emmy Liederman - Analyst, Media, EMARKETER

Editing

Henry Powderly - Senior Vice President, Media Content and Strategy, EMARKETER

Becky Schilling - Senior Director, Media Content, EMARKETER

Design

Miri Kramer - Creative Director, Content Studio, EMARKETER

Anthony Wuillaume - Art Director, Content Studio, EMARKETER

The following people contributed to this guide:

Ethan Chernofsky, Senior Vice President of Marketing, Placer.ai

Suzy Davidkhanian, Vice President of Content, EMARKETER