

2022 Top Trends
Media
01 | 20 | 2021



You can buy it anywhere.

WHAT IS HAPPENING?

Canadian ecommerce grew faster than any other country during the pandemic @ 73% (see opposite).

Social commerce in particular, is accelerating, with Kantar reporting that 61% of online shoppers likely to buy through social platforms.

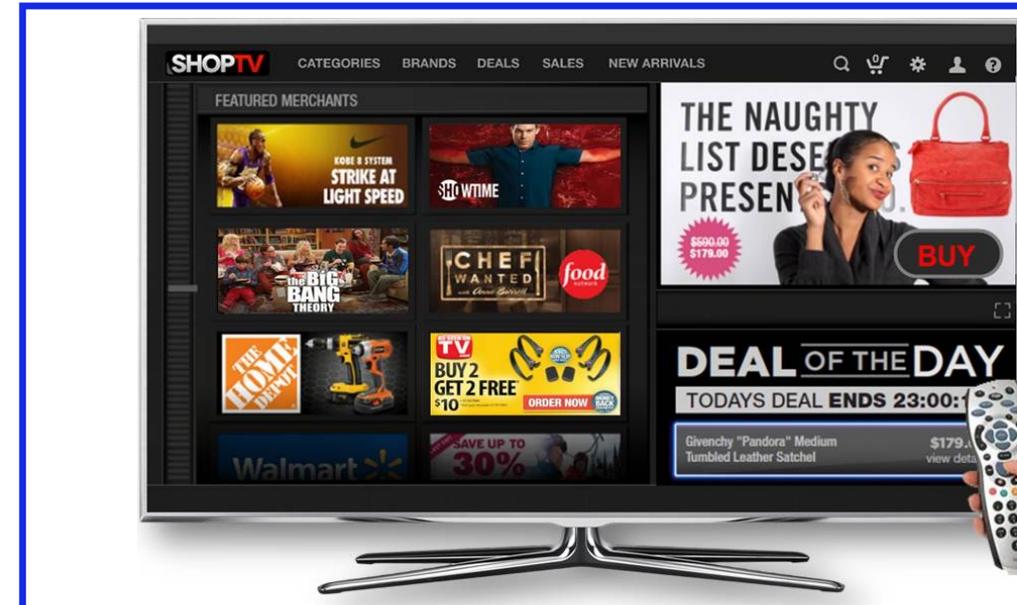
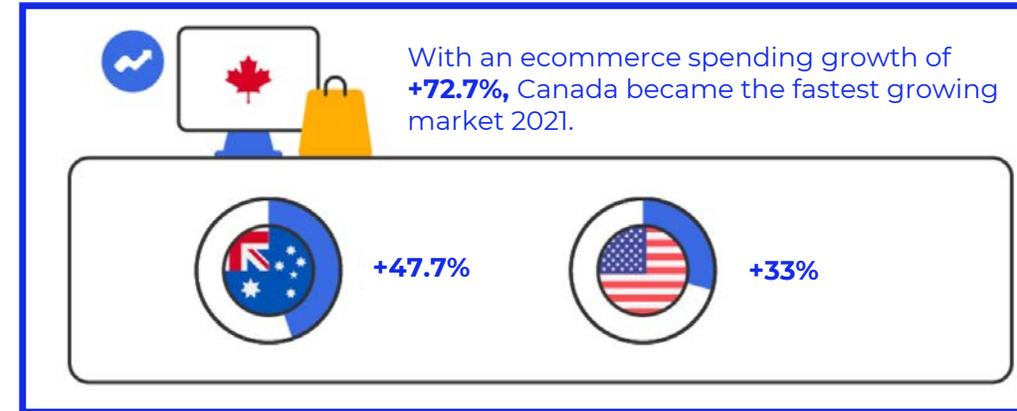
That is driving Instagram & Tik Tok to double down in this space, Pinterest and Shopify to deepen their relationship on a platform where 97% of all searches are unbranded which makes it a challenging marketplace for brands to stand out.

Also in 2022, expect Shoppable TV on your Connected TV which will allow viewers to send shoppable links seen on screen to their mobile device. YouTube for example is experimenting in the US with "brand extensions" (see opposite).

You can see how ad free streaming services like Netflix might use this kind of approach to monetize stagnating subscription growth.

IMPLICATION FOR BRANDS

The diversification of media channels that are shoppable is inevitable. For relevant brands, it is essential to design a testing program that can identify and quantify success in order to scale profitably.





Total media market spend will grow.

WHAT IS HAPPENING?

Total advertising spend fell around 15% year on year in 2020 to around \$10b (see opposite) as the pandemic hit hard.

At the same time, 62% of all media consumption is now digital, a trend accelerated by the pandemic.

As a result, all mass media channels were hit as media consumption continued to move from traditional into digital channels with video streaming up 30% and audio streaming up 25%

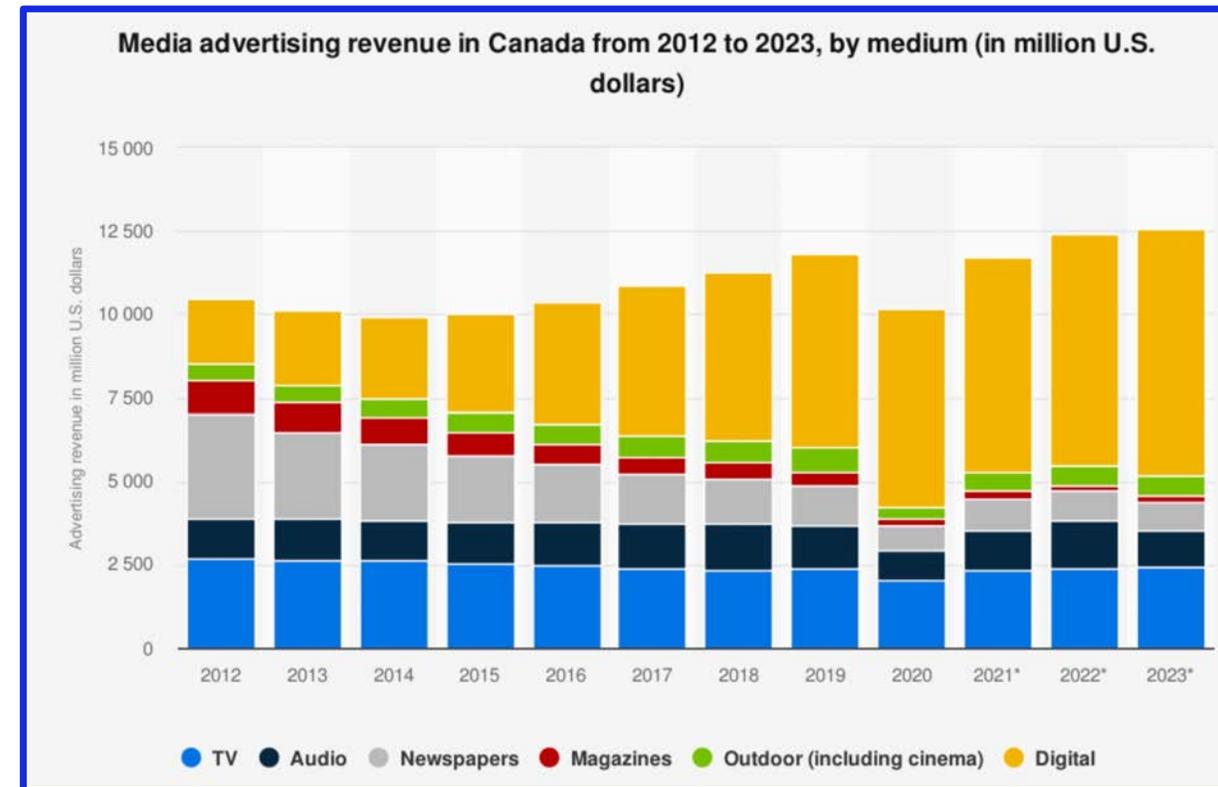
2021 total ad revenue has now rebounded almost to 2019 levels, however mass channels have still grown more slowly than digital.

In 2022 we expect continued growth of the total market.

IMPLICATION FOR BRANDS

The demand for media continues to grow into 2022 driving media costs a little higher.

Forward planning, and co-ordinated multi-channel planning can mitigate this rise.





There are still COVID implications.

WHAT IS HAPPENING?

Mass channels like OOH (see opposite above) have returned to pre covid consumption levels in total BUT there are some significant changes in patterns.

OOH roadside is now higher than previous levels BUT transit is still significantly lower than pre Covid (see opposite below).

TV media consumption has also returned to pre covid viewership levels, BUT that consumption is now more digital, streaming for example, than previously

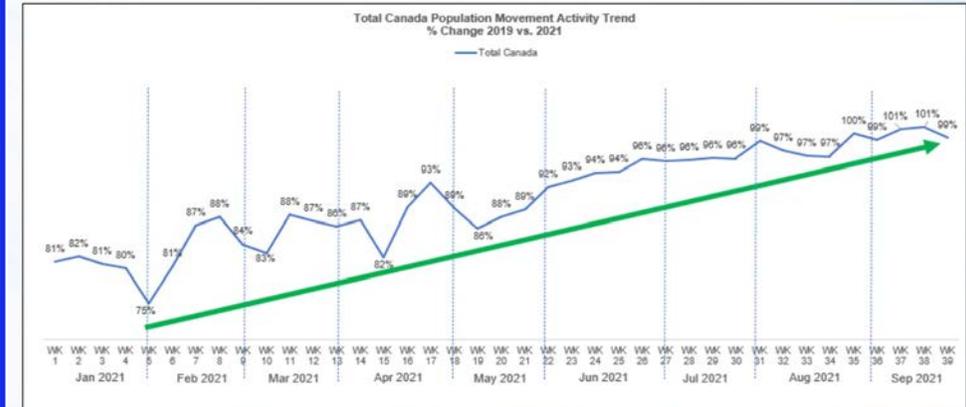
Cinema attendance is growing, BUT the hybrid entertainment model is seeing studios release movies like Cruella released simultaneously in cinema and online.

IMPLICATION FOR BRANDS

Brands & agencies need to look below the "headlines" to optimize their campaigns to reflect these new consumer habits.

These patterns will continue to change as the "new normal" returns, presenting great value opportunities for brands that are at the head of these changes

Total Canada – Total Weekly Movement Activity January – September 2021 (% Change)



Environics Analytics MobileScapes Call & About Activity Trend Total Canada
January 2021-February 2021 vs. same period 2020, March 2021-September 2021 vs. same period 2019

PATTISON

TRANSIT APP USAGE





Video will continue to grow.

WHAT IS HAPPENING?

Consumption of online video content is growing rapidly fueled by stay at home orders. Kantar says 65% of those that use pay tv or streaming use more than 2 hours per day.

This is driving ad dollars up rapidly (see opposite chart)

Subscription VOD growth is slowing as competition becomes increasingly fierce.

Numeris has just released its new cross screen measurement data (VAM) that will allow significantly improved understanding of audience cross screen consumption.

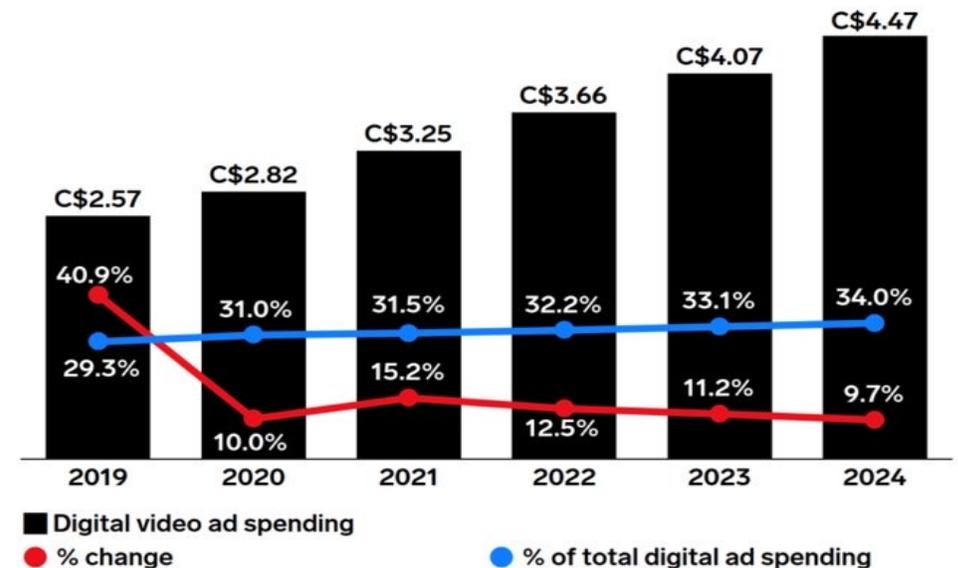
IMPLICATION FOR BRANDS

Content is king & consequently consumption patterns will keep shifting. Use VAM for deeper insights into consumer behaviour to plan more effectively.

Use Video for what it is powerful for – Brand building & telling stories over conversion.

As video becomes more central to your execution, use technology to protect brand safety

Digital Video Ad Spending in Canada, 2019-2024
billions of C\$, % change, and % of digital ad spending





Facebook is under pressure.

WHAT IS HAPPENING?

Facebook is under fire for not doing enough to protect its audiences (especially kids) from negative content, including recent “whistle blower” revelations.

IMPLICATION FOR BRANDS

Some brands such as Patagonia and Tesla, have pulled off Facebook permanently.

Brands are increasingly balancing the “performance” of Facebook with the ethical questions that the platform poses.

Brands and agencies also need to ensure they are utilizing the best global brand safety technology.

AUDIENCE REACH BY CHANNEL & PROVINCE

	BC	AB	SASK	MAN	ON	QC	NB	NS	PEI	NFLD
Facebook	68%	71%	76%	75%	65%	74%	84%	79%	76%	81%
YouTube	50%	52%	50%	61%	52%	39%	51%	56%	58%	59%
Instagram	40%	39%	50%	45%	41%	30%	33%	37%	39%	40%
WhatsApp	42%	38%	45%	38%	44%	24%	19%	20%	14%	16%
LinkedIn	26%	37%	28%	23%	34%	29%	21%	23%	36%	17%
Twitter	25%	25%	23%	26%	26%	15%	27%	22%	33%	30%
Pinterest	20%	22%	28%	33%	23%	17%	33%	26%	31%	40%
Snapchat	16%	17%	34%	25%	13%	11%	15%	19%	14%	20%

IMPACT

The common misconception is that reach in Canada cannot be achieved without using the Facebook platform, when in fact a cross-mix of other scaled channels reach Canadians effectively.



The Metaverse.

WHAT IS HAPPENING?

GenZ spends more time playing video games than watching TV, or anything else for that matter (see opposite), driven by games like Fortnite etc.

This behaviour is what is leading technology businesses to invest so heavily in the Metaverse, a world where you can virtually meet, work and play using a VR headset, glasses or your device. Think of it kind of like a real-life video game.

Well established physical world brands like Balenciaga are selling direct to consumer in the Metaverse, Gucci has its own virtual world and Coca Cola are selling NFTs.

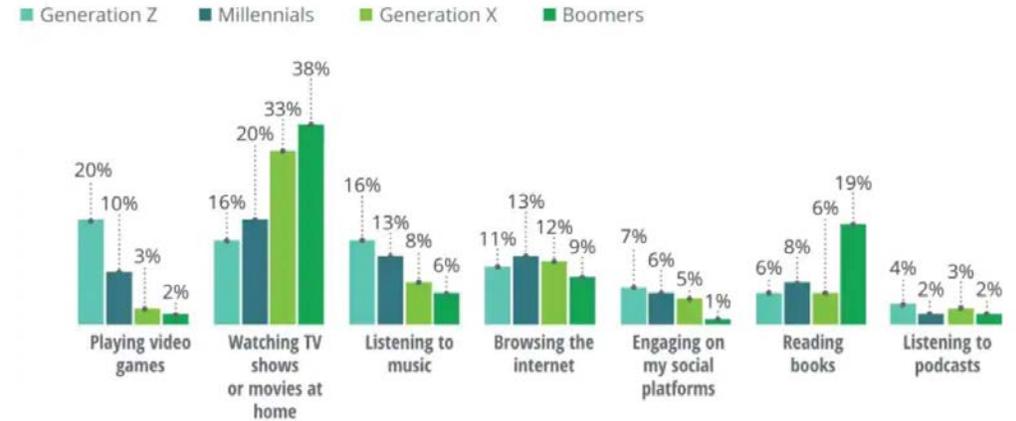
IMPLICATION FOR BRANDS

There have been virtual reality false starts before, but if Facebook (and others) think the Metaverse is the future of their business, then it is likely the future of their advertising business so brands need to pay attention & be ready to test & learn.

For relevant brands, cautious testing using social learnings as some insight is the only way to dip you toe into this water.

Younger consumers continue to gravitate towards gaming and music

Percentage of respondents ranking the following as their No. 1 favorite entertainment activity (from a list of 16)



Notes: N (total)=1,102 US consumers.

Source: Digital media trends, 15th edition (Fall pulse survey, October 2021).





A cookieless world is coming.

WHAT IS HAPPENING?

Microsoft research indicates that 91% of consumers are concerned about how their data is collected. It is no surprise therefore, that Government regulation is increasingly protecting the privacy of consumer data. This is leading to the reduced ability to use of 3rd party cookies to track and optimize ads that consumers see.

Earlier this year, Apple rolled out an update that prompted users to actively opt in / out of tracking. Current estimates are that 75% of iOS users have opted out being tracked.

Google also plans to phase out 3rd party cookies in Chrome but has delayed implementation in order not to affect its ad revenue before a suitable replacement is found.

IMPLICATION FOR BRANDS

Some campaigns will see worsening performance due to these changes. There is no single solution, but we believe that brands need to:

- Evolve to a 1st party data approach where possible
- Correlate media activity directly to sales data.
- Test contextual solutions
- Test location & synthetic based audiences

On Monday, Apple is rolling out a long-awaited privacy feature for iOS. The latest version of the company's mobile operating system, iOS 14.5, will prompt iPhone and iPad users to **opt out of tracking in apps** that monitor their behavior and share that data with third parties. Apr. 26, 2021

Does Facebook reorganization signal trouble for its targeted advertising?

New data privacy laws and international data regulations are attacking Facebook's primary business advantage in targeted advertising. The writing is on the wall, and Facebook needed desperately to diversify.





THANK YOU.