



ADVERTISINGWEEK

TRENDS REPORT 2020

There's No Place Like The Home Office



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FOREWORD



MATT SCHECKNER

GLOBAL CEO, ADVERTISING WEEK

2020 has been a year like no other. The world has been united by an invisible, common enemy, which emerged like a stealth fighter and is still in full flight all these months later.

On the other hand, we have never been more divided - certainly in the United States - and in many other locales the chasm between political parties is wider and the edges more jagged than in living memory. Is there a thread that connects the colossal mess that is 2020? Yes, there is.

Resilience is perhaps the most important trait we have. It enables us to sustain unexpected, unwanted blows, physical and mental, and it is what helps us rise each morning and get in the ring to fight the good fight.

All of us have found a deeper well of resilience than we knew we had. With our Darwin-esque passion to survive as the foundation, other drivers emerge and often, thrive. Reinvention and rebuilding are two that come to mind.

At its core, AW2020 was about capturing the spirit of resilience, commitment to reinvention and indomitable passion to rebuild our communities and our businesses. It's popular (and no big revelation) to conclude COVID-19 has accelerated the pace of change.

But beyond acceleration, permanent changes to our businesses and social fabric have taken root.

A big part of what we presented at AW2020 - and will continue to focus on in 2021 - is that tech-driven change; the humanity of social justice and the shared opportunities we have to strengthen global society starting with our industry by truly embracing diversity and inclusion, and how to manage the shifting ground underneath us - without falling off the high wire.

So enjoy our AW2020 Trends Report, which captures the spirit and substance of all that is possible beyond resilience, and we look forward to continuing to shine light where there is darkness and to help pave the way forward for us all.

EXECUTIVE SUMMARY

TIME TO PUT THE COVID PILATES LESSON TO USE

If 2020 were an emoji, it would be 🤖

It won't be a year many look back on too fondly - COVID-19, mass protests, environmental disasters, and a Presidential Election verging on the farcical.

But, believe it or not, there are many reasons for people involved in marketing and advertising to be optimistic. Your jobs just got really important.

It's been a nine-month pilates session for everyone - we've never been so stretched in different directions, or so flexible as a result. That flexibility is what's going to stand you in good stead in the face of more uncertainty.

All the upheaval has seen marketing emerge as the most crucial business function for any future-facing company. Technology is becoming commoditized, customers are scattered, and creativity is required to win the day.

A good marketer is on the front line of the societal shifts, understanding where their customers are and how they're feeling. It's not following every fad, but seeing where sentiment is shifting. Crucially, it's taking a seat at the board table and explaining to people steeped in history why the old ways are no longer cutting it.

Businesses have increasingly filled some pretty major voids in society in recent years, and with the looming specter of massive government debts, it seems likely you're going to be called upon even more to do your bit to help the communities you want to service.

This means for marketers, it's time to put down the crayons of the promotions department and



ALEX HAYES

AW360 CONTENT/INSIGHTS DIRECTOR

get your hands dirty with product, pricing, and placement. Not to mention the increasingly crucial fifth P of marketing - purpose.

This report is an entry point for anyone looking to understand some of the most important changes happening today, and learn the lessons of those already blazing a trail. We look at the impact of Black Lives Matter, bask in Barbie's renaissance, explore the future of customer connection in a cookieless world, examine the cultural data and how people are changing, and even take a hard look at the porn industry.

If you're ambitious and want to make a real difference, now is the time. If we've learned one thing this year, life is short, and unpredictable.

THE QUOTES

“You can have privilege in one situation and not in another. You have to be able to identify your privilege and then use it for the people who don’t have it.”

**DAME OONA KING, VP,
DIVERSITY & INCLUSION,
SNAP INC.**

“One of the biggest shifts we’re going to see is the cultural relevance of advertising is less important than doing good work on the platforms.”

**VICTOR KNAAP, FOUNDER,
MEDIAMONKS**

“Covid really put a spotlight on this but it also slowed us down and allowed us to listen more, talk less and really get into the work of dismantling things people experience in the workplace.”

**NATASHA DURE, VICE
PRESIDENT, COMMUNICATIONS
& CULTURE, AMPERSAND**

“We have to normalise porn as a part of everyday life and a part of our media consumption.”

**KATE ISAACS, SENIOR
RESEARCH EXECUTIVE AND
FOUNDER, #NOTYOURPORN**

“I look at Asia and I look into the future because they’ve been in this longer than us.”

**YONCA DERVIŞOĞLU, CHIEF
MARKETING OFFICER, EUROPE,
MIDDLE EAST AND AFRICA,
GOOGLE**

“No-one wants to watch your ads, with the exception of the Super Bowl, so we’re always trying to keep things interesting and pay people back for the attention we’re asking for.”

**FERNANDO MACHADO, CHIEF
MARKETING OFFICER,
BURGER KING**

THE QUOTES

“I wish them the best. Not better than me, but I wish them the best...”

**JASON DERULO, MUSICIAN/
ACTOR/TOP TIKTOKER TALKS
ABOUT HIS FORMER RECORD
COMPANY**

“Everyone talks about this idea of work from home, but it’s more like live at work. When have you had a situation where kids are running into a work meeting and the dog’s licking your face?”

**TODD KAPLAN, VP MARKETING,
PEPSICO**

“We’re not unicorns - the idea of upwardly mobile black moms who are both value and values-driven is not an anomaly.”

**THAI RANDOLPH, CO-FOUNDER,
SUGABERRY**

“There’s going to be a balance. We work in an industry of teams and deadlines, and there are times when people will need to come together, whether that’s once a week or once a month. But this will become normal very quickly.”

**MARC NOHR, CEO, MIROMA
AGENCIES GROUP**

“Brands and retailers have to reach out to Gen Z and Alpha - if they continue to do what they’ve always done they aren’t going to make it, it’s just that simple.”

**JON REILY, CHIEF STRATEGY
OFFICER, DENTSU COMMERCE**

“When we consider someone’s intent rather than the way they look, we’re doing right by our own bottom line.”

**CLAIRE GRINTON, SVP, HEAD OF
EXPERIENCE AT ESSENCE**



LEADERSHIP

Presented by **ROUNDEL™**

SECTION 1



**“BASICALLY,
MADISON AVENUE
HAS COMMITTED
ECONOMIC
GENOCIDE
AGAINST BLACK-
OWNED MEDIA.”**

BYRON ALLEN, FOUNDER,
ALLEN MEDIA GROUP

LIVING WITH COVID

“Everyone talks about this idea of work from home, it’s more like live at work. When have you had a situation where kids are running into a work meeting and the dog’s licking your face?” PepsiCo’s marketing boss Todd Kaplan sums up the predicament most of us are in pretty well.

Clearly everything that has happened in 2020 has caused tectonic shifts in health, society, and the economy, changing every part of our lives in some way or another.

And it’s not going anywhere for a while. As Conny Braams (pictured), Chief Digital and Marketing Officer at Unilever, describes it: “We’re preparing for a future where we’re going to be living with COVID for quite some time. But living with COVID is now the term, rather than the post-COVID era.”



It’s not just the obvious things like working from home and the ability to meet with clients which are changing. With cities moving in and out of lockdown, marketers are looking for more flexibility in their ad spend - shifting dollars to different channels, upending plans, and changing the way negotiations with suppliers have traditionally been done.

Clearly, there’s a need for businesses to offer some certainty, and support, to employees as they adapt, and establish the ways of working which are going to supersede this virus.

IPG’s Chief Operating Officer and incoming CEO, Philippe Krakowsky, says the trick is “keeping at it” and helping everyone establish new boundaries in their lives. “Be courageous about doing it,” he says, “as things will move faster and whatever normal looks like will be accelerated”.

VaynerMedia founder and CEO Gary Vaynerchuk says it’s important companies make people take leave, even when there’s nowhere to go: “Leaders need to mandate break time because people are struggling with how to figure it out. This is a marathon not a sprint.”

Leaders also need to be aware of the fluctuating emotional states of employees as we go in and out of different waves of the pandemic. We’re seeing more of each other’s lives now than ever before, but taking the time to check in and make those human connections has never been more important.

EMPLOYEES COPING DURING COVID

Worry/anxiety was reported as a prevailing emotion, felt by **21.7%** of survey participants



In Hospital + Healthcare’s COVID-19 People Survey, **55%** of respondents said their **main cause of stress was changes to ways of working**



Of those aged **25–34 years**, **60.6%** reported **high stress levels**, the highest percentage of any age group



(Source: Hospital + Healthcare Magazine)

NAVIGATING THE NEW NORMS OF WORK

Clearly, there's no 'one-size-fits-all' approach to tackling the new norms of work. One thing is certain, companies mandating 9-5 in a centralized office every day is now a thing of the past.

But it's unlikely to be a 'choose your own journey' scenario for most of us either, as flexible work pioneer and Miroma Agencies Group CEO Marc Nohr (pictured) explains: "There's going to be a balance. We work in an industry of teams and deadlines, and there are times when people will need to come together, whether that's once a week or once a month. But this will become normal very quickly."

Nohr also points out that working from home and in the office flexibly may play into the hands of creative people, allowing them to bounce off of other people, then take themselves away and spend time in the deep work.

The issues of presenteeism and people having to be watched in order to do work has also been knocked aside by this period, according to Nohr. This lack of overview means people are now being judged on their outputs rather than the hours they put into something, a potentially healthier situation for everyone.

The J.M. Smucker Company's Geoff Tanner describes how he is "connecting in a more vulnerable way" with his team and sharing more. He explains: "I wrote a staff email last week that was about getting out of the house to go to the dentist, and jeez how it was exciting."

But one of the big pet peeves of enforced distancing is the lack of ability to create those serendipitous moments to allow people to air views and spark off each other.



"I wrote a staff email last week that was about getting out of the house to go to the dentist, and jeez how it was exciting."

**GEOFF TANNER,
THE J.M. SMUCKER COMPANY**

Barbie's Global Head of Design Kim Culmone has created a weekly open meeting slot in her calendar she calls 'What I'm Thinking About,' inviting her team in and talking with no agenda.

She explains: "I talk about something and then open up the floor to find commonalities for people to interact with each other, and recreate those human moments that bond us as a team."

Nohr says that ultimately, technology can at least replicate some of the rituals and norms people were used to in office spaces, but can also be used to enhance them as well, citing his ability to continue a mentoring relationship with someone in Australia via video conferencing as an example.

Every company has its own culture, and every solution will be unique. The key is for businesses to look to create win-win situations for as many employees as possible, and not try to reimpose work rules cooked up long ago in Victorian factories.



3 THINGS FOR MARKETERS: THE GREAT MELTDOWN

Burger King UK's Marketing Director Katie Evans explains the strategy behind last year's successful and environmentally sustainable Meltdown initiative.

THINK OF THE IMPLICATIONS BEYOND THE COOL STUFF

Burger King's Meltdown arose from a customer insight. The plastic toys that came with the kids' meals represented three minutes of fun and then they would disappear into the footwell of the car. So we said: what if we removed plastic toys from the UK business and melted them down for good? That presented a massive challenge. Yes, it's a great idea from a brand perspective, but the question was how do we do this internally given it has implications for our supply chain, sourcing, and other commercial departments? We needed to establish if it was really feasible. And whether we could find a credible partner with a clear line of sight - ensuring the plastic is being melted down and turned into something good. It's not sexy, but there's a lot of nuts and bolts behind the scenes. So with decisions like these, there is more to consider than meets the eye.

DISRUPTIVE IDEAS - BUT NOT FOR THEIR OWN SAKE

The end results of disruptive campaigns may seem, from a consumer and industry perspective, like things that were designed to make noise or start debates. And that is a really good thing because it gets people talking, but the best disruptive ideas we've worked on have been rooted in an objective that's part of a clear strategy. That's the starting point. After that it's a question of how we apply a creative campaign that will give it talkability. Some campaigns naturally create this, but from my perspective it can't just be disruptive for the sake of disruption. We can't afford to waste an opportunity, as we don't have the media spend of our biggest competitor. Instead, we need to make something creative that resonates with customers and helps us generate the reach and positive PR. Creative disruption with a clear brief is our opportunity.

TAKING CALCULATED RISKS

Meltdown was never in our 2019 plans, so we had to be very agile. There's always an element of risk with a big publicized campaign where you're trying to do the right thing as a brand. It needs to stem from a wider plan you have as a business. You also need to understand what customer expectations are around the right thing to do: is it tapping into a real consumer concern? Do they really care about it? When it's a knee jerk, there's much more risk. When it's tied to an agenda or set of objectives, it's a much safer play. We needed to do the due diligence as it's not something you can draw up like a press release overnight. Ultimately we decided that an initiative like Meltdown, rooted in environmental sustainability, was something our customers would approve of. But these aren't decisions made without proper consideration.

THE RISE OF THE NEXT CIVIL RIGHTS MOVEMENT



One unexpected side-effect of the changes engendered by the pandemic has been the re-ignition of real conversations about racial equality and a sustained dialogue about the subject.

The Black Lives Matter movement has been around since 2013, but in 2020 the conversation moved beyond local and national boundaries and swept across the world. And, it seems, those conversations are starting to elicit movement within entertainment and corporations, where institutional change has traditionally been pretty glacial.

One reason the movement has taken hold has been attributed to a change in people's relationship with work. Daily virtual visits into the homes of our co-workers, meeting their families, and living through the exact same struggles throughout the pandemic and lockdowns has created a greater sense of empathy.

UM's Chief Digital Officer Joshua Lowcock says he has heard this change described as "learning to use our inside voice outside." He explains: "Now the home is the office, those emotions don't get left at the door when you get into a corporate setting. The disconnect between corporate and personal life is ending."

The other impact COVID has had is to create a little more space and time for people, as busy lives were put on hold, to start to spend the time with the problem. As Ampersand's Natasha Dure explains: "COVID really put a spotlight on this, but it also slowed us down and allowed us to listen more, talk less, and really get into the work of dismantling things people experience in the workplace."

Dame Oona King (pictured), former UK Member of Parliament and Snap Inc's Vice President of Diversity and Inclusion, explains why this introspection is important for those who've never felt the direct personal impact of racism.

"The point of being the majority is you've never had to question your experience - it's not your fault - but you've never had to interrogate any of this stuff before, and that process is hugely important," she says.

That realization that things aren't as equal as many of us previously thought, and the uncovering of unconscious, systemic, and perceived biases is just the first step. Ultimately, the industry will be judged on its actions.

BLACK LIVES MATTER IN 2020

Recent **Black Lives Matter protests** peaked on June 6 when

1½ MILLION PEOPLE

turned out in nearly **550 places** across the US



(Source: New York Times)

Recent polls suggest that approximately

15-26 MILLION PEOPLE

in the US have **participated in the demonstrations** over the death of George Floyd and others in June-July

(Source: New York Times)

4400 TOWNS OR CITIES

have had protests worldwide since May 25, 2020



(Source: Creosotemaps.com)



THE BIG PICTURE

HOW WE ARE COPING WITH THE PANDEMIC

When COVID struck, the researchers at Known commenced an ongoing study, evaluating the effects of the pandemic and lockdowns on people. As Known's CEO Kern Schireson and Partner Molly Lewis explain, The Human Condition research explores how society is adjusting and how marketers should be thinking about their consumers.

What are the main factors determining how people coped with COVID?

Our research has shown that what matters most regarding how people have coped are; relationships with people; connection with the place you're in; and whether you have a strong personal purpose.

Only 13% of people think their lives will go back to the way they were before COVID hit. There was a re-evaluation when it first struck, when there was an intense confrontation with ourselves. The reality is people are re-evaluating, as they pay more attention to parts of their lives they hadn't previously.

It's very clear despite the universal experience we're having, there is no universal reaction.

THE PERSISTANT	THE ENGAGED	THE STEADFAST	THE STRUGGLING	THE DEFEATED
21%	11%	31%	24%	13%

People generally split into five groups

The Persistent - 21% of people who are optimistic - they came into the pandemic with a strong sense of personal purpose.

The Engaged - 11% of people, also have a strong purpose. For both the Persistent and Engaged groups, income isn't a defining variable. In fact, many are actually lower income and more used to being knocked off their feet and picking themselves back up.

The Steadfast - 31% of people don't feel life has changed too much for them, typically white collar workers with space to have a home office.

The Struggling - 24% of people who feel life has been knocked off course and are having a hard time maintaining relationships. These over-index in older females.

The Defeated - 13% of people who are having an extremely hard time. Typically The Defeated and the Struggling don't even think about what it is to have a purpose.

What impacts has this had on behavior?

Interestingly, a third of people who identify as introverts are now looking outward for connections and becoming more extroverted - that's a huge rewiring for them.

People are taking an authentic and deep look at themselves - as a marketer, you should be listening. Give your customers space to express themselves to you, and think about how you fit in in a world that feels substantially different since March.

MAKING BLACK BUSINESS VISIBLE

"I think Madison Avenue is really behind, and there's a lot of systemic and structural racism - simply for not even having budgets to make sure black-owned media is included."

That is the view of Byron Allen (pictured), whose opinion is informed from very visceral first-hand experience of building one of the largest privately-owned media groups in America, with assets including The Weather Channel and streaming services like Sports.TV.

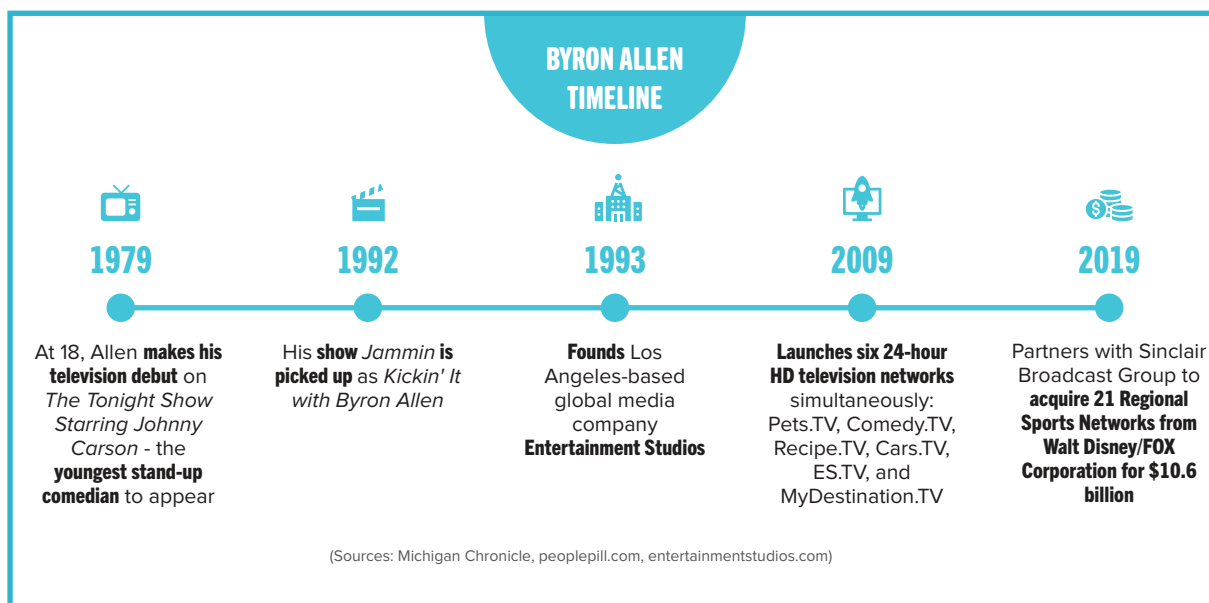
The ex-comedian started Allen Media Group from his kitchen table, and recounts how he spent a year ringing 1,300 local TV stations across the country to secure syndication for his first TV show. He rehashes how a media sales business reneged on an agreement for a six-figure advance if he could secure 75% coverage with these stations - but he forged ahead on a shoestring budget to create his first shows, including Entertainers With Byron Allen.

That story, he says, is typical of the treatment of black-owned media by the advertising community, adding: "Basically, Madison Avenue has committed economic genocide against black-owned media."

He advocates for change, urging brands to start walking the talk on support for causes like Black Lives Matter, and ring fencing budgets to spend with black-owned media to help lift them up and tell more stories around the black community.

It's not necessarily an easy fix, but as Allen says, that's the point: "To do it, you have to do it to the point where it's uncomfortable because there's a lot of reconciliation to be achieved."

"You have to be leaning in, there's a major reconciliation needed for the decades of lack of inclusion. We need to make sure black-owned media has a seat at the table, and are no longer excluded."





BLACK BUSINESS MATTERS

BLACK POUND DAY



Founder: Swiss (Rapper and member of the So Solid Crew)

What is it? Black Pound Day is a UK-based initiative founded in the wake of the Black Lives Matter movement to drive support, celebrate, and raise awareness of Black-owned businesses on the UK's high streets during a time of economic uncertainty. It provides a searchable directory for black-owned businesses, and has now partnered with Google to provide training and support.

When it started: June 2020, it is marked on the first Saturday of each month

What they said about it:

Swiss on why he founded Black Pound Day: Black Pound Day is an initiative that started off of the back of protests that were happening in the center of our city, London, and across other cities. I was moved by the different races and cultures coming together in support of the black struggle and inequalities we face. I thought to myself, 'emotions do come and go, so how can I make this more of a sustainable change?' So I wanted to create something positive out of the marches and the protests.

Swiss on economic inequality in the UK: There aren't many black businesses on the high street, and we're the least seen business on the high street racially, and the least seen online. It's hard for me to find pride in my community, it's hard for me to spend with the black businesses in my community. Black business owners are saying that there are some cultures that have monopolized certain industries. It's hard for them to get in and be on the same playing field as other cultures in our society. So, they can't provide for our culture in the same way other cultures do. They have to get less stock and are paying more for their stock, and have to raise prices in order to make the money back to keep themselves running.

Nishma Robb, UK Director of Brand and Reputation, on what Google is doing for the economic empowerment of black communities: Over the last three years, we've been committed to really helping close the digital skills gap in the UK. I think there's a way through marketing campaigns and media owners to think about what you can do to further support those black-owned businesses.

SECTION 2



CREATIVITY

Presented by

AMC NETWORKS™

**“SUBJECTIVE
CALLS ON
CREATIVITY HAVE
BEEN A REAL
LIMIT ON THIS
INDUSTRY AND I
THINK WE NEED
TO HAVE A DEBATE
ON THAT AS I
THINK WE HAVE
GONE AWRY”**

GARY VAYNERCHUCK, FOUNDER,
VAYNERMEDIA



THE MOST PROLIFIC CREATIVE ON EARTH?

Jason Derulo has always been very good at branding. Chances are that you struggle to read his name without hearing him sing it (something he did at the start of his songs early in his career, but says he's now grown out of).

While many musicians have struggled with the enforced stasis created by COVID lockdowns and the shutting down of most of the live music scene, Derulo (pictured) seized the opportunity. He describes being stuck at home as a chance to get back in touch with his creativity, adding "I'm in a totally different creative space now." And he's made some bank along the way.

For those not in the know, Derulo is one of the most followed people on TikTok, building an impressive 37 million followers on the short-form video platform. According to reports, he commands \$75,000 per branded post he puts out.

What's his secret? Well, he's prolific, with more than 500 videos posted to TikTok and multiple posts per day, each one drawing more than a million views. He also has the assistance of some celebrity friends, his skits with Will Smith draw big numbers for both men. It's also seen Derulo's music come back into the charts, and taken his latest song to number 1.

So, where does he get inspiration from to create so much content every day? He says it's...everything: "When you become so submerged in something, you see life as a TikTok."

Derulo says his success comes from understanding the app and its audience: "More than anything I want to be part of the community - I don't want to be this musician coming on the app."

It's not 'Jason Derulo the pop star,' it's 'Jason Derulo, he's one of us'."

This, he urges, is what brands need to lean into if they want to get the most from a partnership - allowing the talent to come up with the idea to resonate with the audience.

Derulo admits there's a part of the emerging platform and the way it's used that is intriguing him - how it plays out in real life when there are concerts again.

"I'm curious to see what concerts are going to be like now - back in the day everyone sings the songs, but now, there's dances attached to these songs - it's going to be amazing to watch people do an entire dance together," he says.



THE RISE OF JASON DERULO



Has sold over
30 MILLION SINGLES

(Source: peoplepill.com)

Achieved
11 PLATINUM SINGLES

(Source: peoplepill.com)



Has almost
40 MILLION
followers on TikTok

(Source: TikTok)

Has almost
7.3 MILLION
followers on Instagram

(Source: Instagram)



Savage Love has landed Derulo **his first top 10 hit on the Billboard Hot 100 since 2015**, and makes him **just one of ten artists to accomplish the chart feat** in each of the first three decades of the 21st century

(Source: Billboard)

FORGING A NEW CREATIVE PROCESS

Creativity has faced more challenges than most disciplines during 2020. As well as adapting to pitching and brainstorming via Zoom, there's been the mental health battles, adapting to new societal norms and incorporating these in messaging, as well as a lack of ability to come together and spark inspiration.

As McCann's Global Creative Chairman Rob Reilly opines: "I don't think the work has been great in totality in 2020 - we are putting out a couple of really good things as a group, but I think we need to be back together to get the best out of people."

One of the biggest challenges is simply getting ads made to feed the marketing machine. With many brands changing their messaging because of the societal conditions, it became a case of repurposing old footage, and as different places came out of lockdown, creative directors trying to manage shoots and directors via video link from their home office.

McCann's Reilly says this has also had an impact on the quality of the output: "It's the nuances and things we take for granted, and not being able to be there to control that is difficult."

Some brands have turned to more user-generated content and influencers/creators to continue to fuel their creative product. Adobe's CMO Ann Lewnes describes this co-creation as "the ultimate brand love."

She explains: "We'd much rather showcase work from the community than work we do ourselves. It's the ultimate compliment to our brand, and makes your community really engaged."

And with more brands moving budgets towards digital channels, questions are also being raised about the need to finesse and hone those ads in the same way, versus creating a greater volume of content to serve to customers.

VaynerMedia's Gary Vaynerchuk says the industry needs to get over the stigma around this rapid turnaround work and embrace the change: "Quantity in the ad world is demonised as a lack of quality, but driving down the cost of something is good."

"This notion that the cost of the retainer with a classic retainer agency and production cost with a production company is ludicrous, especially when there's unbelievable amounts of data showing brands going from nothing to hundreds of millions of dollars based on social and digital spend."

As budgets move from linear broadcast channels and onto streaming platforms, the need for more variety in the ad sets and opportunity for targeted creative will test the flexibility of every agency. By 2022, the creative product and process will likely look very different.



"We'd much rather showcase work from the community than work we do ourselves. It's the ultimate compliment to our brand and makes your community really engaged."

ANN LEWNES, CMO, ADOBE



BLACK BUSINESS MATTERS

LAUGH OUT LOUD



Founder: Kevin Hart

What is it? Laugh Out Loud is an entertainment brand founded by comedian Kevin Hart, which shares original audio and short video content.

When it started: August 2017

Kevin on the success of Laugh Out Loud: I think the incorporation of myself and a couple of my guys putting ourselves on a platform and doing what people know that we normally do but more consistent, which is being ourselves, talking about today's topics - whether good or bad - but being extremely opinionated and having a conversation that's not about agreeing with each other but about having different points of view, different takes, different opinions, different thoughts. What makes good radio is that it's real. We want to give what our world needs today, which is information. We want to be in a position to take over comedy.

Kevin on diversity issues: As a black man in this business, I know how hard it is for opportunities to come, they're very far and few in between. Whatever position you're in, it's tough. When I had the opportunity to build a platform where we could create futures for so many we said: why not highlight the world of people that don't get the mass opportunity? I think we did an amazing job of shining the light on the diversity issues before they were magnified at the level they are at now.

Kevin on investing time in audio: It gives you a different space. It's a way to reach millions of people - whether it be through just radio or podcasts. My focus now in this space is to build now and be great later. I'm not getting any younger, but your voice can have a significant tone of power and influence. My conversation can last forever.

Kevin on content meets advertising: The things you attach yourself to, from an advertising component, should mirror the things that you represent. The partners we've been able to jump into business with are clearly a representation of my life and the things that I do. The future of my relationship with advertisers and advertising is only going to get stronger.

MEDIAMONKS' DIGITAL CALLING

Given the changes 2020 has wrought, it's right to stop and take a moment to think about the future of creativity and the industry. And how the model might be evolving. For that, it's very hard to look past MediaMonks.

CEO Victor Knaap happily admits March and April were edgy months for the S4 Capital-owned agency. But since then, he says, it's been a transformative experience, for both them and clients.

As Knaap (pictured) explains, the 'Monks' approach eschews traditional media, instead focusing on digital creativity and making brands constantly available for customers through a myriad of different tactical touchpoints.

"Although it looks tactical, all these thousands of moves, if there's the right focus on it, will lead to an enormous

uptick in brand likability," he says.

While MediaMonks has always been predicated on digital, the acquisition by Sir Martin Sorrell's S4 Capital has supercharged that mission. Today it is a company which encompasses techies of all stripes, specializing on platform builds across the likes of Adobe and Salesforce through to creatives who love telling brand stories in a myriad of different ways.

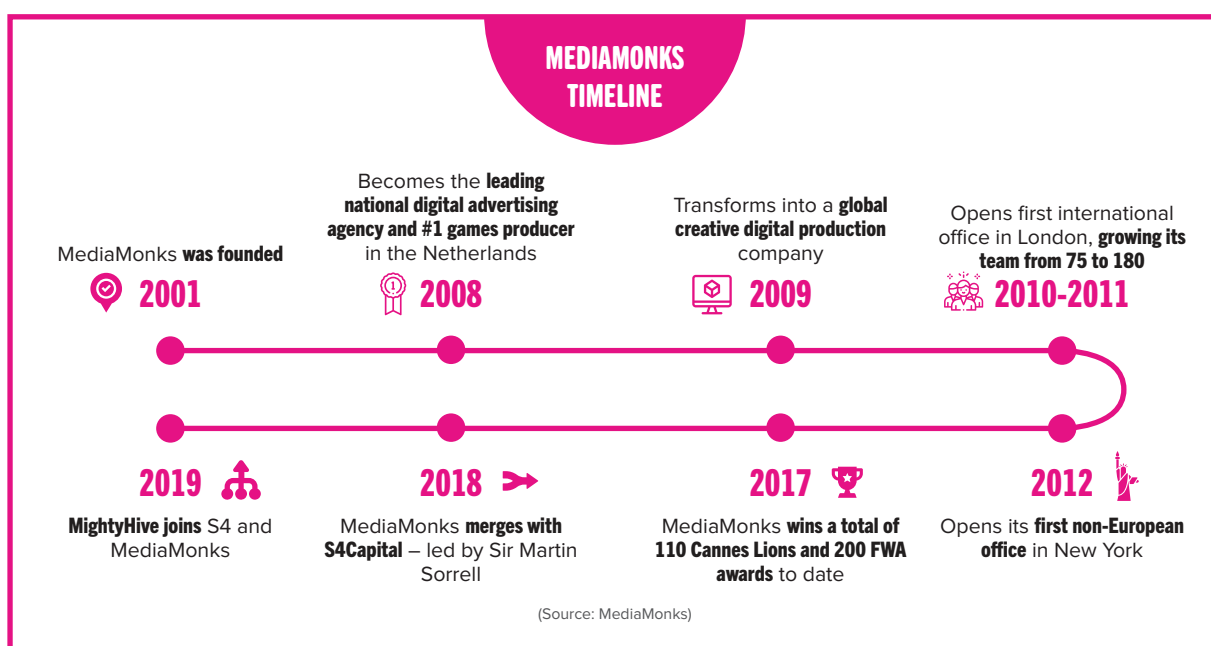
This diversity, insists Knaap, means they avoid vested interests by being able to advise you agnostically on whether to invest in tech, brand or product.

It's also plunged him into conflict with the advertising establishment, with statements like: "The big idea is the most overvalued piece, and the biggest idea

the advertising industry came up with.

"It needs to sit in your digital ecosystem, so how does it sit from my ads to my product being on a shelf or at home? It needs to be amplified by always-on social. What are the data points we have in the world, and how can I tell good stories that tie into the rhythm of the world today?"

Data sits at the heart of this system, but sometimes, it's the cultural data which creates the most salience and leans into the company's preference to create quickly.





3 THINGS FOR MARKETERS: EVOLVE TO OVERCOME

While the landscape will continue to change following the year of 2020, many marketers are closer than ever before with their clients as we work towards a common goal of thriving in this uncertain environment. Here Jay Pattisall, Principal Analyst for Forrester, takes us through how he expects the client and agency relationship to continue to overcome new barriers.

LET THE TRANSFORMATION BEGIN

We're coming out of the race to the bottom and we need to start the race to the top, with the need to transform agencies paramount. I'd like the resistance to this transformation to stop, and an acknowledgement that what agencies do and how they do it is changing and evolving. It's involving more technology, more analytics data, and it has more of an overall synergy and integration across channels.

MARKETERS NEED A MORE PROMINENT SEAT AT THE TABLE

With consumers disengaged and actively avoiding advertising and commercial content, brands need to lean into strategic partnerships and data-driven solutions - developing a customer obsessed strategy. Brands will now be looking to agencies as strategic partners to help them create this new hyper focused experience. The data is clear that in-housing has grown, but in a post-COVID environment, budget restrictions will mean more brands look towards outsourcing certain parts of marketing, and look to agencies to augment that expertise.

OVERCOMING ECONOMIC BARRIERS

The overall economic situation that agencies find themselves in and intense competition has led to cost-cutting around budgets, and in many cases, a move towards performance-based compensation. This model is all about aligning around a shared output and a shared and agreed set of KPIs, aligning compensation to meeting those performance goals. This sures up the agency's income and revenues, and allows them to invest in the very areas they define as necessary for helping clients, enabling them to transform themselves quickly. This rapid transformation is as much a strategy for agency success as it is for client success.

ALL ABOARD THE NOSTALGIA TRAIN



THE POWER OF NOSTALGIA

9 out of 10 

people admit to thinking fondly about the past at least occasionally, with **47%** saying they do so almost always or quite often

If it were possible to time travel...

55% of people would choose to return to the past 

28% of people would choose to go to the future 

Different age groups have different views, with each one being **most likely to be nostalgic for the decades of their childhood and adolescence**



The **1960s** conjures the strongest associations with music (38% of all mentions)

(Source: Marketing Week)

The habit of looking at the past through rose-tinted glasses is nothing new. Indeed, it's a sense of nostalgia for a past which perhaps didn't exist as people remembered it, which has been blamed/credited for some interesting decisions by voters over the last few years across the world.

When things change rapidly, it's understandable people think and hark back more to the past, a yearning to recapture some happy feelings from their childhood or when things were 'normal.'

During the pandemic, a number of marketers have noticed that a sense of nostalgia is driving people towards their brands, and driving some quite different purchasing behavior.

The J.M. Smucker Company has been one of the beneficiaries of this nostalgia kick - in their case, it's been a longing for those tasty treats of childhood with peanut butters, fruit spreads, and baking essentials.

Marketing boss Geoff Tanner (pictured) explains: "Only a year ago, you couldn't go a day without someone writing an article about how mainstream brands were a thing of the past. Almost immediately thorough this pandemic, we saw a return to mainstream brands, and that has fuelled our sales growth significantly.

"A large group of consumers have come back looking for trust, familiarity, and a desire for comfort. This, for us, is an opportunity to engage a new group of consumers."

It's not just adults who are searching for that sense of security either, Barbie's recent sales surge has been driven in part by this yearning for recapturing something from younger generations.

Design head Kim Culmone describes a new phenomenon of "rapid nostalgia" with kids reverting to playing with toys from their younger days.

"That happening in younger children signals there's a desire for comfort and familiarity, which is unusual," she explains. "It's like grown-ups turning to baking - we're seeking comfort and our brain is trying to comfort what's happening to us."

Often in marketing, we look to accentuate the new and innovative products. But the opportunity remains rife for powerful heritage brands if you can help consumers get in touch with those warm and fuzzy feelings they associate with them.



THE BIG PICTURE

A NEW WORKING PARADIGM



As we settle into the 'new normal' following COVID-19, Vice Chairman of Ogilvy UK, Rory Sutherland, takes us through how this pandemic has altered how we see ourselves and how marketing now needs to see the world.

ON FLEXIBLE WORKING

What we discovered when we started working flexibly is that our preferences changed as a response to experience. We had always assumed that the way we 'work' worked, and that we as individuals chose the balance of labor and leisure that was optimal for our own preference.

We have now discovered through this experiment that our own emotions, and what we care about, isn't what we thought we cared about. We've broken through the false dichotomy of the work-life balance, and we've discovered what we really want is a more nuanced mixture of when, where and what, in terms of how much time we spend at work.

THE COVID EXPERIMENT

What we had at the start of the pandemic was a remarkable controlled experiment, when brands who had been existing for a time before, like Zoom for example, had benefits discovered far past its intended use.

I'm very confident in predicting we won't return to the status quo. What we know about human behavior is it's sometimes a shock that causes people to learn new things about their preferences. Those new preferences take shape lastingly in new behaviors.

THE FUTURE

Marketers must accept that it is possible that we're playing a decisive role in human progress. That advance in marketing - in persuasion, presentation, framing and defaults - is the most important thing we can do to improve the lot of humanity over the next 20 years.

If we look for patterns, rather than starting with a rule kit to solve every problem we encounter, then I think the pace of progress will be much greater.



TIME TO CATCH SOME Zs

Earlier this year, Spotify made the decision to press pause on a major research initiative and reassess the results in the wake of COVID-19.

Having already spoken to thousands of Gen Zs and Millennials across the world for its second annual [Culture Next Report](#), they went back to the well during the summer of 2020 to help account for changes caused by not just the pandemic, but also a movement for racial equity.

And the results have thrown up some interesting shifts.

Before we get to the stats though, a word on why Gen Zs are important to understand for marketers. Gen Zs are defined as aged 15-25 and Millennials are those 26-40. They make up the largest percentage of the world's population, but they're also responsible for driving and shaping culture, society, and technology in new ways.

Melissa Lavigne-Delville, Founder & CEO of Culture Co-op, which conducted the study, explains: "There's the sheer numbers that are, of course, important. But there's also the cross-cultural connectivity, the way they take messages from one place and get them halfway around the world in seconds flat. Gen Z is a generation starting from scratch. They do believe they can make a change; they've seen their peers move the needle and believe they can as well."

While some of the trends from the first report continued to unfold, the report shed light on new ones as well.

The first of these, according to Lavigne-Delville, was emotion - understandably there's a lot more right now. She explains: "In the first issue, we talked about people wanting to have a broader emotional range, now

that's happening in 2020, and people want to express themselves."

That emotion has also created a greater activist mindset among these generations, with the killing of George Floyd and the splintering and factionalism in political circles acting as a strong driver for behavior change.

A third was a "deep feeling of positivity that came through," according to Lavigne-Delville. She expands: "People knew things were a little broken before, and the events of 2020 gave them a permission slip to bring themselves into it and create change for the better. It's exactly what is needed to get culture from where it is, to where it needs to be."

CULTURE NEXT: THE 2020 REPORT STATS

62% of Gen Zs said their generation is **ready to rebuild society from the ground up.**



49% of Zs we spoke to **said older generations can't act as guides to adulthood because too much has changed in the world.** That was before the major shifts of 2020. In our July survey, that number was 67%.



70% of American Zs and millennials said it's much **easier to feel connected to a community today thanks to digital platforms**



(Source: Culture Next 2020 Report)



THE 'FROM SCRATCH' MENTALITY

Gen Zs were already starting to rewrite the rules in their own image, but the total disruption caused by the pandemic has seen them shift even further away from the traditional paths their parents trod, and look at doing things for themselves.

They're highly entrepreneurial - 65% want to work for themselves in the future, acknowledging they'll need to start from the bottom to get there.

With things like college upended, many (one in three) are considering swerving it all together and making their own way - with access to knowledge more democratically (and much more cheaply) available elsewhere in things

like podcasts, which this demographic are highly engaged with.

Self-discovery builds community

Lockdown hasn't dampened the desire for community - in fact, it's strengthened it. But those communities are less cookie-cutter than ever before and more likely to be globally distributed thanks to technology.

Music is seen as a gateway to other cultures and is fuelling more self-discovery for people, which in turn connects them with different groups and cultures.

That self-discovery is an ongoing and lifelong journey, with many using music as a gateway to these new interests. Nearly two-thirds of Gen Zs and Millennials surveyed said they want brands to form communities around their interests.

Progress overtakes partisanship


For this generation, it's time to take a stand through engagement rather than just posturing.

Purpose has always been at the heart of Millennial and Gen Z thinking, and they set a pretty high bar on what they feel about it.

For brands, this means taking meaningful action - it's not just about posturing but driving real change in their own businesses and saying what they stand for.

Gen Zs are telling companies just to do something, take action, and show us you're part of this. They want to see what you're doing. It doesn't need to be political or partisan - it's as simple as saying here's what I stand for as a brand, and inclusiveness is incredibly important.

CULTURE NEXT: THE 2020 REPORT STATS

93% of American Zs and millennials chose **"purpose" over "politics"** with what they want to see out of brands 

69% of American Zs and millennials said **brands have the power to create communities** based on shared interests and passions 

53% of Gen Zs say they're **increasingly wary of big institutions** 

83% of American respondents **identified the global Black Lives Matter movement as a defining issue** and part of what's made 2020 a **"cultural wake-up call"** 

(Source: Culture Next 2020 Report)



ENTERTAINMENT

SECTION 3



**“INNOVATION WILL
DRIVE SPEND.
WHEN WE LOOK
AT THE GREAT
RECESSION
THERE WAS A LOT
OF INNOVATION
WHICH ULTIMATELY
BENEFITED
EVERYONE.”**

NICOLE PERRIN, PRINCIPAL ANALYST,
EMARKETER INSIDER INTELLIGENCE

TIME TO BE LESS UPFRONT WITH AD SPEND?

One of the biggest changes being wrought by the pandemic is the need for marketers to be able to rapidly shift their ad dollars as lockdowns hit and people's behavior changes very suddenly.

This could well signal the death-knell for the upfront negotiation, a mechanism which has driven value for TV broadcasters, agencies, and advertisers for half a century. P&G's marketing boss Mark Pritchard fired the starting gun on the conversation, saying the company - the world's biggest advertiser in 2019 - would no longer engage in the practice.

His sentiment was echoed by L'Oreal's Head of Media Shenan Reed (pictured): "The need for flexibility is going to be paramount in negotiations for next year. We need to be able to follow consumers, and we need to be flexible in moments like this. Who can predict when the next moment like this might happen?"

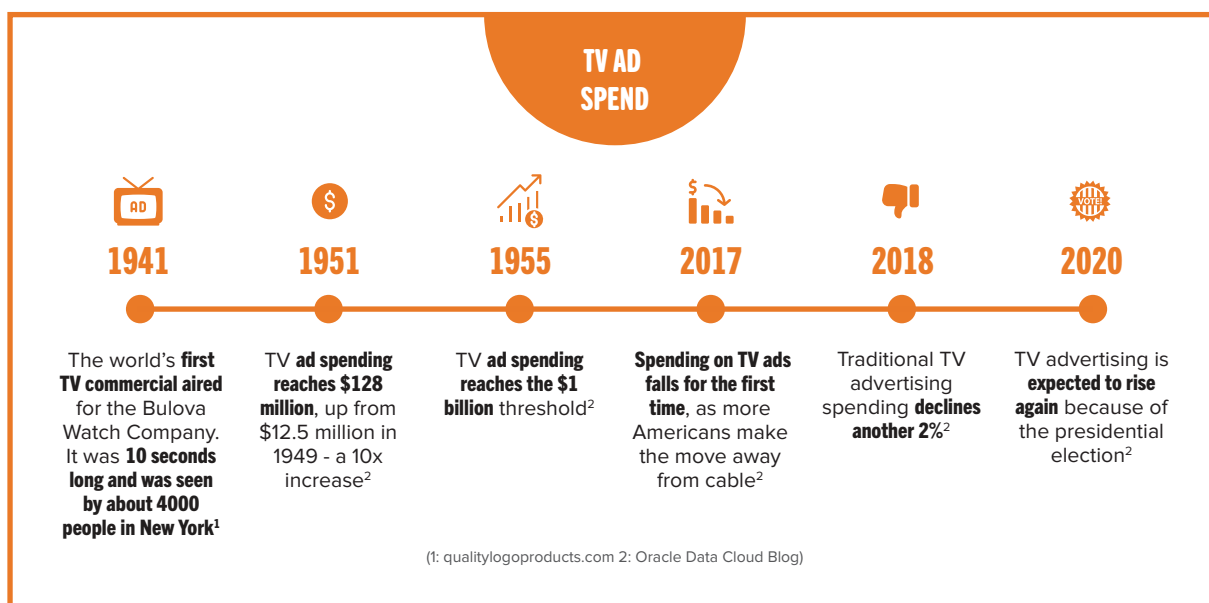


VaynerMedia Founder Gary Vaynerchuk describes it as a moment of history: "I think it would have taken another decade – call it 2030 – for this reality to be 'everyone is out on the upfronts' and the NBCs and the others would have to figure out their business models.

"Historians of the ad world – when we're old men and women – may look at COVID-19 as the tipping point as the death of the upfront, which was so foundational for half a century."

This change has many implications. TV networks will need to find a new way to monetize, and fund, productions, while advertisers will need to get more focused with their TV spends, with money likely to go a little less far.

The silver lining for both sides is the emergence of Connected TV as one of the winners from the pandemic, offering the logical future model for both sides (see next page for more on that trend).



STREAMING AWAY FROM TV

Connected TV (CTV) isn't a new thing - Hulu has just become a teenager - but it's one of the winners from the pandemic. Consumers stuck at home have been getting their video fix from subscription (SVOD - Netflix, etc) and advertiser (AVOD - Hulu & TV networks) video streaming to fill their time.

This surge in demand (+50% time spent by users for AVOD in Q2 2020) has seen a flow on effect with marketers' money (+31%). It's a logical step for brands looking to be more targeted with their ad dollars, but what is holding CTV back for brands?

Shenan Reed, Head of Media at L'Oréal, summed it up as the space feeling like "the early days of digital" with a lot of intermediaries nibbling away at budgets and too many systems which don't quite match up well enough to "put the time and effort putting your data in that space."

It's a point echoed by Lara Izlan, Director of Advertising Data & Analytics at UK broadcaster ITV, who admits even for the TV networks, co-ordinating those suppliers is "no mean feat," adding that the legacy systems and often sub-optimal experience with repeat ads is holding consumers back from faster adoption.

Facebook and Google's grip on small and medium business ad dollars hasn't gone unnoticed in CTV, with Hulu launching a program to help advertisers with smaller budgets to get started on the service and get a taste of the TV treatment.

Roku's Mike Shaw, Director of Media Sales Europe, says the industry needs to work together to make CTV an easier buy for agencies and marketers - pointing to the way the walled gardens allow self-service. For Shaw, that also means not going down the hyper targeting rabbit hole.

But he's keen to stress networks need to keep leaning into the sales pitch for TV of the last decade, which is the role as a "fame machine," and sales people need to avoid becoming the "banner ad sales people of the late 90s."

ITV's Izlan also warns against running towards too many digital-equivalent metrics to satiate marketers, and says brand should not "adopt the lowest common denominator from other channels which haven't benefited them."

She adds: "Finding common currency and a unified way to do measurement and pushing the benefits of TV advertising should be front and center. We shouldn't shy away from the fame building and brand pieces which take time to measure and shouldn't be using crude proxies to measure these. Let's embrace the complexity."



CTV ON THE MARCH

While the CTV ad market is dwarfed by the linear one, CTV can be effective for advertisers.

Compared to linear TV viewers, ad-supported CTV users are:

71% more likely to tell a friend about a brand

53% more likely to search for a brand

52% more likely to buy a product

(Source: Unruly Video Advertising Survey, July 2020)



3 THINGS FOR MARKETERS: EMARKETER'S TRENDS FOR DIGITAL AD SPEND

With all media experiencing headwinds, digital has managed to hold a positive growth trajectory. Here Nicole Perrin, Principal Analyst at eMarketer Insider Intelligence, runs some numbers to share three trends which will be important for marketing spend in the next few years.

ECOMMERCE

We predict digital ad spend is set to grow in the US by 7.5% this year. In May, we had this pegged at 1.7% for the year, so while it's slower than the last few years, it is a good result. Ecommerce is one area which has driven this - it has outperformed our expectations as the pandemic accelerated pre-existing trends and drove consumer spending to ecommerce channels. Many companies in ecommerce increased advertising, leading to better than expected growth over the summer. Ecommerce is up 43% in Q2 and more than 30% in 2020. This is definitely a trend we think is part of a new and ongoing normal.

PROGRAMMATIC DRIVEN BY NEWER FORMATS

Growth in programmatic channels remains strong as marketers look for more flexible ways to control their budgets. The fastest growing area we are seeing is Connected TV, which is up 27.1% this year from a relatively small base. But programmatic now makes up more than half in that channel. By 2022, we are expecting that one in five digital video dollars will be driven by CTV. This rise in the platform is also bringing in more brand ad dollars to digital traditional struggles.

DIGITAL IDENTITY

We are hurtling towards the digital future, and a little over a year from now Chrome is deprecating cookies. These will have far reaching implications for brands - it's about identifying and retargeting users, but it's also about attribution and the extent that advertisers use individual level tracking as the holy grail of measurement. They will have to move on from this, and deal more with cohorts and media mix modeling. We expect the death of the cookie to bring significant challenges to everyone.

HAS THE TIME COME FOR PORN?

Porn is a difficult subject, especially for marketers. But with Pornhub, the 10th most accessed website in the world, there's a massive (mostly male) market to be tapped into.

According to Kate Isaacs from #NotYourPorn, "we have to normalize porn as a part of everyday life and a part of our media consumption."

To do this, she says, ethics is top of the list. The industry is rife with exploitation, but according to Isaacs, there's a few people creating an ecosystem around ethical adult filmmaking. She recommends avoiding the 'Tube'-style aggregator sites for brand safety reasons.

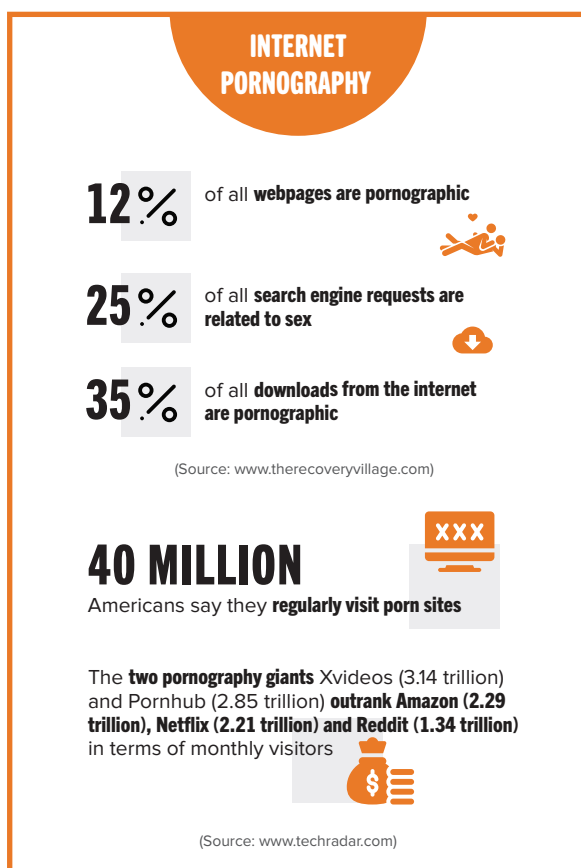
Fanbait's Head of Marketing Mark Hassell (pictured) points out: "You've got to be clever about where you target. Ad networks don't know where you're appearing, do your research and when using certain companies, make sure you know what your brand's appearing alongside."

Adlander turned adult filmmaker Jennifer Lyon Bell reckons there are also some lessons to be learned for creatives in the way they deal with relationships and sexuality on screen, urging them not to "squander the opportunity you have to make a difference."

"Even one ad portraying sexuality in a more sex positive way can make a huge difference in the kinds of discrimination this culture is having right now. Talk to sex workers and filmmakers who are used to making every frame count and don't just phone it in," she adds.

Fanbait's Hassell says a lot of marketers can learn from sex workers in the way they're building their brands on social media, describing them as "the greatest marketers in the world."

As Futurefactor's Kerrie Finch notes: "Think like a sex worker on social."





BLACK BUSINESS MATTERS

SUGABERRY

'THE MOTHERSHIP OF BLACK MOTHERHOOD'



Founder: Thai Randolph, Tika Sumpter

What is it? Sugaberry is a lifestyle site which aims to be the destination for black moms with kids of all ages, providing tips and advice for stay-at-home parents, careerists, and all the stages in-between.

When it started: March 2020

Tika on the reason for starting Sugaberry: There's a constant stereotype of what black motherhood looks like, but for me, I wanted to make the mothership of black motherhood for people to go and commune and also take joy in black motherhood.

Thai on the market segment: We're not a unicorn - the idea of upwardly mobile black moms who are both value and values driven is not an anomaly. If African Americans were a country, we'd be the 15th largest by GDP in the world.

Tika on where brands are missing out: People don't realize how much aesthetic matters - we like beautiful things. We like to pick up little bottles and feel luxurious. A little more care from companies could yield a lot more for these businesses. I'm looking at not just what's inside, but the outside of the product as well.

Thai on where advertisers can gain value from brands like Sugaberry: There are a lot of smart women who know what they're doing. Sometimes be quiet and follow the lead and take the time to listen to people who are part of the community - that will do you a service and help your ROI.

THE NEXT WAVE OF CREATOR MEDIA

If you haven't heard of TikTok by now, then you must have missed a lot of 2020. Between the pandemic, the US Government's attempts to ban it, and a skateboarding Ocean Spray/Fleetwood Mac viral sensation, the Bytedance-owned short video platform has received a fair bit of attention in this year, and experienced massive growth as a result.

But it's not the only short video platform looking to muscle its way into our consciousness. There's another game in town, and it goes by the name of Triller.

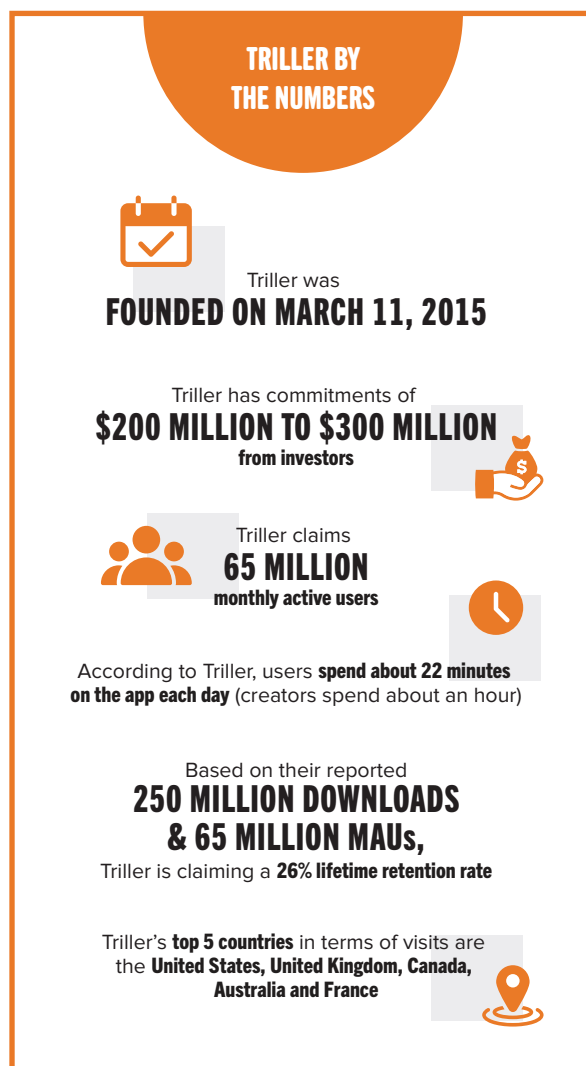
While Triller is a competitor for TikTok, its unique selling point for creators is an AI editing tool which matches film clips you upload to music you choose and edits them together for you - creating more professional looking (and longer) videos.

Bonin Bough (pictured), Chief Growth Officer, explains its heritage is from rights protected music and it aims to give artists another way to monetize their content - It claims to have access to 97% of the rights protected music in the world. It also counts towards downloads and chart positioning, and has had a hand in 27 Platinum albums so far.

But while it's come from the music scene, it's now branching out. If you think you recognize the name, that's probably because the platform is behind the much-hyped boxing match which will see the return of Mike Tyson to the ring. That's going to play as pay-per-view on the platform, and is sure to deliver a lot more downloads.

Another interesting element, and perhaps an evolution which will reach across other platforms, is the approach to influencers. Triller has spent a lot of money to lure some big names in that space over, and are monetizing that by charging brands to access them (and cross-posting on other platforms still). In return for that spend, it delivers a guaranteed number of impressions across the platform - effectively creating a campaign behind it rather than relying on organic reach.

Brands are already playing there with the likes of McDonald's, Levi's and Pepsi creating content to engage the community.





THE BIG PICTURE

THE FUTURE OF DIGITAL MARKETING: IT'S NOT WHAT YOU THINK



Digital marketing has been fast-tracked in 2020. But as we look into the future, how can marketers fully embrace digital and use it to their advantage? Neil Patel, Co-Founder of Neil Patel Digital gives us his top tips for improving SEO.

One of the least sexy topics in digital marketing is conversion rate optimization, but it's one of the highest ROI channels. Ad and SEO costs are going up, but if you're not doing conversion rate optimization, you won't get the most bang for your buck.

It's not hard to see what's working for your competition. You can use websites such as Ubersuggest to see what traffic your competitors are getting from SEO or paid ads, as well as top pages and what keywords are driving traffic. When you go omnichannel, your CPAs tend to go down and you tend to get a better ROI.

Another important part of digital marketing is metrics, and metrics are the key to beating Google. A way to do this is through Google Search Console. Here, you can find your top pages and the top keywords - what's driving traffic to those pages according to Google. You'll quickly find by using the top keywords across multiple blog posts, you will naturally drive more clicks and eventually Google will push you higher.

A trend we're seeing with user metrics is to be across all platforms, from Facebook to LinkedIn, as we're seeing 'likes' don't do as much as they used to. But when people engage through comments and shares, we find the content does really well.

You still need to focus on branding in the new era. The key to building a brand is following the rule of seven: if someone sees you or interacts with you seven times, they are more likely to convert to a buyer. The way you do this is by continuing to send emails, as well as combining push notifications with email marketing, and utilizing chat bots where applicable.

Marketing never stops. What works today may not work tomorrow, so the best approach is to keep testing and learning. You're going to be overwhelmed with information overload, and that's okay - just focus on the low hanging fruit.

SECTION 4



MARKETING

**“IT’S LIKE THAT
PHRASE ‘THE
FUTURE’S ALREADY
HERE,’ IT’S JUST
NOT EVENLY
DISTRIBUTED.
WELL, THE FUTURE
GOT EVENLY
DISTRIBUTED
REALLY QUICKLY.”**

FERNANDO MACHADO, GLOBAL CMO,
BURGER KING



BE MORE BARBIE

“Barbie is a reflection of what’s going on in the world. Barbie serves families and kids and they’re in an unprecedented situation right now.”

Kim Culmone (pictured) has spent the past 20 years living the Barbie brand and now heads up design across the portfolio. While she’s not a marketer in the promotional aspect, the work her team does determines the continuing success of the brand.

It’s also seen a bit of a boom during the lockdown period, with record sales of the flagship Dream House product in the first half of the year.

She admits when lockdown first hit she was pessimistic about being able to keep creating products without going into an office every day, but says it’s actually been a boon for their creativity as a team.

“The point I find from it which is most powerful is what we think we can’t do, we probably can,” she says. “And how do we take that energy into everything we do? How do we get to yes on this vs assuming we can’t do it?”

While many marketers are more removed from their customers, Culmone says they’ve encouraged the team to spend “as much time as we can with our consumers”.

She adds: “We’re all humans living in the world along with the people we’re designing products for. Our engagement levels had to increase. The amount of time we’re spending with children through virtual Zoom calls, we’re now looking into their lives while they’re playing and because of that we’re connected to a larger demographic of kids now.”

What keeps the team going through difficult times? “The pure joy of play is what it’s all about - and especially at times like this that’s a wonderful thing to bring into what world.”



THE BARBIE BOOM

Sales of the iconic, 62-year-old doll
SURGED 29%
 in the most recent quarter, notching their
 best performance in at least two decades



Fierce demand for Barbies through summer's
 end helped **fuel a hefty 10-percent increase**
 in overall revenues to

\$1.6 BILLION
 for the quarter ended September 30



Barbie **sales spiked recently** because
 of the “Barbie Princess” **movie that came**
out on Netflix in September



(Source: New York Post)

BE CONSCIOUS OF YOUR IMPACT

Ethics and advertising may sometimes seem like antithetical concepts, but as The Conscious Advertising Network's (CAN) Jerry Daykin (pictured) points out: "The reality is advertisers have accidentally funded some terrible stuff."

It's been known for a few years that ads from major brands can sometimes end up on some pretty unsavory content, and a lot of work has been done around brand safety and stopping this happening. As CAN founder Jake Dubbins explains: "We want to move the conversation from brand safety to human and society safety."

Attention is turning to other kinds of content being funded by advertisers, and the role ad tech is playing in facilitating this through artificial intelligence.

As Pia Oberoi, Senior Advisor on Migration and Human Rights to the UN, explains: "the situation was untenable, and it still is untenable." The UN has been working with CAN to examine the landscape, and as she explains, while a lot of content under the internet may not quite qualify as hate speech, it is in the category of hateful speech.

She says: "Content may not rise to the level of incitement and it might not be something that can be prosecuted, but damaging language can be instrumentally manipulated. We've seen it very clearly in the COVID-19 context where it could be the product of frustration and the search for someone to scapegoat."

This, she explains, leads to devastating impacts for marginalized communities, as governments feel the pressure to put in some fairly harsh policies to be seen to combat issues inflated by a handful of actors.

Some of these are not propagating this speech on ideological grounds, but simply to make money from advertisers because it's an easy space to play in.

Accenture Interactive's Amir Malik explains, the tools that make it easy for marketers to reach millions can also be manipulated by malign forces: "What if your intentions aren't business intentions, but about influencing opinions and repeating a lie a number of times so people start to believe it?"

Brands are already starting to exert pressure on media with things like the advertiser boycott of Facebook with the 'Stop Hate for Profit' campaign, but Dubbins says marketers need to go further and be conscious of the tools and sites they are using and appearing on, in order to be fully aware of how it operates and what their budgets are funding.

With consumer awareness and cancel culture on the rise, it seems the perfect time for marketers to get ethical with their ad budgets.

"The reality is advertisers have accidentally funded some terrible stuff."

**JERRY DAYKIN, THE CONSCIOUS
ADVERTISING NETWORK**





3 THINGS FOR MARKETERS: MARKETING YOUR MARKETING SO THE BUDGET DOESN'T GET CUT

In a recession, marketing is one of the easiest budgets for the finance department to cut. In this session, Mark Evans, Marketing Director of Direct Line Group, shares some tips on how you can position the function better in the business.

BUILD TRUST

Getting people to believe marketing is anything other than the coloring-in function never ends. It's always there lurking. Don't ever show ads in the boardroom - you're going to get interference and it reinforces the impression marketing is just promotion, and that's the last few inches of a much larger piece of the job, which is so much more complex. There's a discipline to things like board paper writing - get training where you can so you write the best papers you can and land all of the main points.

HAVE GREATER IMPACT

Econometrics - understand the channels and what their long-term impacts are. The key message is it takes time to build these disciplines. Continued testing and learning is the key here for you. Education - when we do the marketing induction for new board members and leaders, we lead with the econometrics, so it's understood we're economic on anything we do. Selectively use external acknowledgement. Awards can be a double-edged sword, but if you can get the IPAs etc to endorse you that does create a weight of credibility to use in the business.

MOVE BEYOND THE SHORT-TERM MAELSTROM

Sometimes you can't measure something, your gut tells you it's the right call. The very best way to get into the place to make those decisions is to measure the other stuff to death. So when you're making those gut decisions you can show it comes from the same brain and thinking systems as those other decisions. When you've done this and shown you have substance, you'll become involved in the direction of the company because you bring the credibility of the outside in, as this is an economic function, not a cost function.

BE A MODERN CMO



“In discussions where we need to make a decision really quick and don’t have time to do research, I think the voice of reason becomes the CMO. The role is being the voice of the consumer around that table.”

**FERNANDO MACHADO,
GLOBAL CMO, BURGER KING**

If you got into marketing to make pretty things, I’m afraid you’re in the wrong job now. COVID has put paid to marketing being seen as the coloring-in department. The questions you’re grappling with now put into perspective the squabbles over whether to make the logo bigger.

In all the adversity of 2020, what’s become clear is that businesses with strong marketing teams and a clear sense of purpose have shone through and come out a little less battered as a result.

The enforced digital transformation has meant many businesses have had to adjust rapidly, and they’ve needed to create a new view of what they do, and who their customers are.

Fernando Machado (pictured), Global CMO of Burger King, is known for some great creative work - but faced with so many of the chain’s restaurants forced to close, he rolled up his sleeves to go to bat for the customers.

He explains: “The global leadership team would meet at 8am and 6pm every day, and there were no small topics. We had to decide, for example, whether to mandate wearing masks in restaurants.

“In discussions where we need to make a decision really quick and don’t have time to do research, I think the voice of reason becomes the CMO. The role is being the voice of the consumer around that table.”

The recession also means slashed budgets for many marketers - so getting savvy with the financials and understanding the metrics that drive business are going to be increasingly important to justify your spend.

Ann Lewnes, CMO of Adobe, is a past master at this. She says: “We test and inspect the data. We know how much traffic we need on our website to get to a particular revenue target. We’re extremely advanced in lifetime customer value and that’s how we get our budget. Our whole business is founded on data, and marketing is predicated on data.”

There are a lot of other skills marketers are going to need to adopt as we move forward - the four (or five, six, seven) Ps of marketing, which in many businesses have been outsourced to other areas, will all fall squarely back onto the marketing department, as long as marketers understand the numbers and know what their customers are really looking for.



THE BIG PICTURE

INTO THE UNKNOWN: THE FRONTIER CMO



In this 'now-normal' as it's been called, what do we need to know from our top CMOs to navigate this very uncertain, unpredictable and disrupted landscape? Tim Cooper, Global Head of Thought Leadership at Dentsu Aegis Network, takes us through the network's 2020 survey of 1,361 CMOs in 12 markets in mid-2020 to see how this year's events have affected the key decision makers.

Getting comfortable with being uncomfortable

COVID-19 has had an impact - 60% of respondents said their business had been disrupted at least somewhat or significantly, while 7% of respondents said COVID-19 is an existential threat to their company.

CMOs have noted their marketing budgets are also under pressure. This year, about 62% of respondents said they would be cutting budgets or holding them flat, a rise of 21% from the same survey in 2019.

Not all doom and gloom

On the positive side, there has been some quick evolution for digital capabilities, with 90% shifting spend towards digital media and 84% moving more budget towards ecommerce, showing many marketers have stepped up in this time to help customers stay connected to their brand despite physical restrictions.

A study from McKinsey this year has shown in the US alone, ecommerce penetration has had 10 years of growth in just three months, which is an astonishingly fast acceleration in a very short period of time.

The primary role of marketing remains driving business growth, with CMOs stating that as their first priority over the next six to 12 months. Product development is rising in importance, coming third for what marketers think will drive primary growth.

New thinking is needed

The study highlighted that new tactics and ways of thinking were on the rise for top decision makers. However, what was surprising was 49% of CMOs were basing their COVID response on strategies that have been pursued during previous recessions.

But this is not just a financial crisis, we're also in a health crisis and the way in which we are living has completely changed in many countries. Unfortunately, only 12% of respondents said they were trialing out brand new ways to re-strategize during this time.

There is a bit of a back-to-the-future theme emerging as the foundational pillars of product, place, price, and promotion hark back to the 1950s way of marketing. Across the series of Dentsu's reports in recent years, there has been a sense that marketers have lost sight of these principles. Fast forward to 2020, and what we're seeing is a return to the foundational principles, albeit applied in a very different way.

SHOWING UP AS ACTIVISTS

More brands are taking a stand and becoming more active in their messaging to consumers. There's no doubt brands have a seat at the table now - like it or not. So how are they showing up?

Uber is one brand which has been active in voicing its opinions of some of the bigger issues of the year, specifically around wearing masks in its cars, as well as the Black Lives Matters movement.

Travis Freeman (pictured), Global Head of Media, explains: "Our message was if you tolerate racism, delete Uber. Human beings have the right to move safely and black people have the right to move without fear. We're fundamentally a movement company."

He admits this stance had its opponents, with some people vowing to avoid Uber because it didn't align with their values.

Freeman says: "This is the point of the campaign - we're a company that stands for something, and we want the people who use us to stand for the same thing. If you're not behind these movements, which are fundamentally about protecting human beings, we're not the right platform for you."

Some critics called out past indiscretions and where the company's actions don't always meet its words. This, he described as "humbling," but also a chance to help the business mend its ways and improve.

Uber also let go of its more targeted communications approach to make these statements, with Freeman explaining: "I threw a lot of the targeting out of the window because I think it's important to storytell with these issues. These are cultural moments which affect everyone and no one should be excluded."

Ultimately, he says making these statements is good for the company as it grows, to know what it stands for. But it's also important in securing a place in the consideration set for emerging consumers, with Gen Zs demanding more action from businesses in a range of areas.

"This is the point of the campaign - we're a company that stands for something and we want the people who use us to stand for the same thing."

TRAVIS FREEMAN, GLOBAL HEAD OF MEDIA, UBER





BLACK BUSINESS MATTERS

ROCK THE BELLS



Founder: LL Cool J

What is it? A preeminent platform giving voice to the large community of fans around classic hip-hop. It focuses on content, commerce, and experiences which honor the culture and core elements of the genre, and connect older and emerging fans with the music.

LL Cool J on why he started Rock the Bells: Rock the Bells was the perfect way to connect the classic hip-hop cultures with classic hip-hop fans in a big and authentic way. I felt like the classic artists were being marginalized and forgotten about, and I wanted to preserve the legacy of that classic hip-hop culture.

LL Cool J on advertisers and marketers focusing solely on a particular segment: They think the safe move is to always go with 18-30 year olds, but the reality is there is a Gen X out there that has grown up in hip-hop. We're talking about \$2.4 trillion in spending power, and we're ignoring them because everyone is chasing the Millennials. Gen X is like a forgotten middle child that no one thinks about.

LL Cool J on his vision of Rock the Bells as a platform: It was like the world was only focused on what was on top of the Billboard charts at the moment. If guys in the rock genre can get lifted up, why can't the men and women in the hip-hop genre? I decided I'm going to build this platform, lift them up, and take them to another level. It's not about me personally, it's less about me than it is about any other artists. We're connecting brands with the epicenter of what is cool. We have a culture that really permeates and is the foundation of pop culture. The vision was to just let these artists capture value.



ACCELERATION

Presented by **acxiom.**

SECTION 5



**“DIGITAL ONLY
COMPANIES AND
TECH COMPANIES
WILL HAVE THE
SAME PROBLEM
IN FIVE YEARS,
THEY’LL HAVE
THEIR ANALOGUE
ELEMENTS TO
RESTRUCTURE.”**

SIR MARTIN SORRELL, FOUNDER &
EXECUTIVE CHAIRMAN, S4 CAPITAL

TAKING THE MEASURE OF DIGITAL ACCELERATION



Measuring media is really hard. Every medium has its favored metrics, and every business has a different way of measuring success.

But as Yin Rani (pictured), CEO of MilkPEP, says: “The CFO doesn’t care if the pipes don’t wire and the stacks don’t match. He wants to know where the next dollar is coming from. It can be really hard to get there.”

But with a financial crisis, straitened budgets abound, and the pressure is on for marketers to show that all-important return on their marketing investments. Coupled with the accelerated move to digital channels and the need for the industry to find a universal metric has never been greater.

The problem is, finding a one-size-fits-all solution is really, really hard. Not all screens are born equal. TikTok is designed to capture attention in 15-second bursts; TV is aiming for a lot longer. Both have a place, but it’s different strokes for different folks.

One of the main sticking points is getting the various interest groups to come together. Acknowledging the barriers are more “political and commercial than technological,” the World Federation of Advertisers (WFA) has drawn up a framework to get things moving.

Ben Jankowski, SVP of Global Media for MasterCard, agrees marketers need to be the catalyst for the change, and says the first thing to get to grips with is reach.

He explains: “It gets us away from all the multiple views and things like that. When people watch a sporting event and see the same ad 10 times, they get pissed off. We’ve got to figure out how to drive true reach. It’s not the be all and end all, we’d love to get more outcomes-based, but that’s what we’re starting with.”

Ultimately, the metric that matters is business results, achieving behavior change or whatever the desired outcome of the campaign is. No media channel has managed that as yet - perhaps a renewed push from people controlling the budgets will sharpen minds.

WFA FRAMEWORK

Separate measurement systems preclude an understanding of true Reach and Frequency.

This means there are considerable amounts of impressions bought which are **driving diminishing or even negative value** to advertisers.

There is **scope to prevent the wastage of billions of dollars through better measurement** which, in turn, improves ROI;

Equally, an **improved consumer experience** can be delivered through avoiding the excessive ad frequencies which some have been exposed to.

This is **critical to avoid an apathetic (or outright hostile), reception** towards advertising from our audiences;

Lastly, **improved measurement** enables the sell-side to better value their inventory to **attract ad spending**.

(Source: wfanet.org/leadership/cross-media-measurement)

AUDIENCE BUYING - WITH INTENT

The death of the cookie is set to cause some major challenges in terms of finding audiences, but it may also present a new gift to marketers in the process.

For most buys, especially on programmatic, the context of the content which the slot is being served against are often overlooked. But without cookies and other signals to chase people around the web, context is suddenly set to become one of the only ways to buy audiences beyond large-ranging demographics.

Michael Schwalb, GM of Data Partnerships for JW Player, explains: “Suddenly for a lot of brands and publishers, context is going to be the best way to identify an audience. So for publishers and marketers, it’s important to start thinking about the behaviors and kinds of content you want to align to, which will attract people who are interested in your brand.”

Claire Grinton (pictured), SVP and Head of Experience at Essence, says many advertisers and publishers are currently trading on some pretty wide demographic skews, especially in the video space, so this kind of strategy will actually create more meaningful alignment for some brands.

She explains: “When we consider someone’s intent rather than the way they look, we’re doing right by our own bottom line. When you sell makeup you don’t care if that audience is a man or a woman, you care that they are interested in beauty.

“This means we can get to audiences that are currently underserved by traditional demographic targeting that focuses on the outside rather than the intent.”

But Grinton also points out that research shows that anti-contextual advertising can also be very effective as it jars the audience into paying attention - giving the example of a hard-hitting insurance ad playing during an episode of sitcom *Friends*.

Shobha Doshi, VP of Programmatic Strategy & Ops at CafeMedia, says it is starting to use machine learning through IBM Watson to help provide context and categorization for content at scale across publisher sites.

This helps recognize if someone is looking at four similar recipes in a row, or identify other objects in the videos to help add depth and greater context to the media buy.

In the short-term, Doshi advises brands to continue to invest in contextual storytelling which works for their audiences, and use changing media buys to test and learn what places work for them.

Ultimately, the threat becomes an opportunity for agencies to show their value to clients in creating a new relationship which stretches beyond the often transactional arrangement and into more of a consultative approach, driving more value for both sides along the way.



“When we consider someone’s intent rather than the way they look, we’re doing right by our own bottom line. When you sell makeup you don’t care if that audience is a man or a woman, you care that they are interested in beauty.”

CLAIRE GRINTON, SVP, HEAD OF EXPERIENCE AT ESSENCE



3 THINGS FOR MARKETERS: DIGITAL MARKETING INTO THE FUTURE

Digital marketing has accelerated in 2020 as lockdown forced us online in a big way. Yet it is fundamentally broken, according to Björn Radde, Head of Digital Marketing at T-Systems, meaning marketers have gone wrong and consumers have gone elsewhere. He explains some of the fixes.

WHAT ARE THE CHALLENGES WE'RE FACING TODAY?

First, information overload. With over 8,000 technologies out there, it's impossible to get on top of it all. Second is budget. While budgets have crept up for digital, this year adoption has skyrocketed, meaning there's now an over-saturation as everyone fights for the same eyeballs. Thirdly, even if you cut through the noise, over half of them won't be seen due to the rise in ad blockers, especially in the B2B sector.

WHAT'S NEXT FOR DIGITAL MARKETING?

Voice assistants - we have to think about interacting with them as well as thinking beyond these machines - soon there'll be voice assistants in your car, so there may be a time when you're driving past a store and the voice offers you those deals. Artificial intelligence - AI will create text bidding for marketers, create content, and even give suggestions on the best advertisements to show to a certain audience. Out of home media - this will interact with our audiences. For example, a mobile search for something will inform a billboard what to show you because the devices will communicate. Facial recognition on the digital signage will be able to see who's looking at the ad, then offer complementary placements to suit that individual.

HOW CAN WE PREPARE FOR THE FUTURE, NOW?

1. Take a look at the data and start testing to improve your business;
2. Take a look at your website and ask yourself: why should a customer visit?
3. Create epic digital marketing strategies instead of standard stuff;
4. Pilot new marketing technologies to identify new tools to increase digital marketing activity;
5. Take care of your tech stack.

COBRAS, THE HOLY GRAIL & UNINTENDED CONSEQUENCES

While the industry battles to find the single source of truth, it's important to stop and think about the metrics we're using right now.

Quantcast's Peter Day (pictured) has a pragmatic view on the state of digital measurement today: "It's far too difficult to reduce something as complex as a marketing plan to a single metric. It often feels to me like we're trying to reduce a complicated set of decisions across complicated channels to something simple."

The Chief Technology Officer boils down the measurement strategy to three fairly straightforward things:

1. Budget justification - showing the CFO what your output is bringing back in;
2. Budget allocation - helping the CMO work out which channel to allocate cash to;
3. Continual improvement - helping the execution team make regular decisions to improve performance.

As Day points out, these outcomes all require different information to assess properly, so searching for one metric to do them all is like looking for the Holy Grail.

Where do cobras come in? Day tells the story of the city of Delhi, which was overrun with the venomous snakes. Instead of hiring a lot of snake catchers, it offered bounties for snake skins. But that led to people breeding the snakes to raise more money from the authorities. And when the government clocked on and stopped the program, it turned out those entrepreneurs let their snakes go, and the city had a worse cobra problem than before.

This, he says, shows the law of unintended consequences. And that is what has happened as marketers try to put parameters like viewability, clicks, and attribution around their measurement.

While each one may be useful for some form of digital marketing, it has led to more cluttered pages and a worse user experience, clickbait, and attribution issues by relying on models which are entirely unrooted in reality in terms of customer behavior.



**“This is Goodhart’s Law:
when a measure becomes
a target it ceases to be a
useful measure.”**

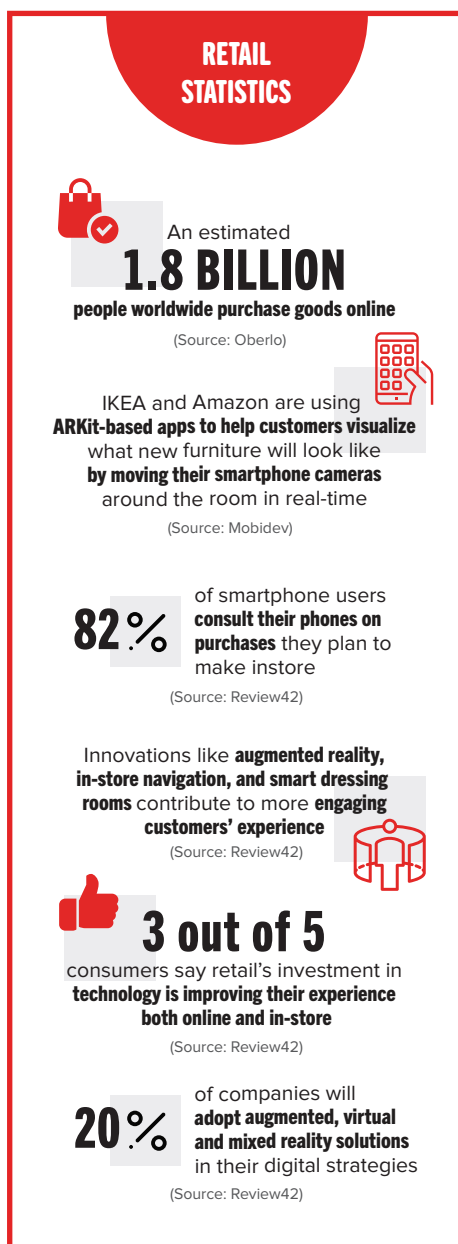
**PETER DAY, CHIEF TECHNOLOGY OFFICER,
QUANTCAST**

“This is Goodhart’s Law,” says Day. “When a measure becomes a target, it ceases to be a useful measure.”

For many, these are the common measures of digital marketing, so how should you approach things moving forward?

Day’s recommendation is simple - remember the incentives that you set drive the behavior of agencies and vendors, so don’t set arbitrary thresholds for things like viewability or try to measure everything like clicks - or you end up getting exactly what you pay for and everyone loses.

WHEN TECH AND RETAIL COLLIDE



While many predicted 2020 would continue the disruption in retail and rise of ecommerce, no one thought many shops would be faced with shutdowns, physical restrictions on capacity, and many customers too afraid to come to them.

Of all the sectors facing a moment of acceleration, retail is front and center. It's not all doom and gloom though, as there will always be a place for bricks and mortar, and the rise of ecommerce presents an opportunity for all.

But when you look to the future, technology is going to play a far larger role in the in-store retail experience too.

Jon Reily (pictured), Global Chief Strategy Officer of Dentsu Commerce, describes this not as a "retail apocalypse, but a retail renaissance." He explains: "Retail will no longer be a, 'I get in the car to go to Target to get paper towels and leave with \$100 of stuff I didn't plan to buy.' We're going to return to retail being leisure, but we're going to do it differently."

The pandemic and public health concerns will see the return of outdoor retail parks, using technology to make them more friendly, with robot concierges providing information to shoppers.

He also predicts the rise of tech in stores, with augmented and virtual reality chief among them. "Think about trying on clothes without going to the store, seeing the couch in your living room without holding a smartphone up - it just appears," says Reily.

He points to 3D printing as creating a solution for services like Amazon to create hyperlocal centers to help service customer needs around basic goods they require.

But one of the biggest changes is a shift in mindset from retailers, moving from a calendar mentality to stock and supply goods and services to reading customer intent and emotions through data.

"We're like farmers, we're so tied to the calendar," explains Reily. "It would be nice if we could find a way to reach customers and give them what they need based on what they want in that moment."

Ultimately, he has a simple warning for anyone not prepared to adapt and embrace more technology: "Brands and retailers have to reach out to Gen Z and Gen Alpha - if they continue to do what they've always done, they aren't going to make it, it's just that simple."





THE BIG PICTURE

POWER YOUR BRAND WITH IMMERSIVE



With an overwhelming volume of content for consumers to choose from, it's important to stand out. Marinn Jackson, Head of Premium Sales & Strategy for Verizon Media, takes us through how leading with innovation will win you new audiences.

Immersive experiences help solve one of the toughest challenges in media today: the problem of dwindling attention spans. Media consumption is at an all-time high, with an overwhelming volume of content for consumers to choose from. Consumers are under the impression they can multitask, and in order to break through the clutter, brands and publishers must create compelling content experiences for audiences.

There is a demand for this kind of content. Verizon Media's study Immersive Content Formats, showed us that 68% of consumers say they notice when brands use innovative tech to tell stories. And those advertisers have a higher brand recall, with 67% of consumers more likely to recall the brand sponsoring content with innovative tech.

We're trying to get people to engage with our brands, but even more than that we want to drive attention in ways that are authentic and resonate with audiences, and immersive is a great way to foster that authenticity.

In our new COVID world, where most of us haven't left our homes in months, immersive technology is going to solve a number of challenges marketers are facing. Your content needs to be purposeful, and if it is, audiences will come to your platforms with the intention to engage.

Our audiences are coming to us with purpose, and we want to deliver on that intention. When we do it right, we build trust. Which is needed as trust in media is at an all-time low. We have privacy concerns, fake news, conspiracy theories, and over the last five years, we have seen a sharp decline in trust of digital platforms, which has led social media to jump through hoops in order to regain trust.

Those immersive experiences help drive ad performance. We know that 74% of consumers avoid ads, so we have to work harder to get their attention. Consumers believe high quality ads make them more likely to purchase a product or service, immersive experiences are there to gain consumer attention through content and advertising.

Digital advertising and digital itself is moving so quickly, and with that comes heightened expectations on how you are communicating with your audience through those channels. We're going to continue to see accelerated growth, and with that will be accelerated expectations, so we have to keep a close eye on where there is movement and how we can use immersive experiences to engage with those audiences.



MEDIA CRYSTAL BALL GAZING WITH VEVO

4 Opportunities for the Advertising and Media Community to Consider in 2021

THE RAPIDLY CHANGING VIDEO LANDSCAPE

The receding linear TV business will continue to erode, but at increased rates as media pivots more fully toward streaming, and consumers trend away from bundling towards more specific and relevant choices.

Legacy media companies will further evolve to be consolidated network businesses fueled by news, hosted entertainment, and sports. Sports content will increasingly migrate towards new tech-driven platforms investing heavily behind long-term initiatives, where challenging economics behind quality content like sports offers new opportunities in distribution.

The dearth of ad supply in scripted original and first-run programming will challenge buyers to find quality supply with strong coverage in a market increasingly focused on a highly commoditized tail of more nebulous content and atomized audiences. Premium opportunities to harness content able to deliver the level of scale and balance to a media mix will be in relatively short supply.

CONNECTED TV IS THE NEW TV

Finding audience breadth builds brands and acknowledges reach as the driver of media effectiveness. As media choices are stress tested over time, reach-heavy impressions will be prioritized over frequency-heavy impressions. Perhaps the most relevant denominator for advertisers as of late is CTV households, reflected in the significant market that has been made towards CTV ad inventory this upfront season. With 100 million households in the US actively engaging with CTV, combined with online-only households set to overtake pay-TV households,

advertisers will only find optimal audience coverage with highly diversified media plans across a range of streaming content, services and platforms.

Many of the fundamentals of planning for cable with its short head and long tail of networks will be employed for CTV. Mixes will evolve to find more reach in late-stage media fragmentation, exploiting a range of opportunities across platforms and services with relatively modest coverage, as well as content that exploits audience coverage through a networked approach to distribution.

THE MULTICULTURAL OPPORTUNITY

Having dedicated and differentiated media plans fully integrated into national and local strategies that are focused on touching Hispanic American, Black American, Asian American, and LGBTQ+ audiences in more relevant contexts will be more heavily leveraged to extend reach, specify messaging, and connect with consumers who are materially different than the sociodemographic averages that marketers and media buyers are often affixed to.

With so much of the US multicultural population consolidated in markets where jobs are more plentiful, quality of life is better, and consumerism flourishes, layering targeted buys where it matters, to find more audience in population centers as part of national buying strategies, will continue to supplant generic national investments.

BRANDS WILL FIND A MORE AGILE WORKFLOW

A simultaneous global pandemic, looming economic recession, a racial injustice movement, and climate emergency has afforded marketers seismic purpose in fostering relationships with



consumers. Brand purpose and brand health are inextricably linked with consumers today, and will continue as human behavior has been altered and consumer trends have been accelerated.


Having meaningful and contextually relevant dialogue to connect with consumers overwhelmed with choice and thin on

attention solidifies marketing communication's importance. A further streamlined and consolidation of marketing operations afforded by these challenges are breaking down barriers that have encumbered change in a changed landscape, allowing for agility to overcome growing pains more quickly than in the past.


MULTICULTURAL RESEARCH FINDINGS

Vevo's recently launched The Anatomy of a Video Experience study has shone a light on what key US demographics are watching - and how they're watching. Here are the major trends for the advertising and media community to consider as we close out 2020

The average US home **owns over**
 **10 DEVICES**

People tend to be in **happier moods on OTT**,
 making it an optimal device to reach viewers

Video viewers say **46%** of the videos
 they watch are **culturally relevant** to them


Most ethnicities are **binge-watching**
 **content from one creator**

Asian Audiences



After mobile, **PC is the second most frequented video viewing destination** for Asian audiences

In general, Asian audiences are **less attentive and receptive** than the average viewer, but **younger Asian viewers are particularly open to ads**



Hispanic/Latino Audiences



After mobile, **OTT is a close second** for Hispanic/Latino audiences

English-speaking Hispanic/Latino viewers are more likely watching video on OTT, presenting a **clear opportunity for OTT to highlight more Spanish language content** options



Black/African-American Audiences



After mobile, **OTT is a close second** for Black/African-American audiences

Black/African-American viewers **generally watch for longer sessions**



(Source: Anatomy of a Video Experience," 2019, Vevo, MAGNA, and IPG Media Lab)

SECTION 6



CULTURE

**“WHEN THE
HISTORY BOOKS
TALK ABOUT THIS
ERA, I THINK THE
LAST DANCE
WILL BE A PART
OF THAT.”**

FLORA KELLY, SENIOR DIRECTOR,
STRATEGIC AND BRAND INSIGHTS, ESPN



OUT OF CRISIS... OPPORTUNITY

With everything turned on its head, we've all had a moment to stop and reflect (and become avid fans of the Belarussian Premier League). But out of every catastrophe there are unexpected winners. And this has been a playing-field levelling disaster (pardon the pun).

Women's sports may be one area which receives a long-term boost from COVID. The National Women's Soccer League was one of the first to come back post shutdown in the US, and was rewarded with broadcast coverage on CBS and ongoing streaming rights. This has put the brand, and some of the very best athletes in their field, into the mainstream for the first time.



This has given heart to investors like Kara Nortman (pictured), Partner at Upfront Ventures, who has invested in a new franchise to launch in 2022 with some prominent sportswomen.

She explains: "I personally believe people will get back together in stadiums. As we look at women's soccer, it's had an opportunity to go on CBS for the first time ever.

"We're focused on our jersey sponsorship and we're talking to sponsors who are really excited about this targeted audience. We have this opportunity to target niche passionate audiences who will spend and be engaged in totally different ways, and they're powerful for advertisers."

Gambling is the other industry which the venture capitalist community is backing in terms of a surge post-COVID. A mixture of economic necessity for governments and sporting bodies to engage with these cashed-up players will create fresh opportunity, and create looser restrictions in the US.

Again, the live experience is also ripe for change as consumer behaviors adapt. Front and center to take advantage are the teams themselves, with 5G giving them the opportunity to offer the game day experience fans have craved.

WOMEN'S SPORTS GROWTH



Overall, girls have **42.9%** of all high school sports opportunities
(Source: Iberdrola)

49%

of athletes at Tokyo 2020 were to be female
(Source: Move the Limit)



Women who participate in sporting activities at school have a **chance of remaining interested in sport** for the rest of their lives
(Source: ESPN)

76%



GAMBLING IN THE US

More than **\$20 BILLION** has been bet with U.S. sportsbooks since the Supreme Court struck down the Professional and Amateur Sports Protection Act of 1992 on May 14, 2018
(Source: ESPN)



US commercial casinos generated **\$41.2 BILLION** in 2017, a 3.7% increase year-to-year from 2016
(Source: Online United States Casinos)



The global market size of online gambling was forecasted to reach over **\$59 BILLION** in 2020 growing by around \$20 Billion in just five years
(Source: Statista)

LIVE-ING THE DREAM



Empty stadiums won't be the norm forever, but in the short-term brands which relied on match day activations are having to find other ways to tap into that tribalism.

PepsiCo's food and drink is often consumed at the stadiums, and it's left a hole. Todd Kaplan (pictured), Vice President of Marketing, explains how home viewing has become the norm.

"When you think about football there's a lot of uncertainty, but one thing we know is people will be watching - over 90% of people watch from home on a normal year anyhow, and that's been amplified," he explains.

Logic dictates you take those fan experiences to the home - which they've done by creating a 'tailgate in a box' for fans to win, and even transplanting a 30+ year season ticket holder's seats to his home after his wife passed away from cancer.

These kinds of activations find a life of their own through social channels amongst the fans.

But for Kaplan, the sell is all about "culture in, culture out." So when the culture stops, you make your own.

He adds: "Even the best laid plans can change on a dime. When COVID hit we had a new campaign called, 'That's what I like.' It showed someone dancing in a subway, a stadium, and an airport - the three worst places you can be.

"This campaign was about the best summer ever, which this was not, so we pivoted and leaned into the role Pepsi can play with music and the way Pepsi can help."

Within four weeks, Pepsi helped to create a new cultural phenomenon - Global Citizen's 'One World: Together At Home' concert starring a who's who of pop's elite, broadcasting to a global audience of millions from their living rooms.

Kaplan says this was a bonding experience for their team and agencies: "It went from concept to execution in four weeks. Our whole team transformed, and doing it all virtually was another new muscle.

"When you think on a dime and agencies aren't presenting three ideas to pitch into you, it allowed us to break down the barriers and be more fluid with everything."

IMPACT OF COVID-19 ON THE SPORTS INDUSTRY

Potential loss from NBC advertising during the Olympics is

\$1.25 BILLION



45 % loss in market value of the Formula One Group's stock



\$450 MILLION

is the potential loss of gate revenue in the NBA

Postponement of the European Football Championship to 2021 cost UEFA

€300 MILLION



(Source: Statista)



3 THINGS FOR MARKETERS: A GUIDE TO CULTURAL STRATEGY: HOW TO AVOID BEING “CANCELLED”

The hyper-sensitive consumer landscape of ‘cancel culture’ has marketers walking on eggshells to avoid becoming the latest pariah brand and avoid negative publicity. Here Sabrina Lynch, Senior Vice President at Taylor Strategy, gives us her tips to avoid being ‘cancelled.’

BE HONEST

A brand’s cultural involvement makes up a full 25% of a customer purchase decision. Making sure you’re doing right by the communities you’re trying to target won’t just benefit them, but also you. Your actions as a business should enhance, galvanize, and support your community. Ask yourself if you are enhancing culture as you learn to define it, or are you simply riding the coattails of other cultural movements. Is it for social currency or to look better to a certain audience? As long as there’s honesty surrounding that proximity-based goal, then that would be your business call. But do not appropriate the platform for brand building. Always show you’re putting people’s needs ahead of a business agenda.

BE SEEN

You need to look internally - does the audience you’re after see themselves in your brand? They’ll research you to see if a person like them is represented within your company. If they don’t see it, they’ll ask why. You have to acknowledge the realities and practices within your own organization. The default is to get testimonials from board directors and the C-suite, but now there’s more demand to hear the experience of people in the field. If your audience is not seeing representation within the workforce, it’s another challenge you’ll have to overcome.

BE HEARD

You must engage in regular communication and dialogue with the community and evolve your support to ensure meaningful and ongoing enhancement. If you’re truly advocating being in culture, you have to identify the nuances around the words that sell, see the communities for what they are, and come up with tailored ideas, approaches, and strategies to match them. It’s not about going viral or wanting that reputation, the brand’s approach should be ‘we want to be relevant’ within those communities.

TECH-MATE

Necessity is the mother of invention. Anyone who didn't know this well-worn trope to be true hasn't had to fashion toilet roll from kitchen wipes, or find ways to replace those IRL connections with a virtual proxy. Sports have been trying to recreate that real-world experience with a digital version.

The problem, as S4 Capital boss Sir Martin Sorrell puts it, is that: "The sports associations are not as flexible digitally. It's the old analogue company problem and the companies move too slowly, and the faster movers are the tech companies and digital-only ones.

"Sports associations are too slow in adapting and can't spin on a sixpence and turn on a dime. Some of these changes might not be permanent, but the effects are long term."

We have seen micro changes like games being handed to free-to-air TV as a 'morale booster' among them.

It may be several years before we see a packed-out stadium again, but the answer to addressing that loss of match-day experience is emerging through technology.

Verizon Media has been working hard on the sports scene with both game-day experiences and also game-like experiences for US fans.

In a time before lockdown it empowered fans at the Super Bowl with 5G-enabled technology, allowing fans in the stadium to access new immersive experiences to give them access to stats and in-stadium views.

Then...COVID.

In England, the Premier League has used crowd noises from the FIFA game franchise to plug the gap for live viewers, albeit on a slightly awkward delay.

But even playing in a COVID-safe bubble, the NBA knew fans are the heart and soul of the game, and worked with Verizon's RYOT Studios to create a virtual reality experience that gave supporters the kind of access which most could only dream of previously.

Head of RYOT Studio EMEA Mark Melling (pictured) explains: "I'm talking about the kind of experience courtside you'd have to pay \$50,000 for. Is this kind of experience something we're going to walk away from when we go back to normal? I don't think so."

Is there a threat we're making the armchair too comfortable? While these are a great proxy while people can't get to stadiums, it is unlikely it will deter the die-hard fans from their weekly pilgrimages, and this technology is going to make that experience even richer for them in the long-term too.

"I'm talking about the kind of experience courtside you'd have to pay \$50,000 for. Is this kind of experience something we're going to walk away from when we go back to normal? I don't think so."

MARK MELLING, HEAD OF RYOT STUDIO EMEA





BLACK BUSINESS MATTERS

RE-SPIN



Founder: Halle Berry

What is it? An inclusive platform created to provide inspiration, resources and products to support your individual health and wellness journey.

When it started: April 2020

Halle on launching Re-spin during a pandemic: We had some products we had just developed that could help people stay healthy while at home in the middle of the COVID pandemic. We realized that now was the time to help people stay connected to their fitness and wellness journey while they're stuck at home.

Re-spin CEO Kendra on using data and building connections: We're looking at everything through the lens of consumer data, consumer listening, and insights so that we can not only build a brand that reflects Halle, but also reflects what people in our audience really want and are seeking.

Re-spin CEO Kendra on building trust with the consumer during this period: Everything we do is built on trust. Our relationship, our team, how we show up for our consumers. I think people are really longing for something that they can connect to and believe in that's real. One of the first things Halle said was, 'we want people to seek truth for themselves.' And it rings true with everything that we do.

Halle on building consumer trust: We want to have just done the work and the research and we want to be clear minded about everything that we're saying and putting forth because we hope that people are listening. And they're going to feel like that if we set it forth, then they understand what we are talking about and they can trust that we are going to have good information.

WHEN THE FLOODLIGHTS GO OUT

The pandemic stripped people of a lot of things this year. Aside from health, family members, access to toilet roll and basic freedom of movement, it stripped away an enormous part of culture - sports.

When the pandemic hit, nearly every sport went on hold within a week. For a short while we all became fans of Aussie Rules Football, until the lights eventually went out on those too.

It left a chasm: at least \$10B disappeared from the ecosystem in the first few weeks in the US, but every sporting code is counting the cost.

Biosecurable bubbles, empty stadiums, and stacked schedules have seen sport come back, in body if not in spirit. But, let's face it, it's all a bit weird. The virus is playing havoc with teams' ability to compete week to week, travel to opposition, and putting an even greater mental health burden on the athletes trapped away from their support systems. It's a short-term fix.

George Pyne (pictured), Founder at Bruin Sports Capital, predicts: "The next 12-24 months see a lot of dislocation and adaptation as the scheduling around sports is just completely turned on its head."

Dedicated sports broadcasters faced an existential crisis. There's only so much sports-talk even die-hard fans can handle with no action to dissect. But it's not all doom and gloom.

For ESPN, it was the time to reach into the locker and pull the lever on an unprecedented all-access documentary about Michael Jordan: *The Last Dance*.

"When the history books talk about this era, I think *The Last Dance* will be a part of that," says ESPN's Flora Kelly.

The show coincided with another cultural phenomenon, Netflix's *Tiger King*. But viewing figures show in its first three months, Joe Exotic grabbed 41 million US viewers and MJ dunked 68 million. A clean sweep.

For ESPN, it reinforced two things: be bold with your approach to content and don't be shy to schedule content over multiple weekends and create appointment-to-view TV.

For the rest of us, the lesson is simply don't underestimate the power of sports, or nostalgia. And maybe bank on the power of sport-based nostalgia to move culture in times of crisis.

"The next 12-24 months see a lot of dislocation and adaptation as the scheduling around sports is just completely turned on its head."

GEORGE PYNE, FOUNDER, BRUIN SPORTS CAPITAL





THE BIG PICTURE

JACK DANIEL'S CRASH THE COUCH



When the summer's music festivals fell foul of lockdowns, many brands were left scrambling with plans in disarray. Jack Daniel's pivoted its plans to create "Crash The Couch," a mega virtual festival. Alan Parker, Chief Innovation Officer at Energy BBDO, and Ed Carias, Brand Director at Jack Daniel's explain how they pulled it off.

The Jack Daniel's brand has a long association with music. In a normal non-COVID year we'd have had a very busy summer and be involved in numerous festivals. The brand team began to pivot and we had a run of successful Facebook Live shows with some Friends of Jack artists. We were one of the first brands to get into that, but we were looking for something bigger.

So when BBDO had the idea for a virtual festival, Jack Daniel's was ready to commit.

The thinking behind it was quite pure. How could we do something to further associate Jack with music and give back not only to Jack, but also to the bars and taverns Jack would usually be drunk in? It's intrinsically linked to music and we wanted to bring in different types of music to drive that connection to Jack Daniel's and get music back into people's homes.

When we had the idea there had just been one virtual festival, and it wasn't branded. So it wasn't a well-trodden path. Everything we've done through COVID has required us to think differently to bring the idea to life. And what we've learned is to bring in specialists and experts to help solve those problems.

We decided to house the festival on YouTube as it had all the capabilities and tools we needed, and talking to artists it was the platform they seemed to be expecting anyway.

The last element was bringing in a charity partner to benefit from this. We chose the Sweet Relief COVID-19 Musicians Fund because we wanted to show our support for music was deeper and musicians have been among the worst hit by the pandemic.

The festival ran over two nights and we had headliners including Nathaniel Rateliff, Cold War Kids, and Brittany Howard. What was amazing was the diversity of people you wouldn't normally think would be associated with the brand. We had people joining from all over the world and staying up late to enjoy it.

This was not a logo slap, this was something core to our brand and the way we engage consumers. The highlight for us was having it enjoyed by fans, the ultimate critics.



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