SOLVING THE PAID MEDIA PUZZLE IN 2026

MARKETERS ARE SPENDING MORE THAN EVER BUT FINDING IT HARDER TO REACH THE RIGHT AUDIENCE. HERE'S HOW THEY ARE SOLVING THAT PROBLEM IN 2026.

Paid media has never been bigger business. *Adweek* says digital ad spend is growing at 15% year over year. *Digital Advertising Solutions* reports that digital advertising globally is projected to exceed $700 billion annually, with Google, Meta, Amazon, and TikTok capturing the majority of spend.

Yet it's becoming increasingly difficult to make those dollars work.

The "old" strategy was mostly straightforward: Google + Facebook + Instagram = growth. In 2026, advertisers have more options, ads cost more, privacy restrictions make it harder to target the intended audience, and algorithms change on the fly. Paid-media expert Jeff Goldenberg says that when the center of gravity shifted from search to social, digital ads got more expensive, because advertisers were suddenly competing with other brands going after the same audience.

"On social, you are competing with everyone who wants that impression," says Werg, the founder of Gravitator, a strategy company that helps brands and agencies move from research to clear market direction faster. "A bank, a soda brand, a game, a movie studio, and a clothing company can all be bidding for the same person's attention. That drives costs up fast."


HANNAH FLEMING

Hannah Fleming, Performance Marketing Director at women's swim and lifestyle apparel brand Carve

Designs, has spent her career across both D2C and B2B paid media, navigating increasingly complex buying journeys while keeping performance and efficiency at the center. She says rising costs are real, but they don't necessarily signal a channel's failure.

"Historically, growth for many brands relied heavily on a small number of platforms—primarily Google and Meta," Fleming says. "While those channels are still incredibly important, we are seeing more brands intentionally diversify their media mix to reduce dependence on any single platform."

As brands rethink where—and how—they invest, the big question is no longer where to spend, but how paid media actually works in 2026.

CREATIVE IS THE NEW TARGETING

As competition for dollars heats up across the digital advertising landscape, the pressure to move quickly mounts on brands. Fleming says Carve Designs has evolved its creative process to keep pace with modern platforms and maintain advertising performance. In practice, that means using multiple content sources to stay competitive in a crowded field.

"Creative is really the engine of paid media now, whether you're advertising on Meta, connected TV, or emerging channels like AppLovin," Fleming says. "We've built a content ecosystem that allows us to iterate quickly. We're capturing more unpolished, authentic UGC-style content during photoshoots, working with our founders and employees to create employee-generated content [EGC], and partnering with performance-focused influencers through our Carve Creators program. Their content performs well because it feels natural and relatable."

The shifting paid-media landscape has even changed how some brand teams are constructed. Goldenberg believes that many companies are currently recovering from a previous organizational decision to separate brand marketing from performance marketing. He says they are "two sides of the same coin"—brand creates attention while performance puts it into action.

“[Performance teams] cannot just be media buyers chasing efficiency inside platforms,” Goldenberg says. “They need to be closer to brand, creative, and customer insight so they can help build systems that convert now and make future conversion easier. The stronger brands are building creative and design that can do both at once. The ad is not just there to convert. It is also shaping memory, trust, and preference. That means the mix gets less siloed and more connected.”

At Carve, that approach is already playing out. Fleming says that as targeting capabilities have become broader and more automated, the creative itself plays a larger role in signaling who the message is for and capturing attention. That’s why the brand focuses heavily on speed of iteration and creative diversity, testing both the formats (video, photography, GIFs) and messaging angles (product education, lifestyle inspiration, UGC, and employee-generated content).

“There’s an interesting balance between brand storytelling and product-driven messaging,” Fleming explains. “Consumers increasingly want authentic brand narratives, but product-focused creative often drives faster revenue results. That’s where measurement tools become important. We want to understand not just direct conversions, but also the broader brand lift and halo effects that upper-funnel storytelling can create.”

The emphasis on creative is driven as much by economics as anything else. Goldenberg says we are all witnesses to a great race between two approaches: one with highly targeted audiences with very high cost per thousand impressions (CPMs) and the other with broader audiences with lower CPMs. For the targeted route to win, the conversion rates must improve enough to justify the additional cost.

“If that audience costs three times more to reach, the ad needs to convert at least three times better,” he says. “That is a tough bar. That’s why a lot of brands are moving the other way. They are keeping media costs lower, opening up the audience, and relying more on the creative to attract the right people and filter out the wrong ones. In that environment, creative quality matters a lot more.”

MARKETING WITHOUT PERFECT DATA

The ability to precisely measure ad-spend ROI is not what it once was. Privacy changes, including the decline of third-party cookies, shorter platform attribution windows, and Apple’s App Tracking Transparency (ATT), have limited previously reliable marketing signals. And because customers interact with brands across so many more touchpoints, it can take two to three times as many interactions before a conversion occurs, making it more difficult to assign credit to a single channel.

“Historically, advertising platforms could track users much more precisely across apps and websites,” Fleming says. “With those signals becoming weaker, attribution has become less deterministic. It has become one of the most complex challenges in modern marketing.”

Goldenberg says marketers used to rely too heavily on cheap tracking, easy retargeting, and platform-level attribution that looked more precise than it really was. That world is mostly gone, reshaping how marketers target and measure campaigns. Today, platforms rely heavily on machine learning models, and marketers have adapted, leaning into stronger creative signals, first-party data, and broader targeting.

> **WITH TRACKING SIGNALS BECOMING WEAKER, ATTRIBUTION HAS BECOME ONE OF THE MOST COMPLEX CHALLENGES IN MODERN MARKETING.**

"We use a multi-touch attribution tool for day-to-day channel analysis and to compare different attribution models," Fleming says. "We also rely on media mix modeling to better understand the impact of non-click channels like connected TV, direct mail, and influencer marketing."

Fleming also runs incrementality tests whenever possible to validate whether a channel is truly driving incremental revenue, and she tracks the brand's media efficiency ratio, examining the relationship between total marketing spend and total revenue. No single tool tells the whole story, but together they offer a more holistic picture.

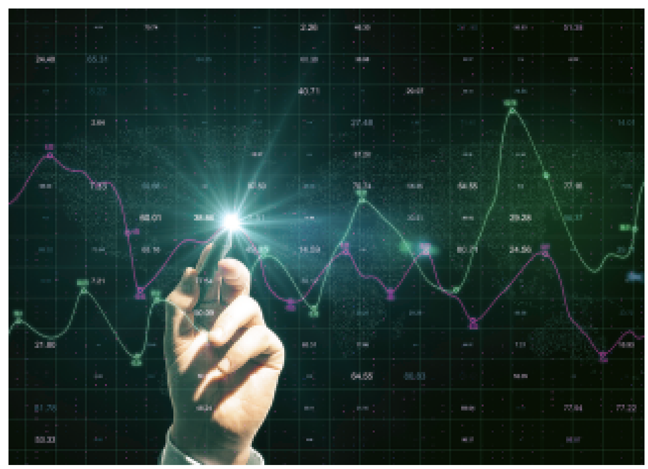
Still, even with those tools, certainty remains elusive.

"The smart adaptation is not chasing perfect measurement," Goldenberg explains. "It is building strong first-party data, using measurement to compare audiences and channels directionally, and then tracking performance all the way down to actual business results. There is still leakage, but if you know the economics work at the bottom line, you can make good decisions anyway."

THE JOB IS CHANGING

Even as measurement becomes messier, the job of performance marketing is becoming more automated. Artificial intelligence is now embedded across most advertising platforms through bidding, targeting, and optimization. Budget allocation, audience expansion, and testing are already moving in that direction.

"In many cases, the hands-on platform operator becomes less important over time," Goldenberg says. "The bigger job becomes setting the strategy, feeding the system the right signals, judging creative, and knowing when the machine is optimizing toward the wrong goal."



Already, marketers like Fleming are spending less time making manual adjustments—changing bids, managing campaign levers, and micromanaging audiences—and more time guiding the system—focusing on creative direction, channel diversification, and performance trend interpretation. "That means providing the right inputs—strong creative, clear campaign objectives, and clean conversion signals—so the algorithms can optimize effectively," she says.

With spend execution more automated and measurement less precise, marketers are employing a more fluid channel strategy. They test earlier, shift spend more frequently, and look for efficiency before channels become saturated.

Goldenberg says that when paid media becomes inefficient, brands need to stop treating their channel mix as fixed.

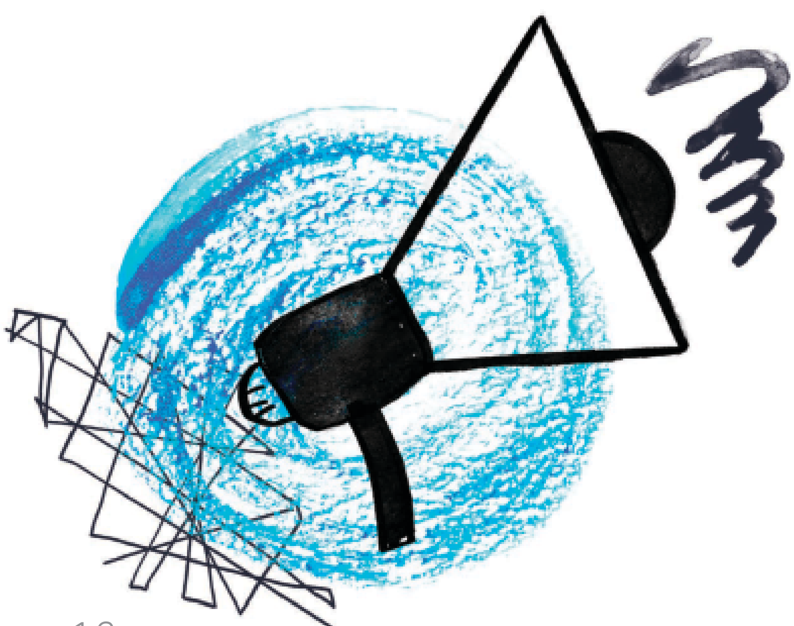
"Pay close attention to where your audience is actually spending time, then test earlier and more often so you are not the last one piling into an overcrowded channel," he says. "The brands that stay ahead usually find the next efficient pocket before everyone else does."

For marketers like Fleming, that doesn't mean abandoning channels altogether as costs rise. It means rethinking how you invest—adjusting creative, strategy, or channel mix to find a better ROI.

"A channel only becomes unsustainable when the economics fundamentally stop working, when the cost to acquire a customer exceeds the long-term value of that customer," Fleming says.

The good news: Testing is easier than ever, and new channels are more accessible. Fleming points to connected TV as an example.

"That democratization has made it easier for brands of all sizes to test channels that previously felt out of reach," she says. "From a risk perspective, spreading spend across multiple platforms helps ensure you're not overly exposed to changes in any one algorithm or policy."



5 WAYS TO IMPROVE PAID MEDIA IN 2026

JEFF GOLDENBERG OFFERS A HANDFUL OF PRACTICAL WAYS MARKETERS CAN IMPROVE PERFORMANCE IN TODAY'S ENVIRONMENT.

1. **TEST MORE.** As channel performance becomes less predictable and competition increases, perform earlier and more frequent experimentation to find efficient pockets before they become crowded.

2. **USE THIRD-PARTY ATTRIBUTION TO CHECK THE PLATFORMS.** With platform-level reporting becoming less reliable, validate performance using independent measurements and focus on directional insights tied to business outcomes.

3. **TEST LANDING PAGES, NOT JUST ADS.** While creative drives attention, conversion often depends on what happens after the click, making landing page optimization as critical as ad testing.

4. **BRAND YOUR PERFORMANCE ADS.** As the lines between brand and performance blur, the most effective ads don't just convert; they also build memory, trust, and long-term preference.

5. **SELL OUT FOR ATTENTION—SAFE ADS DISAPPEAR.** In increasingly crowded feeds, standing out is essential. Creative that blends in is unlikely to perform, regardless of targeting or budget.