CRONIN

CREATING | BETTER

2022 Marketing Trends to Watch

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Now more than ever it is critical to strategize ahead, reset and create new strategies to best meet drastically shifting consumer values and the rising expectations consumers have of the brands they choose.

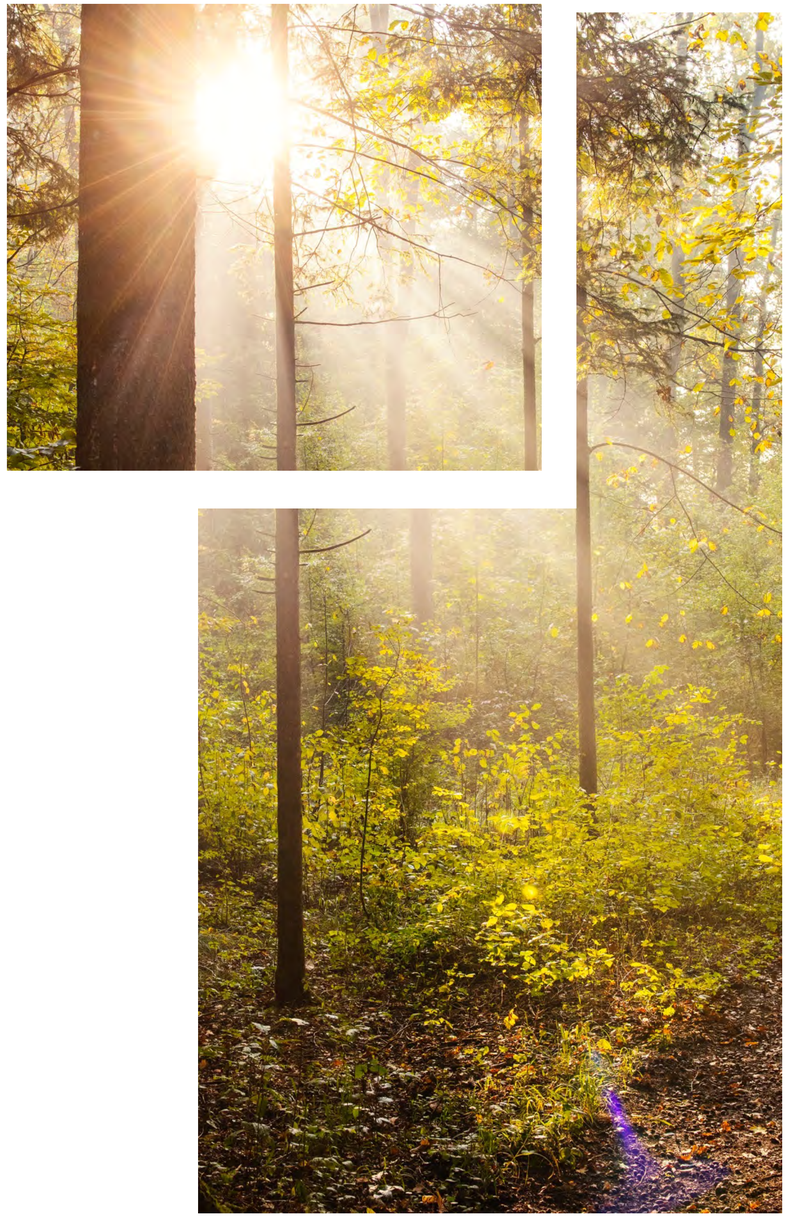
Betsey Gainey

SVP, Brand Strategy and Management

TREND 1

Branding in a Pandemic World

The COVID pandemic has made waves throughout our global society. It is forcing change, and reimagined ways of living, working, connecting. For businesses and marketers, it is underscoring the importance that brands place on strategy, and the need to reassess how well they are resonating with their consumers. Now more than ever it is critical to strategize ahead, reset and create new strategies to best meet drastically shifting consumer values and the rising expectations consumers have of the brands they choose.



TREND 2

A Shift in Consumer Values: Opportunity to Connect with the Reimagined Consumer

Four million Americans left their jobs in July of 2021 due to changing living situations, family dynamics and life priorities (U.S. Bureau of Labor Statistics). What some are calling the “great resignation” signals one of the largest and quickest shifts in consumer values. Accenture calls this group the “reimagined consumer”; 50% of consumers who say the pandemic caused them to rethink their personal purpose and reevaluate what's important to them in life. This shift is resulting in a change in buying habits and creating opportunities for companies to reset and find new ways to meet and exceed expectations. Consumers will abandon brands that don't support their new values - and pay more to those that do.

How well do you know your consumers and what they now value most? Strategize ahead and reignite your brand’s growth.

50%

of consumers say the pandemic caused them to rethink their personal purpose and **re-evaluate what's important to them in life**

66%

of consumers expect brands to take more responsibility in motivating them to live by their values and to make them feel more relevant in the world

“While we will continue to need trained interviewers, facilitators, and data scientists, marketers are finally embracing the benefits of team members throughout an organization participating in research.

Katie Lukas

VP, Customer Experience & Consumer Insights

TREND 3

The Democratization of Research

Research is no longer the sole province of a specialized team. While we will continue to need trained interviewers, facilitators, and data scientists, marketers are finally embracing the benefits of team members throughout an organization participating in research. The best (i.e., proprietary, actionable) insights are most often generated through collaboration in a process vs a 30-page report.

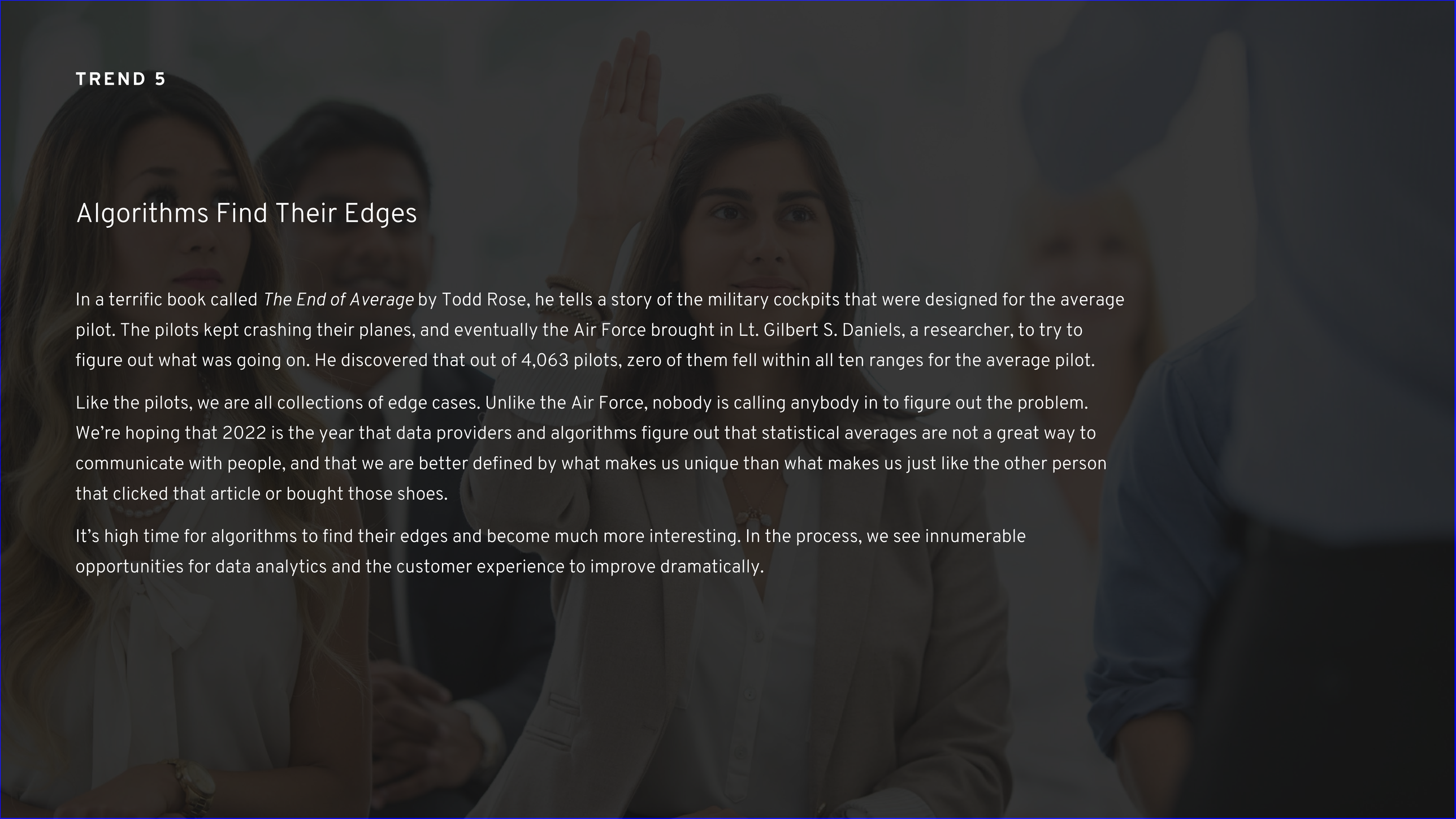
To some organizations, this means developing active listening programs and ways to build a complete feedback loop between customer insights and business activation. To others, this trend is pushing towards offering research, data repositories, and an ongoing stream of easily understood insights that are accessible throughout the company. We'd also suggest involving everyone in research activities, from sitting in on interviews and focus groups to looking at quantitative data to participating in research synthesis. Embracing the democratization of research throughout the enterprise can result in deeper understanding and a greater ability to meet customer needs.

TREND 4

Customer Experience is Everyone's Business

Customer Experience is no longer the province of the bold. Look for:

- Improved metrics and best practices for CX work and outcomes – CX is everyone's business but few are truly capitalizing on the business perspective shift needed
- Where CX lives within an organization – customer service or marketing or both
- Mature CX organizations developing a model for what comes next



TREND 5

Algorithms Find Their Edges

In a terrific book called *The End of Average* by Todd Rose, he tells a story of the military cockpits that were designed for the average pilot. The pilots kept crashing their planes, and eventually the Air Force brought in Lt. Gilbert S. Daniels, a researcher, to try to figure out what was going on. He discovered that out of 4,063 pilots, zero of them fell within all ten ranges for the average pilot.

Like the pilots, we are all collections of edge cases. Unlike the Air Force, nobody is calling anybody in to figure out the problem. We're hoping that 2022 is the year that data providers and algorithms figure out that statistical averages are not a great way to communicate with people, and that we are better defined by what makes us unique than what makes us just like the other person that clicked that article or bought those shoes.

It's high time for algorithms to find their edges and become much more interesting. In the process, we see innumerable opportunities for data analytics and the customer experience to improve dramatically.

“From investments in technology to make iterative testing and results analysis easier, to the creation of new leadership roles and entire teams to plan, perform and socialize testing results, the commitment to ongoing learning and optimization shows no signs of letting up.

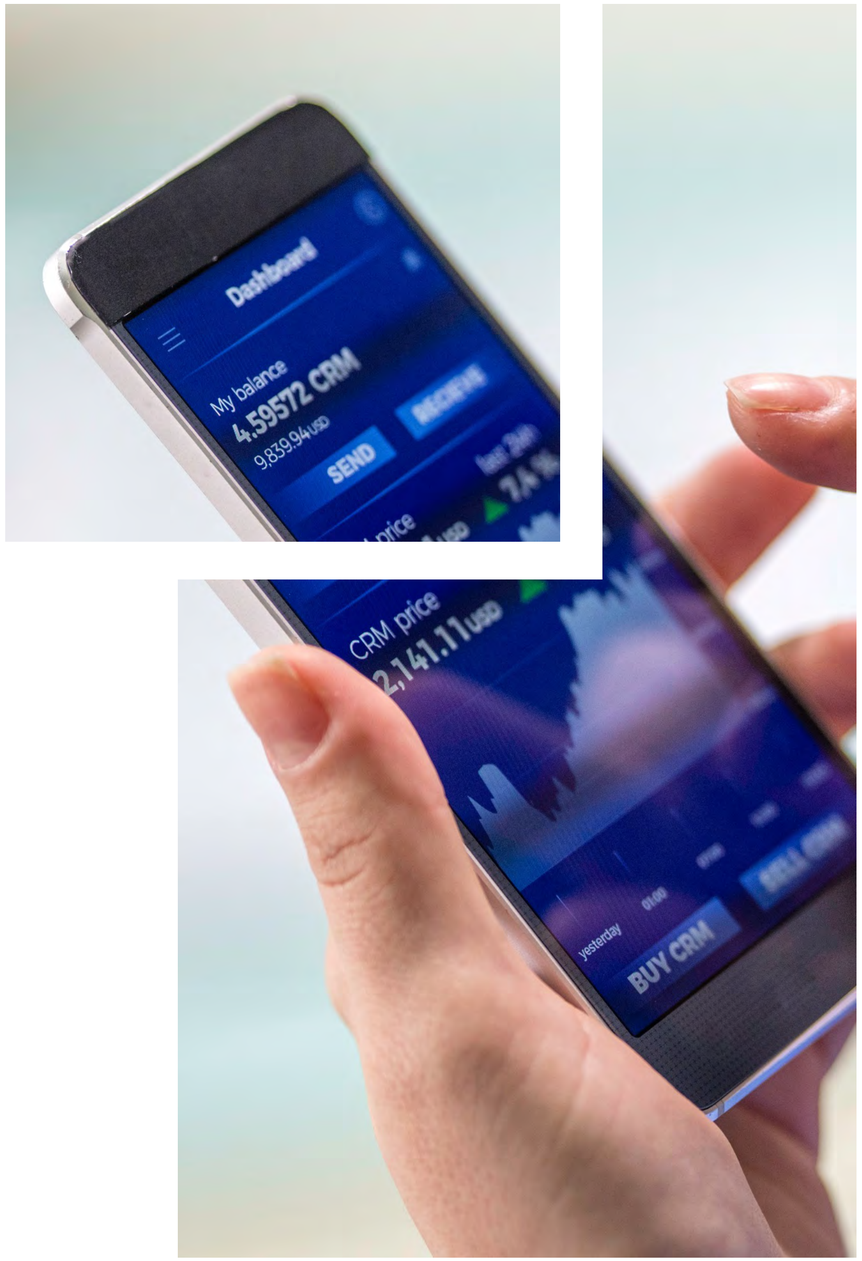
Mia Walters

SVP, Digital

TREND 6

Digital Marketing Organizations Commit to Building out Test & Learn Capabilities

Audience research and preference testing has long been built into product development. For decades A/B testing was a given in nearly every direct mail campaign. Later on, it took center stage in the capability of email programs and digital ad platforms. Today, we're seeing the mindset of Test & Learn permeating the entire marketing organization. It is quickly becoming a requirement for marketing organizations and agencies alike. From investments in technology to make iterative testing and results analysis easier, to the creation of new leadership roles and entire teams to plan, perform and socialize testing results, the commitment to ongoing learning and optimization shows no signs of letting up. And with the growing use of AI, there are no limits on scope of testing that can be conducted in an effort to mine insights and improve results.



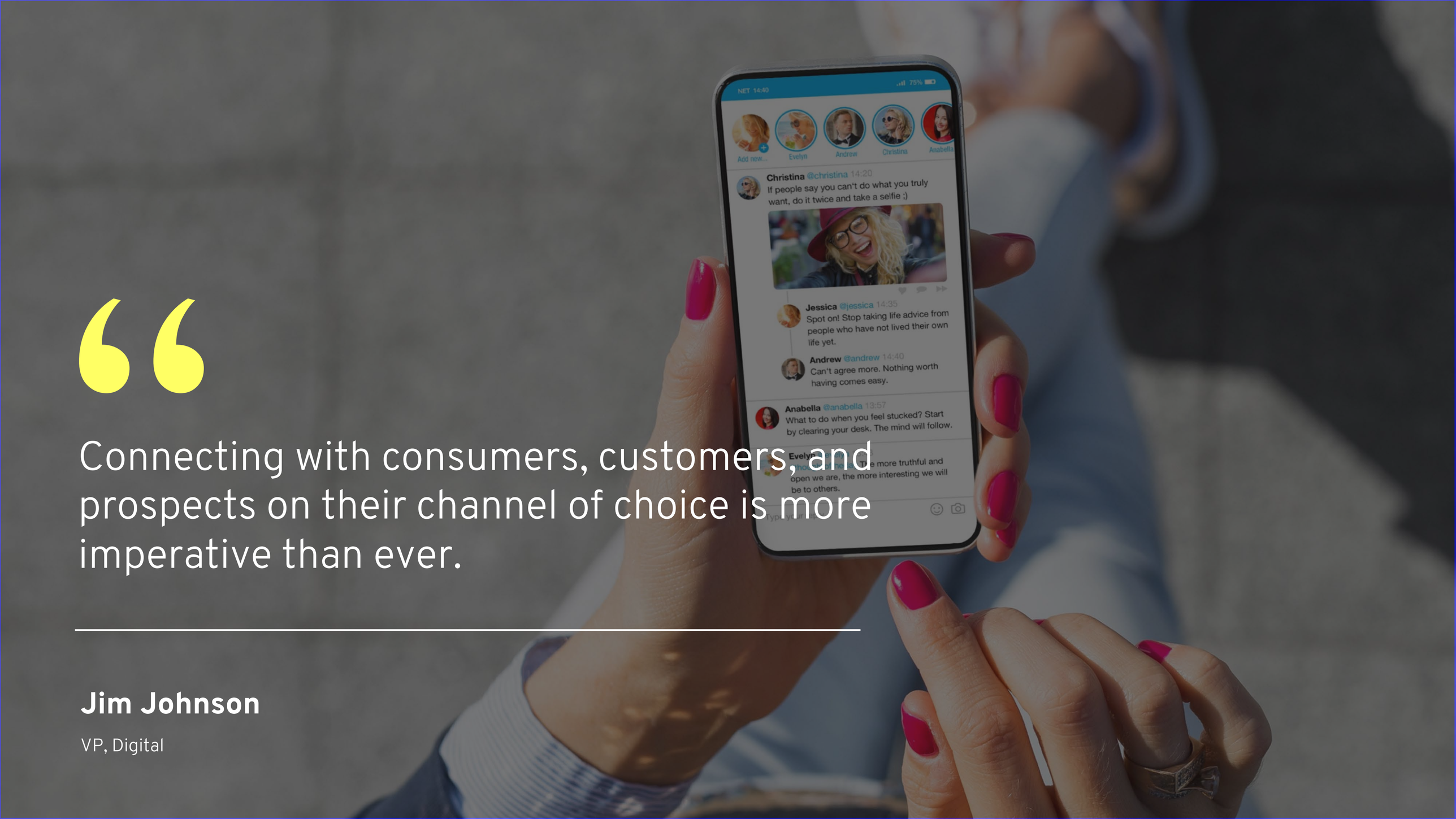
TREND 7

The Phasing Out of Third-Party Cookies

The phasing out of third-party cookies has impacted marketers. It has challenged how we engage, retarget, and measure the effectiveness of the digital campaigns. But it has also presented a tremendous opportunity to develop richer relationships with customers. High growth brands are taking the lead on this opportunity, investing in building out first party data strategies and technology to enable personalized experiences and deliver greater consumer value.

Rich customer experiences – think loyalty programs and AI web assistants as just a few examples – create more complete data profiles. Incorporating these capabilities and harnessing the data profile to personalize interactions, enrich experiences and develop cohorts will not only increase retention and affinity but create new ways of reaching others with similar interests and characteristics.

The path forward will be challenging at times but investing in first-party data strategies will lead to a better understanding of customers. And there's no doubt that this will yield more effective marketing efforts.



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Connecting with consumers, customers, and prospects on their channel of choice is more imperative than ever.

Jim Johnson

VP, Digital

TREND 8

Omnichannel Marketing is Now Table Stakes

Connecting with consumers, customers, and prospects on their channel of choice is more imperative than ever. Campaigns are spanning social, apps, email, chat bots and more with unified brand messaging and product promotion. Broadening the reach goes further than reaching a wider audience to increasing customer engagement, funnel conversion rates and higher retention. Users are now expecting marketers to meet them on their channel of choice with the right message at the right time. Adding in Ai technology allows you to add in behavior mapping to engage in more relevant conversations and meaningful dialogues during the decision phase. Companies must now think holistically about how to have two-way digital conversations. Simply put, marketing strategies that utilize an intentional omnichannel approach at the onset are just more successful and allow us to meet our consumers at their time and place.

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Today’s consumers are more socially conscious than ever before and they actively seek out brands and organizations that share their moral compass.

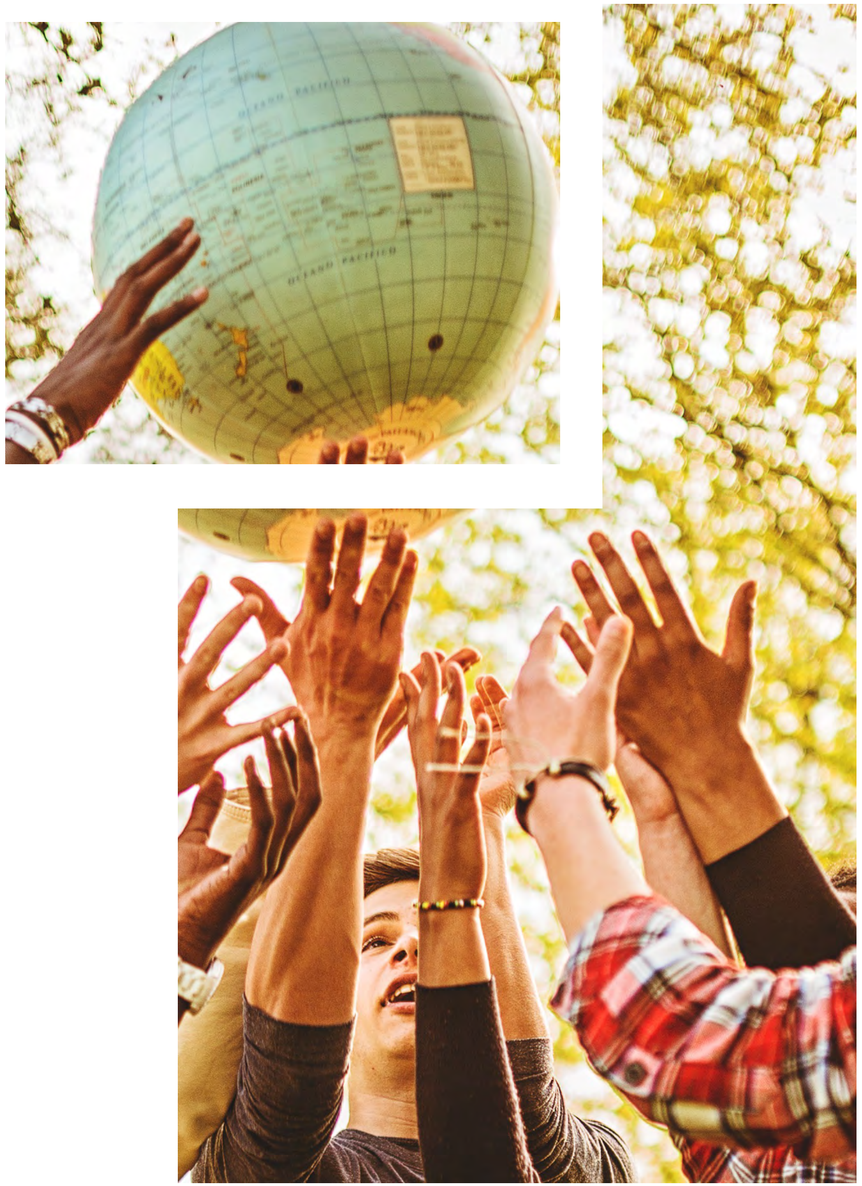
AnnMarie Kemp

VP, Communications

TREND 9

Reputation Management Requires More Than Good PR

Building and managing a brand's reputation requires a multi-disciplined communications approach but brand reputation hinges on more than good external storytelling. Today's consumers are more socially conscious than ever before and actively seek out brands and organizations that share their moral compass. While this is not a new trend, it is a growing trend. The increased focus on diversity, equity and inclusion has reenergized consumer expectations – and refueled their passions. Brands have an opportunity to define their social purpose and their values. They need to live and breathe these values not just in corporate social responsibility efforts but in their HR practices, their manufacturing process and at all touchpoints from point of purchase to customer service. Brands that can prove they're making an impact will possess the strongest reputations, the most loyal customers and, ultimately, enjoy the biggest business success.



TREND 10

Micro Influencers Will Rule

Influencer marketing continues to be a growing and effective communications strategy for brands across a wide variety of industry segments. In fact, influencer marketing spending in the U.S. was projected to reach an all-time high of $3.7 billion in 2021. But success is not defined by partnering with mega influencers. Micro and nano-influencers who have smaller audiences are emerging as some of the best content creators to effectively reach niche markets and generate greater engagement. This is the perfect example of quality over quantity. And it opens the door for brands of all sizes, even smaller brands, to leverage the power of influencers to create high-impact conversations and experiences with the people you want to reach most.

$3.7B

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Marketers will be able to bring the same level of thinking to traditional TV buys as they have come to rely on with addressable digital campaigns.

Tracy Klimkoski

VP, Media

“Traditional” TV Redefined

The proliferation of customer data – once a coveted benefit available only in digital media – is redefining linear TV and how marketers need to think about their media strategies. The emergence of new tools and platforms, along with 1st party data access and the continued growth of internet-connected and smart TVs, is changing the playing field and enabling TV to be more relevant and highly targeted. This means marketers will be able to bring the same level of thinking to traditional TV buys as they have come to rely on with addressable digital campaigns.

TREND 12

Closing the TV & Digital Divide

Leaders within the industry including Ampersand and LiveRamp are partnering to offer marketers the tools to build and reach custom audiences across all screens. This will help simplify the planning and buying process and enable better reporting and connectivity between linear TV and digital environments. Most importantly, it will reinforce the role of traditional TV – which has been steadily losing ground to streaming services – within a brand's overall media mix and allow marketers to better allocate resources to leverage each platform for its strengths.

Marooned on Islands

Without digital cookies audience members are marooned on islands within any given platform or service, exacerbating an already-present problem. Hulu thinks you're a horror movie buff who occasionally checks out a documentary, but at REI, they know how much you like camping and mountain biking. Within this fractured and fragmented mirror, we become a constellation of mini versions of ourselves.

Without a solution, it begs the return of the shotgun approach of advertising. We learn about new things by being exposed to them, not by being shown things just because the thing is slightly adjacent to what we already like. Or – worse – what some algorithm assumes we might like based on actuarial tables of conversion.

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Like cinema, the best commercials engage, inspire and entertain.

Lester Ayala

SVP, Director of Integrated Production

TREND 14

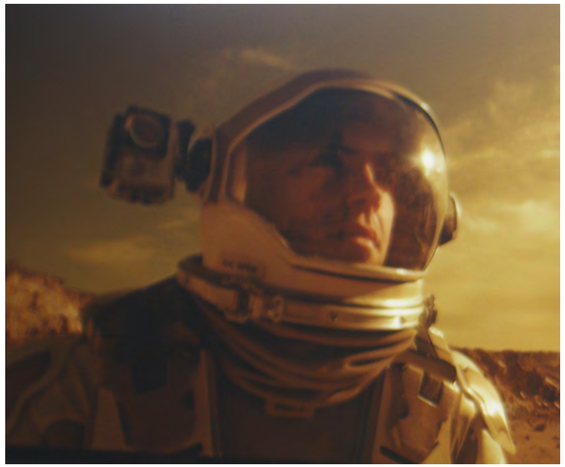
Director Craft & Production Process Key to Success

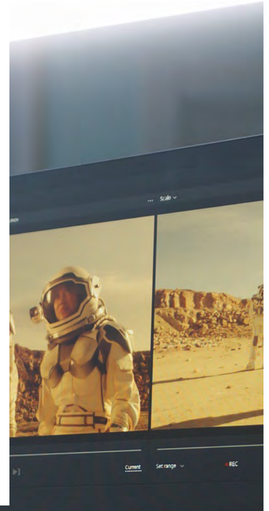
While TV commercials are still the gold standard for most brands, tightening budgets require hiring the best director who will bring the concept to life. Commercial directors deal in a heightened reality, a world comprised of artificial and attractive images. They are in the seduction business and look to create visual images that sneak up on you quietly, subtly winning you over, shifting your attitudes and working away at your emotions. Like cinema, the best commercials engage, inspire and entertain.

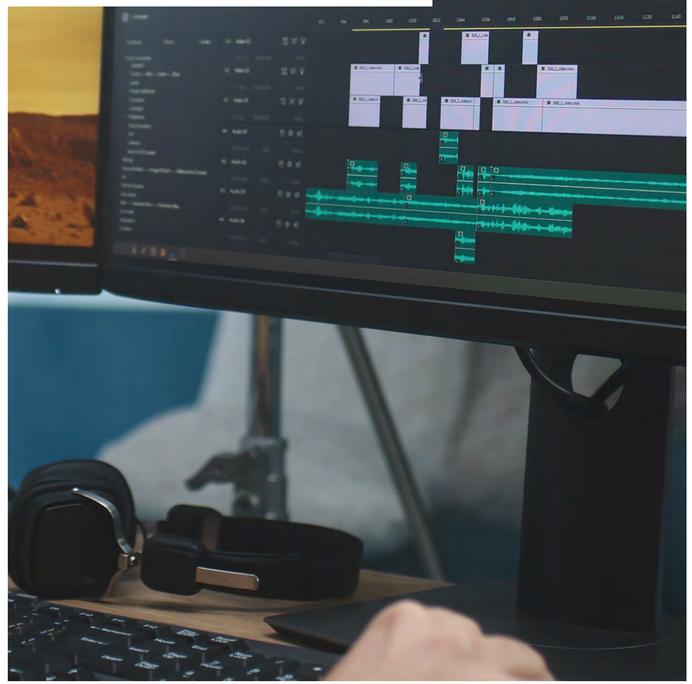
Commercials often take the form of short stories, compressed into a minute or even less which requires discipline and skill. But what binds successful directors is the importance they place on narrative. Even the more experimental and visually inclined directors acknowledge how essential it is to put the highly sophisticated tools of their trade to the service of telling a story and creating believable, memorable characters.

Production Never Stops!

- AR/VR/AI and creative tech continue to innovate, creating unique experiences.
- Video creators will start making shorter videos as consumers spend more time on smart phones.
- Video will focus on emotional triggers, entertaining, deep storytelling, and a narrative arc to engage with viewers.
- Video ads will aim to look like professional TV commercials or movie trailers - higher video quality content with higher production values.
- Productions will continue to increase in 2022 as production companies successfully maintain the highest safety COVID guidelines and protocols.
- The TV commercial is alive for those who choose to think otherwise; a :30 spot during the Super Bowl in 2022 will cost $6.5 million, up from $5.6 million in 2021.







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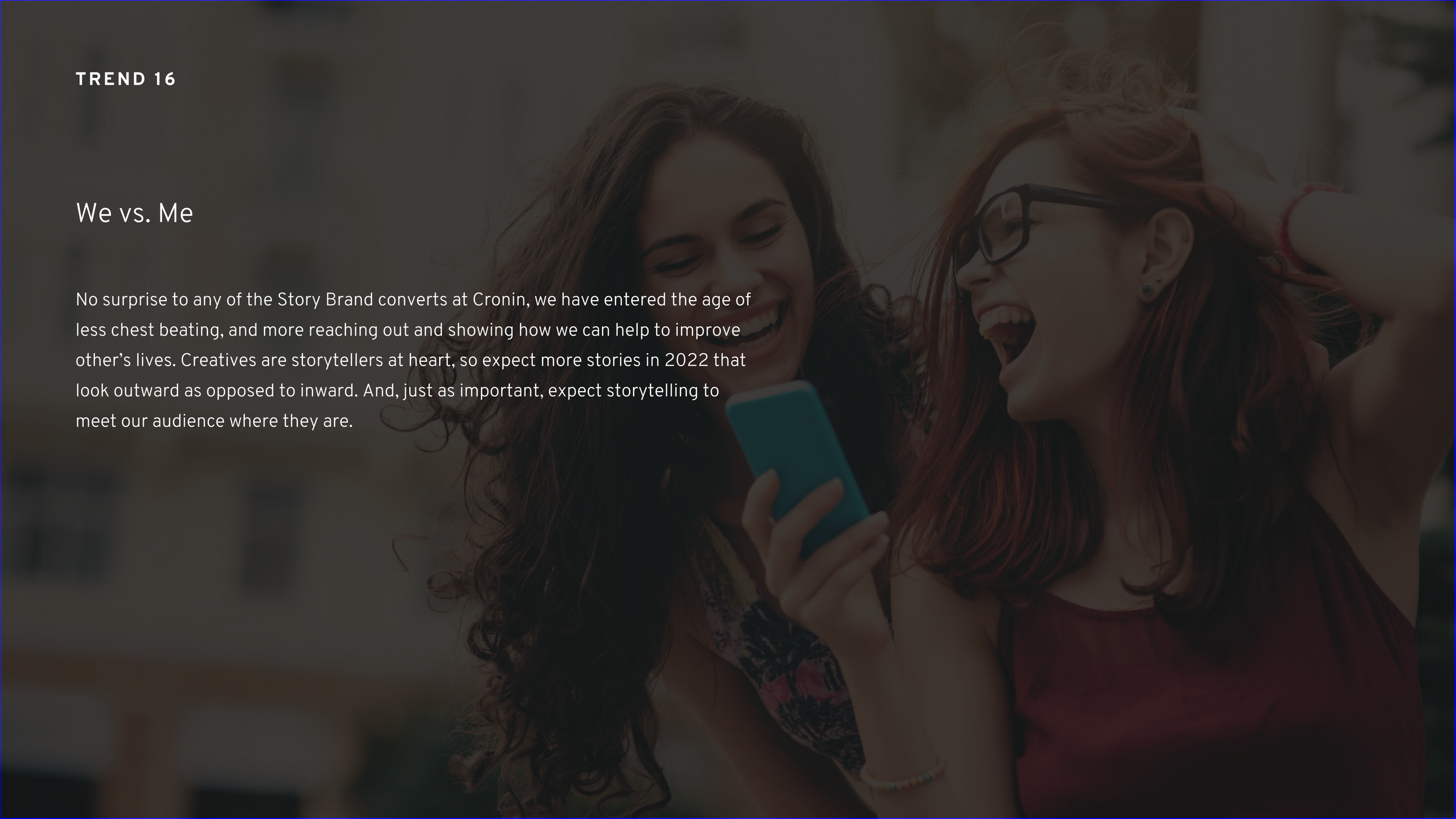
You better be clever, clear…and short.

Wayne Raicik

SVP, Executive Creative Director



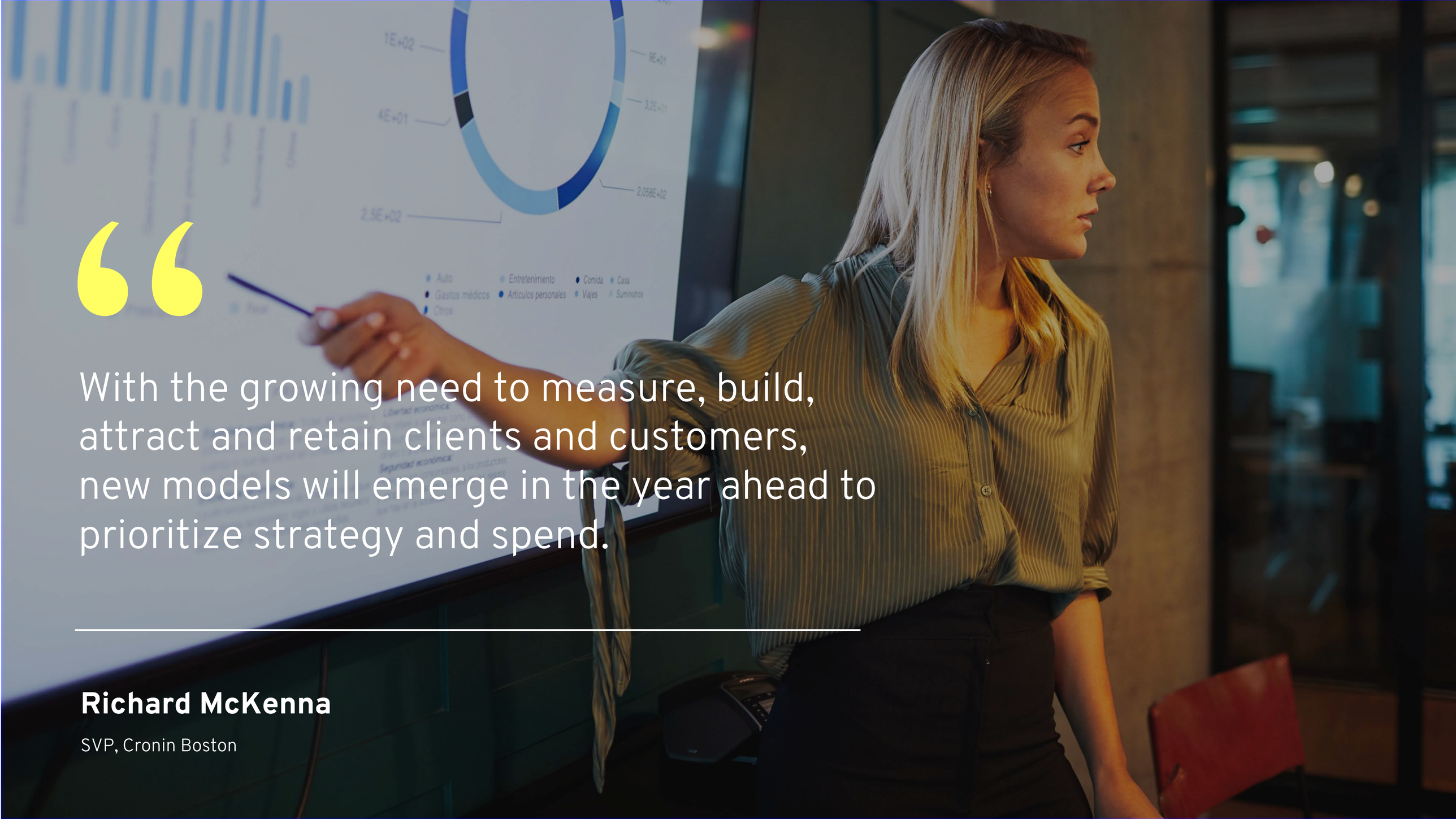
TREND 16

We vs. Me

No surprise to any of the Story Brand converts at Cronin, we have entered the age of less chest beating, and more reaching out and showing how we can help to improve other's lives. Creatives are storytellers at heart, so expect more stories in 2022 that look outward as opposed to inward. And, just as important, expect storytelling to meet our audience where they are.

Comedy May Still Be King, but be Clever, Clear…and Short

Ask anyone about their favorite commercials and they will inevitably recall something that made them laugh. After the past two years, who can blame them? That trend will not change. And with ads becoming faster, as fast as :06 seconds, you better be clever, clear… and short.



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With the growing need to measure, build, attract and retain clients and customers, new models will emerge in the year ahead to prioritize strategy and spend.

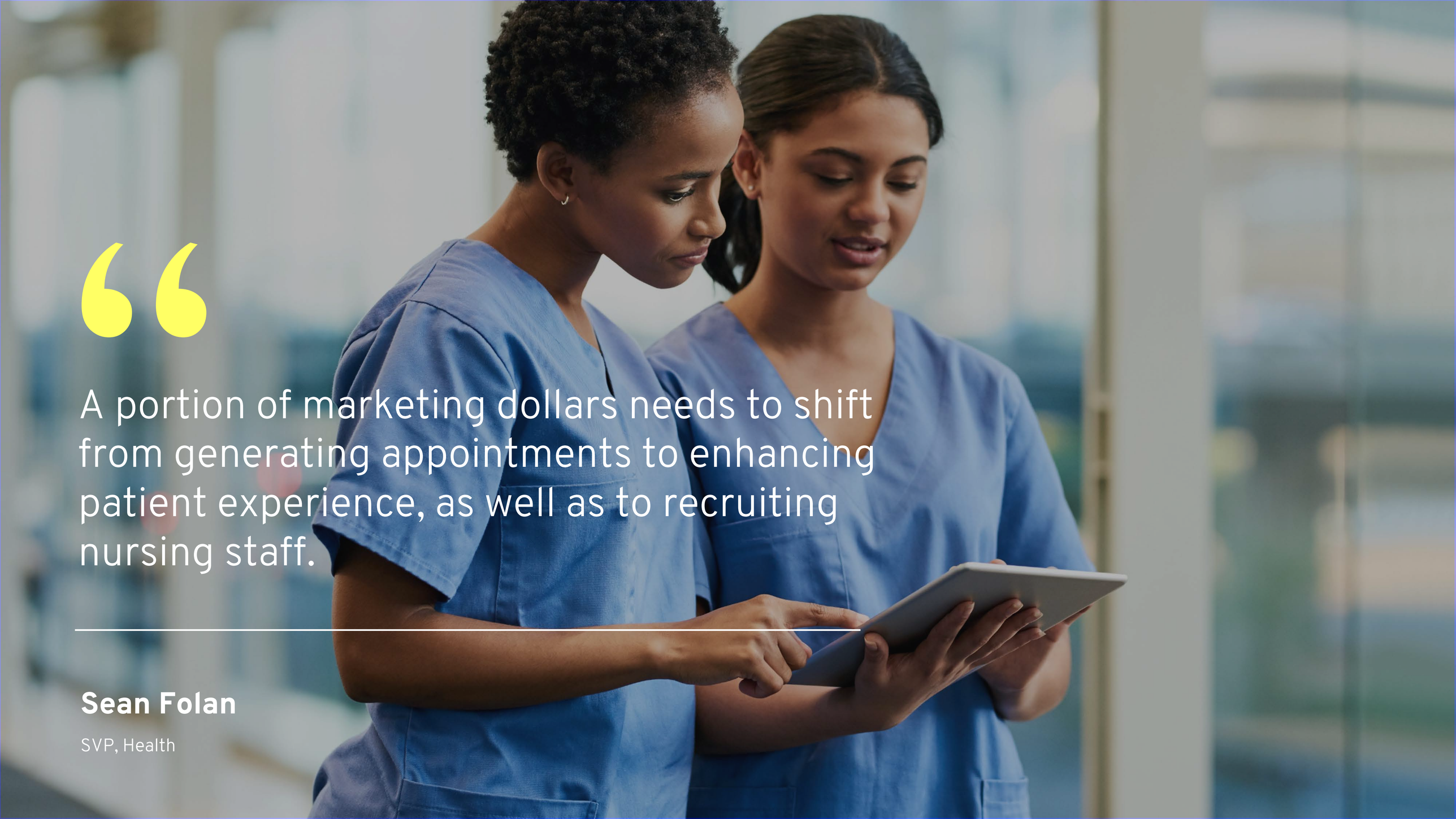
Richard McKenna

SVP, Cronin Boston

TREND 18

Effective Marketing Will Require Laser Focus

It's easy for marketers to be overwhelmed by the sheer number of new digital tools, analytical demands and a variety of advertising services available to them. With the growing need to measure, build, attract and retain clients and customers, new models will emerge in the year ahead to prioritize strategy and spend. Rather than diffusing marketing budgets, these models will have the ability to be laser focused on the best channels and eliminate unnecessary waste. With what will hopefully be a waning pandemic in the months ahead, global brands will look to enter the U.S. market and focused marketing will be the only path to success.



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A portion of marketing dollars needs to shift from generating appointments to enhancing patient experience, as well as to recruiting nursing staff.

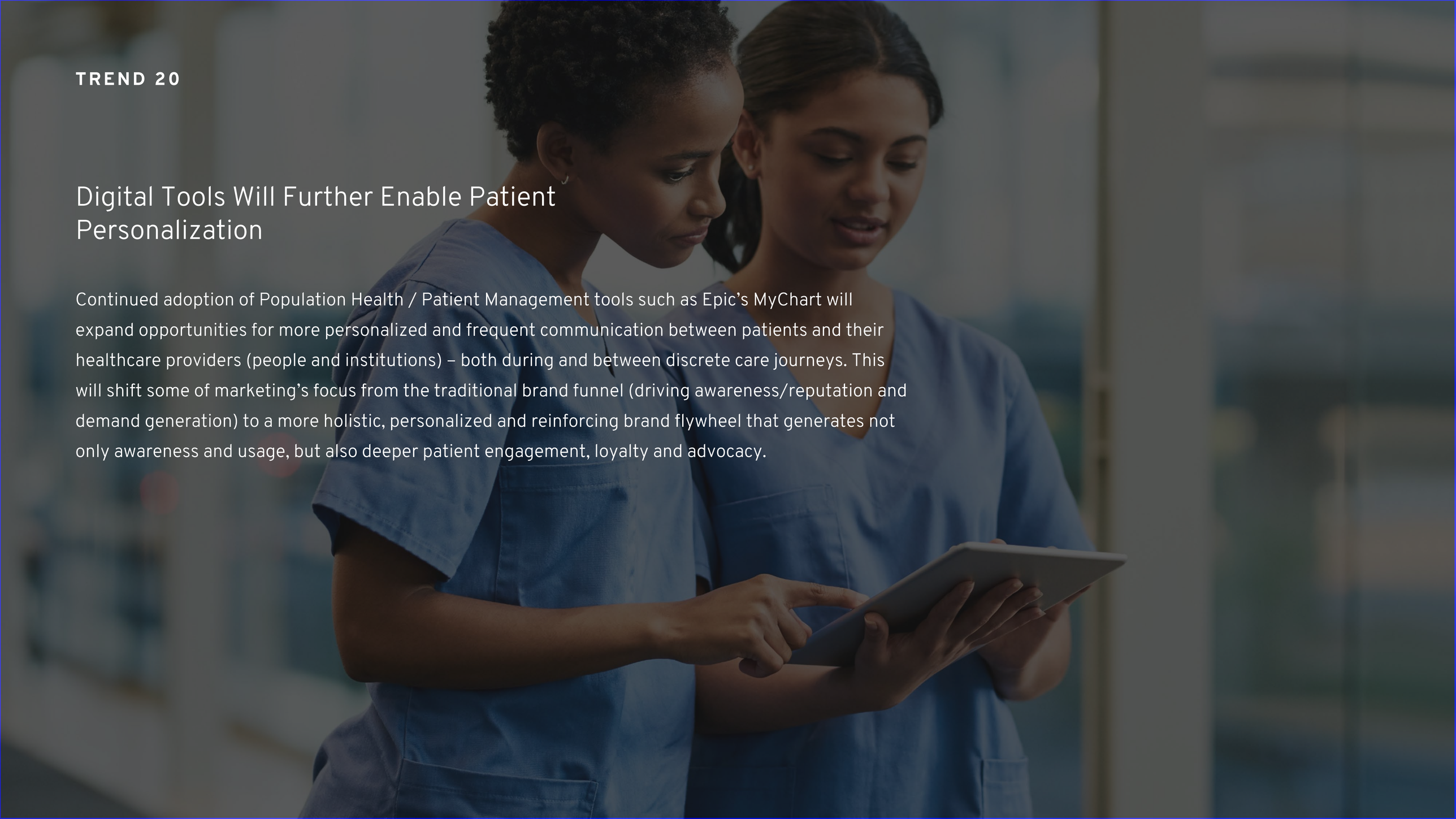
Sean Folan

SVP, Health

TREND 19

Healthcare Worker Shortage Will Impact Marketing Spend Allocations

While clinical care support staff shortages will abate as COVID subsides, nursing shortages will continue to significantly impact the healthcare landscape. At the same time, people who have delayed their care due to COVID will seek to re-engage with their healthcare providers for both preventative care and elective treatment, adding strain to an already overburdened system. This will cause patient care backlogs and reduce positive outcomes for many. A portion of marketing dollars will need to shift from generating appointments to enhancing patient experience, as well as to recruiting nursing staff. This will involve identifying ways to treat patients more efficiently through even greater use of telemedicine, involvement of non-RN care staff, improved patient throughput processes, and improved communication with patients throughout their care journeys.



TREND 20

Digital Tools Will Further Enable Patient Personalization

Continued adoption of Population Health / Patient Management tools such as Epic's MyChart will expand opportunities for more personalized and frequent communication between patients and their healthcare providers (people and institutions) – both during and between discrete care journeys. This will shift some of marketing's focus from the traditional brand funnel (driving awareness/reputation and demand generation) to a more holistic, personalized and reinforcing brand flywheel that generates not only awareness and usage, but also deeper patient engagement, loyalty and advocacy.

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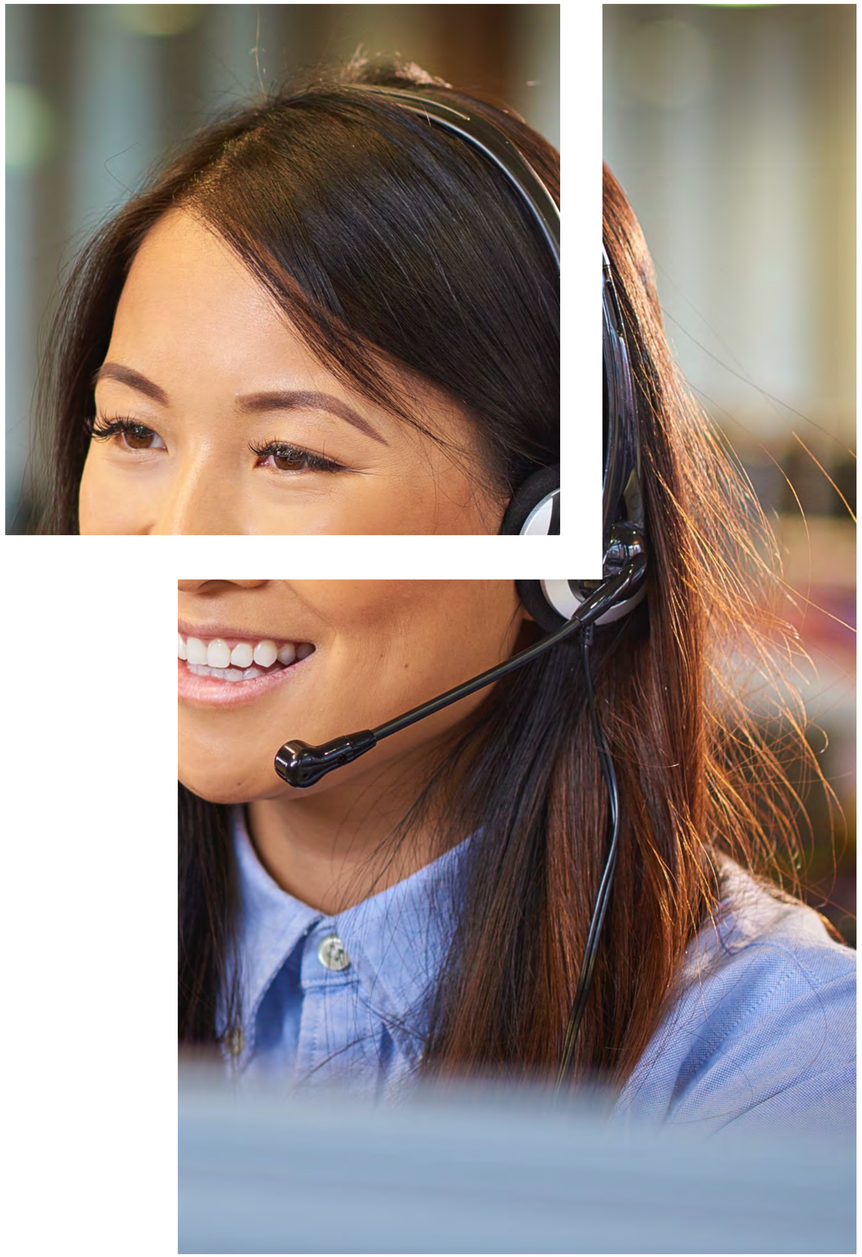
While it’s true that insurance companies and banks need to have a robust suite of digital tools to serve today’s savvy consumers, these same consumers still seek human interaction for certain types of services.

Frank Rinaldi

SVP, Financial Services

The Power of Human Connection

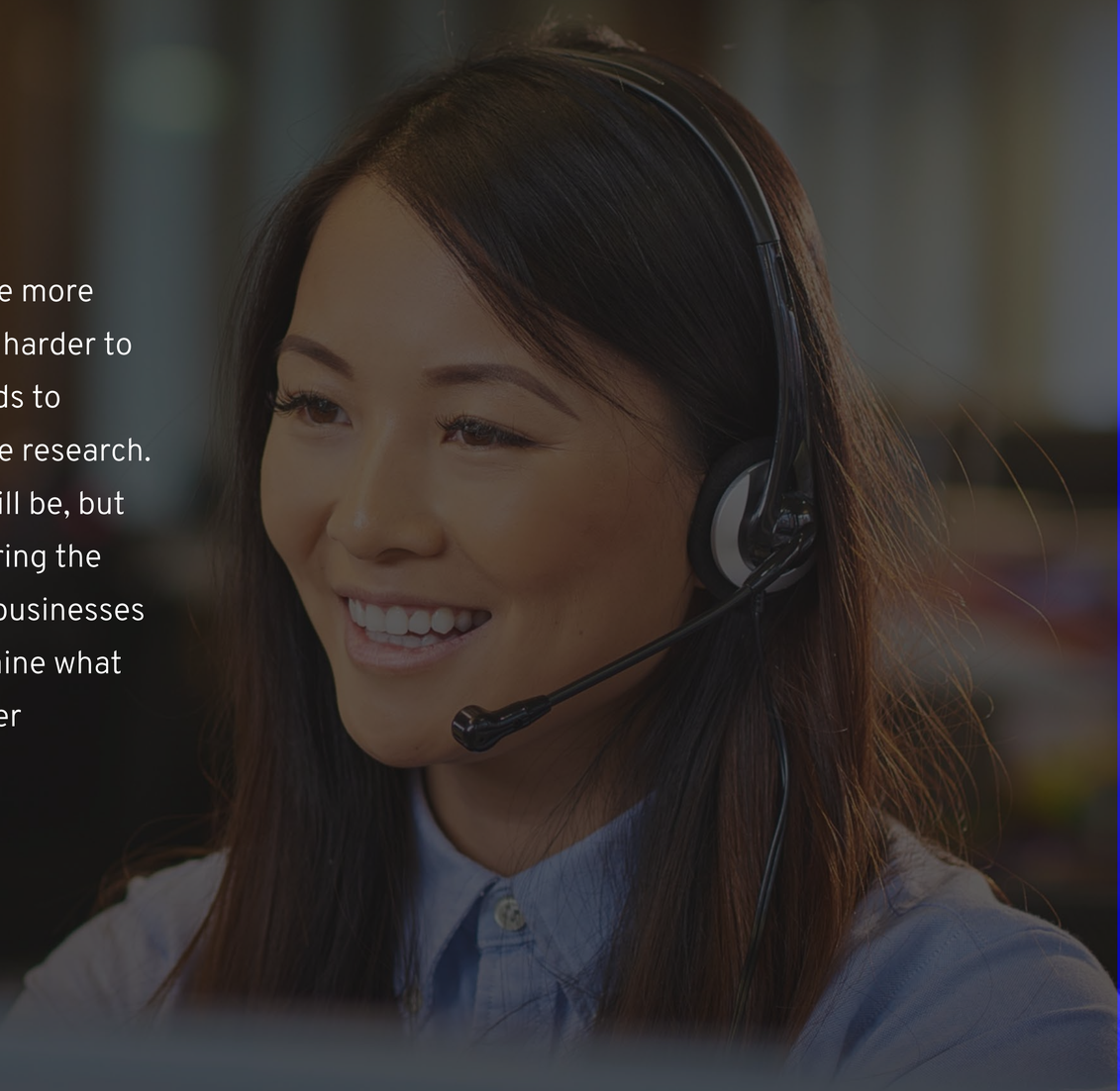
While it's true that insurance companies and banks need to have a robust suite of digital tools to serve today's savvy consumers, these same consumers still seek human interaction for certain types of services. The truth is, consumers find digital tools useful for certain types of transactional interactions (e.g., making payments, looking at statements), but still want a human connection for more in-depth interactions such as questions about their policy coverage or bank accounts, and especially for interactions that require attention, empathy and/or understanding such as working through details of an insurance claim or moving large sums of money. The key to success is understanding and anticipating consumer needs and developing points of access that can satisfy all types of situations. Consider your digital experience as a customer experience. Learn through AI and the latest digital tools to unleash the power of both technology and human connection.



TREND 22

Bonds with Brands Become More Fragile

Trust in brands has and continues to be important. But the pandemic has led consumers to be more fickle, ready to switch away from brands that don't align with their values. With brand loyalty harder to come by, brands need to be in tune with consumer mindsets. 72% of consumers expect brands to understand and address their changing needs according to Accenture Global Consumer Pulse research. It's no longer simply about price, product or quality. Those items are important and always will be, but consumers expect more. Consumer trust in both the government and media has declined during the pandemic, opening the door for businesses to fill the trust gap. In fact, 66% say they expect businesses to lead change (2021 Edelman Trust Barometer). Now's the opportunity for brands to determine what they can be doing differently for their customers, as well as for the broader group of consumer prospects in American society who have increasing expectations.



Interested in how these trends impact your business? Let's talk.

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