

2023 Digital Marketing Trends

Brandwatch | The social suite of the future

The unskippable intro: What's to come?

Forget about business as usual. In 2023, marketers will need to decode the new rules of engagement brought on by groundbreaking new technologies and fresh platforms.

As marketers, we're constantly trying to discover new ways to drive connections and build a following for our brands through the power of emerging digital technologies. Whether that's through influencer partnerships, the development of a metaverse strategy, or tapping into the NFT craze, the brand-building opportunities are all around us. But how do we do this in a meaningful way and avoid the pitfalls of the shiny and untested?

We've trawled through our data and pored over the numbers. This report will give you a clear picture of where the digital marketing world is going, how leading brands are paving the way, and what actions your brand can take to leverage them too.

While some of these trends have existed in one form or another for a while, none of them have held more power than they do today – and will in 2023. For years, we've talked about influencer marketing, the rise of communities, and augmented reality. But much like the internet today is vastly different from the clunky, modem-based '90s version, these trends are now peaking – and we're seeing new trends emerge within those trends.

In other words, these are the most need-to-know trends as we look ahead.

Let's get to it.



Trend #1 Scrappy content is thriving

Brandwatch's 2023 Digital Marketing Trends

As marketers, we need to do more with less: get scrappy and creative.

As lockdowns gripped the world, gathering even a small crew to shoot professional footage became impossible for brands. The trend that rose from the ashes of high-production-value video content was its contrarian twin – unpolished, 'raw' content. The internet has been in its grip ever since, and brands are continuing to push the limits.

This is particularly apparent on social media as you'll see in the early movers section below. But some brands have taken things a step further, using very simple, presumably low-cost production methods in places you'd never expect. For example, the top-mentioned ad for the Super Bowl in 2022 belonged to <u>Coinbase</u>. The ad was simply a QR code bouncing around on the screen, yet it generated more than 79,000 mentions online during the game.

Unpolished content isn't going away – in fact, it feels like we're still yet to reach its peak in popularity. And, with <u>dwindling</u> marketing budgets in the face of economic hardship, this could be a blessing for the cash-strapped content team.

It's something that playful B2C brands can revel in, but the trend really raises questions for organizations who value their polished aesthetic or that worry about losing their serious reputation.

Early movers

Perhaps unsurprisingly, the platform we've seen unpolished content really thrive on has been TikTok. Here are three accounts from three very different sectors who are drumming up a lot of attention with unpolished but highly entertaining content.

Pleasing creates a buzz

Founded by Harry Styles, this nail polish brand was always going to be a social media hit. In more recent <u>TikToks</u>, the brand has been creating surreal narratives with the collectible glass bottles in which the nail polish is housed, and viewers are suitably pleased.

Mailchimp's doing it for the B2B brands

While they may not be driving enormous numbers with every video, Mailchimp's relatively new TikTok account shows that there's a place for B2B on the platform too. Marketing hacks and humor are the way to go, it seems.

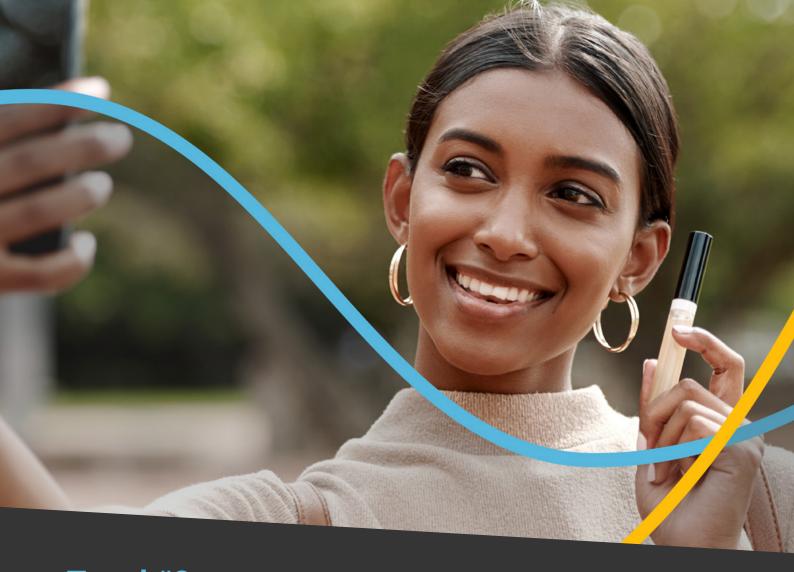
Duolingo's mascot takes on TikTok

Duo, the iconic owl, has amassed quite the following on TikTok, and for a good reason. Their <u>dancing</u>, Halloween costumes, and general office antics make for a fun watch and a good reminder to do your language lesson for the day.



Tips for marketers

- Scrappy content isn't bad content. This approach can enable social media managers to take advantage of trends quickly to garner immense engagement, all while showcasing a company's culture and sense of humor – great for attracting employees.
- 2. B2B brands and agencies shouldn't feel left out. While it's tempting to think that this kind of content is just for consumer-facing, "fun" brands, there's definitely room to explore. Behind-the-scenes or day-in-the-life content could be a good place to start, and thinking about the pain points you're trying to solve could also help generate some ideas.
- 3. Let your imagination run wild. Inspiration can strike anywhere, and this unpolished approach to content means marketers can operate unrestricted. Using the assets and products you already have, like a mascot or nail polish bottles, there are no limits to how you can bring them to life. Just make sure to get buy-in from your boss on what you're planning before posting anything too outrageous.



Trend #2 The coming of age of influencer marketing

Brandwatch's 2023 Digital Marketing Trends

The way influencer marketing works is evolving. Brands need to adapt to stay ahead.

Influencer marketing is nothing new. However, the way brands leverage influencers is changing. From utilizing smaller influencers to working on large-scale multi-influencer campaigns, influencer marketing is a brilliant way for brands to engage with their audiences.

In 2022, the global influencer market size was <u>\$16.4 billion</u> – that's over <u>four times bigger</u> than TikTok's advertising revenue. Brands who aren't jumping on the influencer marketing bandwagon risk getting left behind.

"Influencer marketing continues to grow at double-digit rates each year because it's effective. People are tired of interruptive ads and trust recommendations from those they follow, so expect to see more brands partner with influencers to promote their products."

James Creech, SVP of Strategy at Brandwatch.

So, how is this market changing in 2023?

Content creators vs. large influencers

In 2023, we're seeing a widening difference between content creators and influencers – which are no longer mutually exclusive terms. In the past, all content creators could be deemed influencers – and vice versa. Now, the definitions have shifted.

As influencers are gaining popularity – sometimes into the millions of followers – a disparity has developed between those with high numbers of followers, and those without. Now, while all influencers are content creators, not all content creators are influencers.

The term 'influencer' has developed to describe individuals with large followings, who are typically more expensive to work with and have a pre-established platform. Content creators, on the other hand, work slightly differently. These smaller-scale micro-influencers produce high-quality, influencer-style content – without the large fee.

Brands can work with content creators who can produce brilliant social content for your social platforms without requiring them to have an established social media presence.

As well as the more affordable cost, another benefit of working with content creators is that they're relatable. They're usually not tied to working with large brands and may not have well-established opinions and styles, so they tend not to come with preconceptions from your audience. Their ability to be neutral and easy to relate to means these content creators could be the perfect fresh face for your brand on social media. UNiDAYs do this brilliantly to appeal to a student audience – we've added more detail in the Early Movers section below.

Virtual influencers

Virtual influencers are an interesting concept – one which marketers will need to grasp to stay ahead of the curve. A virtual influencer is exactly what it says on the tin; an artificially generated, fictional social media character. Created by companies or individuals with an eye for influencing, these virtual influencers are growing in popularity. People are curious about virtual influencers, which is why they're succeeding so well on social.

While the concept has been around for a while, the hype around this modern way of influencing is growing. In fact, in 2022, <u>35% of</u> <u>American consumers</u> purchased a product or service promoted by virtual influencers, with 40% of them being Gen-Z or millennials.

Trend #2 The coming of age of influencer marketing

A number of well-known brands have adopted virtual influencers in 2022, and they've done it well. Prada tackled the virtual influencer beast with the creation of <u>Prada Candy</u>. Candy is a computer-generated celeb, a virtual muse for the fashion house's perfume of the same name.



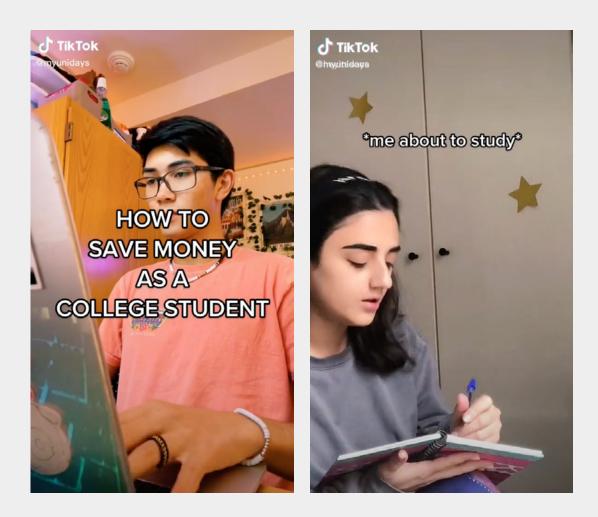
Photo credit: Vogue Scandinavia

While arguably a strange concept, virtual influencers have become increasingly common in a short amount of time. Interest in this new phenomenon is growing, and the market size is expected to **grow by** 26% from \$4.6 billion by 2025. Perhaps interest in the metaverses is creating a new slew of interest in the virtual influencer market, with some virtual influencers creating their own spaces.

Early movers

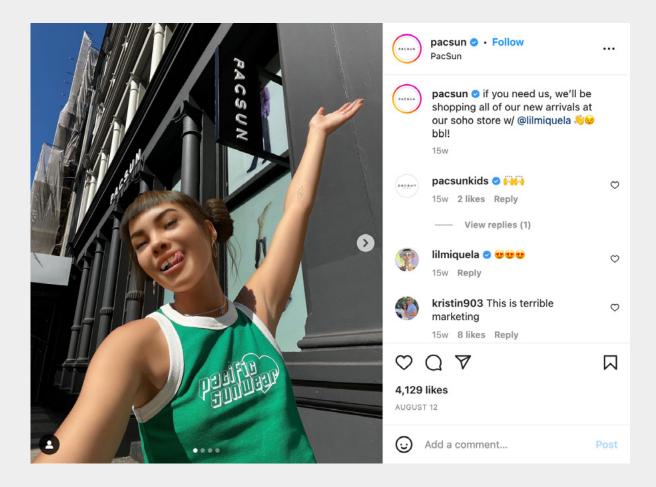
UNiDAYS' work with content creators

Student discount website UNiDAYS launched a TikTok strategy which has brought in millions of views. They work with hundreds of content creators to make entertaining videos for their platform, which speaks directly to the student audience.



PacSun works with virtual influencers

PacSun worked with well-established virtual influencer Lil Miquela to promote their new Soho Store under their #pacpartner initiative. The brand has seen plenty of success with their #pacpartner hashtag, which has over 6,000 posts.



Tips for marketers

- Stay on top of influencer trends. The influencer space is maturing. In 2023, we can expect a variety of new influencer trends to surface. Utilizing influencers for marketing purposes is nothing new, but the ways in which brands do this are likely to change. Keep an eye on a variety of influencers on socials so you can stay ahead of the curve.
- 2. Utilize content creators. The gap between influencers and content creators is growing. Marketers should utilize them both in different ways to maximize reach on social media. Look for content creators who hold your brand values and work with them consistently.
- 3. Don't ignore virtual influencers. <u>Virtual influencers</u> receive higher engagement rates than real people. Making use of their space in the metaverse, as well as their social media presence, could be worth keeping an eye on for brands wanting to expand their digital reach.



Trend #3 It's totally in to be ethical

Brandwatch's 2023 Digital Marketing Trends

Ethical brands are statistically more profitable. It's time to get involved.

According to <u>Investopedia</u>, companies that lay the framework for business ethics in all facets of operations are more likely to become and remain profitable than their counterparts who don't value ethics. Plus, companies on <u>Ethisphere's</u> list of World's Most Ethical Companies consistently outperform correlative companies, by around 7%.

From sustainability to inclusivity, building your business on ethical foundations is key to improving a brand's relationships with customers, employees, and business partners. And this doesn't stop at profits. Employees tend to <u>remain loyal</u> to, and perform more effectively for, a company with a high standard of ethics.

Brands that implement these principles across their digital strategy will likely reap the rewards in 2023.

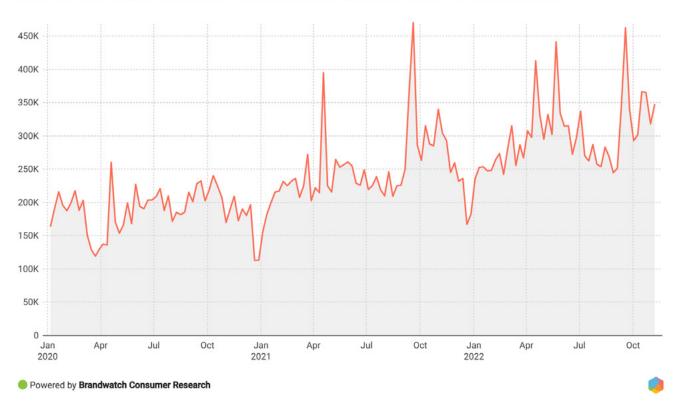
Sustainability in business

It's nothing new that the sustainability conversation is bigger than ever. In fact, over the last three years, the conversation has grown substantially. In 2022, the conversation peaked at almost 1.5 million mentions per month in September and October.

Volume of online mentions about sustainability since 2020



Chart shows volume of mentions about sustainability over time on Twitter. Data covers mentions between 1 Jan 2020 and 13 Nov 2022.



The importance of sustainability is seeping into business practices globally. In a 2022 <u>study</u> of 850 companies, 80% stated they planned to increase their investments in sustainability.

Meanwhile, <u>Capgemini</u> reported that 77% of consumer products and retail organizations found that sustainability leads to increases in customer loyalty.

With this in mind, brands need to be aware of the shifting conversation and the high importance of implementing sustainabilitybased business practices. With more and more consumers valuing sustainability and green initiatives from the brands they buy from, businesses face losing customers if they don't prioritize sustainability.

Inclusive marketing

Consumers want to see themselves in the brands they buy from, and companies need to tweak their marketing efforts to appeal to diverse demographics.

In 2022, <u>Nielsen</u> found that 59% of Black viewers are more likely to buy from brands that feature someone from their identity group in advertisements. Add to that, <u>Twitter</u> has found that the LGBTQ+ community are loyal and influential advocates for brands that resonate with them, meaning brands should speak up and be authentic in their support for the community. Plus, <u>72% of Gen Z</u> said they would consider brands' political leanings before making a purchase.

In 2023, brands will need to be actively inclusive in their marketing efforts on digital platforms. By doing this, brands can maximize their reach to potential customers on social media.

Early movers

Fenty's inclusivity makes billions

In 2022, Rihanna became the youngest <u>self made billionaire</u> woman in the US, and Barbados's first billionaire. This is largely due to her business ventures like Fenty Beauty, which was created so that women can feel included and empowered – with a lineup of shades for people of all colors.

Roccamore rewards saving energy on Black Friday

Shoe retailer Roccamore launched an initiative to encourage consumers to save energy at home for Black Friday. If a customer saves 30% energy in a given week, they'll be rewarded with a 30% discount code for their next purchase.

Patagonia's emphasis on ethics

In 2022, Patagonia's founder went as far as <u>donating the entire</u> <u>company</u> to a charitable trust which fights climate change – a move which obviously generated a huge buzz. The brand has always lived and breathed its ethics, and it still commits 1% of its total sales to environmental groups.

Tips for marketers

- Show off your brand values across social media. Brands that share ethical practices across their digital presence will see increased benefits. From a wider consumer base to increased sales, statistically, these brands are more likely to benefit than their unethical counterparts.
- 2. Improve inclusive marketing efforts. Try to keep your customers in mind when planning digital marketing campaigns. From casting different genders to expanding your product range to encompass a larger demographic, inclusive marketing benefits everyone involved.
- 3. Don't be scared about evolving. Don't be afraid to change your marketing efforts to be more inclusive. As long as you do your research and implement your company values in your marketing, your audience will respond well.



Trend #4 A cookieless future

Brandwatch's 2023 Digital Marketing Trends

Without cookies, it will become harder to track users across the web. It's time to prepare.

Cookies are the blood of most marketing teams. From gathering data to tracking user journeys, cookies help marketers find out vital information about their consumer base. However, changes in Google's cookie strategy could impact ad-tracking in 2023, changing the way we use cookies for good.

Google plans to phase out third-party cookies on Chrome browsers in 2023, not long after Apple did away with access to device identifiers on iOS. As of October 2022, Chrome has a <u>65% market share</u> of internet browsers, with Safari in second at 19%. With such a large percentage of internet users opting for Chrome as their default browser, marketers are going to be impacted heavily by this change.

Users are demanding greater privacy, which is a main driver for Google's decision. So, is it the end of cookies? And how can marketers implement new ways to gather vital data in a cookieless future?

Interestingly, <u>41% of marketers</u> believe their biggest challenge from Google's cookie changes will be the inability to track the right data. So, if you're a marketer who relies on robust data for online advertising, pop-up ads, or a pin-pointed audience-targeting strategy, you'll need to consider new ways to find your data.

In 2023, we expect there to be a rebalance of digital ad spending to include more brand-building and less over-targeting. Digital advertisers will need to be proactive in their marketing efforts, to create a positive brand identity for consumers as a whole – to focus less on specific targeting. Leading with a strong brand identity is key, so consumers can recognize your image across your digital presence.

Early mover

Automated Creative uses social listening to test ads

Tech company <u>Automated Creative</u> has created an innovative way to test new ads for clients. Instead of relying simply on consumer data from advertising platforms, they make data-driven decisions based on what consumers are saying online. Automated Creative's analysts test which themes to use in ads based on data they find on <u>Brandwatch</u> <u>Consumer Research</u>, so they understand why certain ads work better than others.

"The shift towards a cookieless future naturally makes a lot of us uneasy. But ride the storm. On the other side is a more transparent, creative, and ethical way of marketing."

Kiril Kirov, Senior Digital Growth Manager, Brandwatch

You might like

How Automated Creative innovates to turn impressions into clients.

Read more

Tips for marketers

- Utilize consumer research platforms. If this change impacts you, you'll need to find new ways to gather robust data. <u>Brandwatch</u> <u>Consumer Research</u> can help you conduct deep research, monitor your brand, and find your customers where they're at.
- Expand your database. Reduce the impact by gathering more first-party cookies through methods such as website subscriptions and customer surveys. Plus, work on strengthening your SEO strategy to compensate for the loss in ad traffic.
- 3. Diversify your marketing tactics. Due to Google's new policy, <u>23% of marketers</u> plan to invest more in email marketing software. Another option is to exploit <u>cutting-edge Al tools</u> to predict how people will respond to your content without burning the budget on campaigns that are doomed to fail. Implementing sturdy marketing tactics outside of digital advertising can help to fill the gap left by a lack of third-party cookies.



Trend #5 Brands tackle social media fatigue

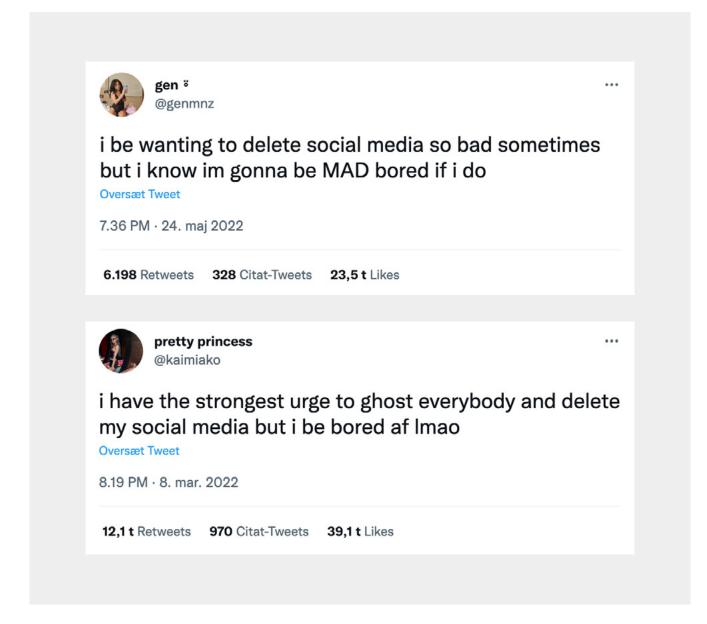
Brandwatch's 2023 Digital Marketing Trends

Brands are battling social media fatigue by encouraging healthy relationships with the digital world.

Throughout the pandemic in 2020, social media usage skyrocketed as individuals looked for ways to fill up their free time and connect with others. However, this peak in users has seen an interesting shift since lockdowns began to ease. According to a <u>report</u> by Global Web Index, since 2020, there's been a 12% increase in individuals saying they use social media less than they used to.

Interestingly, <u>Gen Z</u> is the most concerned about time spent on social media, compared to other generations. They're also more likely to use social media less than they may have previously. In 2023, we'll likely see an even bigger increase in users opting to avoid social media, or who actively monitor their social media usage.

We used Brandwatch Consumer Research to dive deeper into the conversation online about people deciding to leave social media. Between January and October 2022, interestingly, 53% of emotion-categorized mentions about wanting to leave social media were categorized as sad. Anger was the second most prevalent emotion, at 27% of emotion-categorized mentions. Many social media users state boredom as the largest factor for not deleting social platforms. It seems many individuals no longer find as much value from social media, or are experiencing growing fatigue from extended use of these platforms.

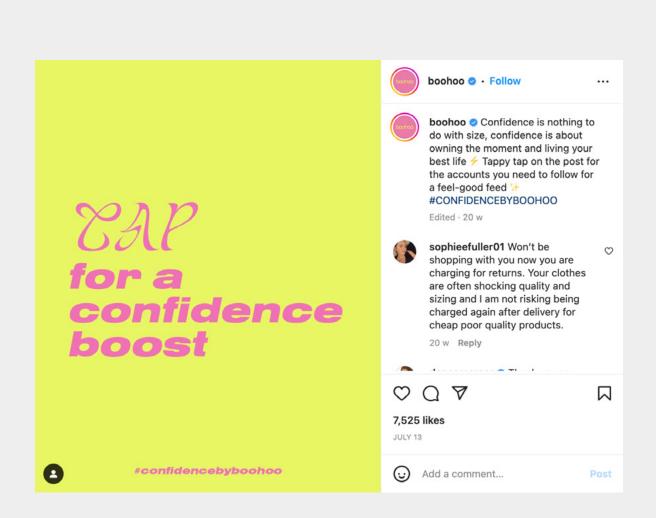


Brands are beginning to incorporate this social media fatigue in their digital strategies, offering ways for their audiences to find a break on their platforms. Here are some brands doing this well.

Early movers

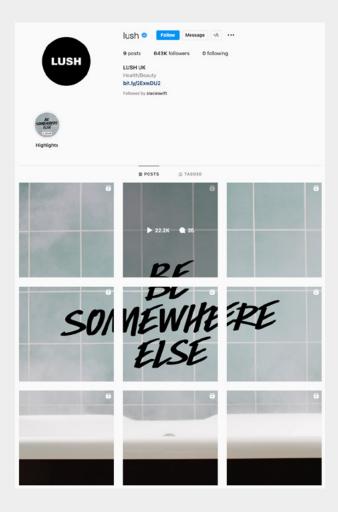
Boohoo partners with The Brain Coach for mental health

To battle poor body image, fashion retailer Boohoo partnered with clinical neuropsychologist <u>Nawal</u> ahead of Mental Health Awareness week. This came after the retailer found that 70% of its customers dislike their bodies, which is <u>amplified through social media usage</u>. This is part of a wider campaign to make Boohoo's customers feel better and tackle the digital drama and unintended dark side of social media.



Lush launches The Global Anti-Social Media Policy

Cosmetics brand Lush quit four of the biggest social platforms – Facebook, Instagram, TikTok, and Snapchat. Instead, they're encouraging their audience to spend time elsewhere, in order to gain more from their time on social. Instead, the company is growing its YouTube presence, using Twitter for customer care, working on valuable email newsletters, and being inspirational on Pinterest.



Tips for marketers

- 1. Focus on keeping the attention of your audience. Brands who do this will make the most of their limited time with audiences on social media. Brands will need to provide true value via their content, to make a stronger impact on their audience. Equally, companies might need to switch up their social strategy to meet their target demographic where they're spending the most of their time.
- 2. Shift your focus to account for mental health within your social strategy. Encouraging consumers to have a healthy relationship with their social usage can help create a safe space for when they are ready to return to the platform. Equally, consumers are likely to associate your content with a positive message, which reflects well on your brand.
- **3. Build strong relationships with your customers.** The more your audience is used to seeing your content, the more likely they are to pay attention. Keep your messaging consistent across your social media channels to reap the benefits.



Trend #6 Communities are on the rise

Brandwatch's 2023 Digital Marketing Trends

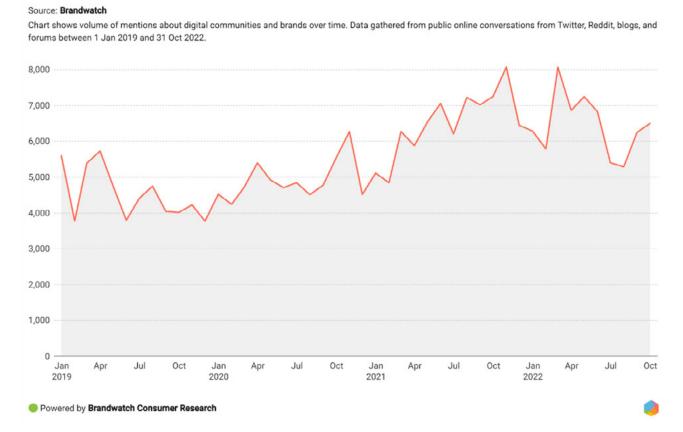
People want to belong and connect, creating an opportunity for brands to deepen their relationships with their customers.

Smart brands have a strong presence where their customers are. For years it was enough to be present on the biggest social networks, implement your social media presence, and figure out the algorithms. But there's a shift happening that we think will become more visible in 2023.

One reason consumers spend time online is to connect with people or brands they love. On the big social networks, it's getting more and more difficult to cut through the noise. 2022 saw some hype with new apps like <u>BeReal</u> or <u>Gas</u>, indicating that people hunger for something new. With the rise of Web3, we'll also see more decentralized networks over the next few years.

Trend #6 Communities are on the rise

Younger audiences want to have more control over the pages they operate. They want <u>more privacy</u>, and the introduction of authentic apps like BeReal and Gas shows that people long for places where they can be their true selves. Communities and niche platforms can deliver this experience and offer brands a chance to get closer to their customers. According to research by <u>Hubspot and LoyaltyLion</u>, 47% of consumers say they would become loyal to a brand if they were part of a community with like-minded people.



Volume of online mentions about digital communities and brands

The desire for closer connections online has contributed to the rise of community platforms like Reddit and Discord. Discord, for example, began as a platform for gamers to communicate in-game. It has since grown into a place where communities thrive. In September 2021, Discord **reported** 150 million global monthly active users, an increase of 50 percent compared to June 2020. Reddit's also growing among young people. A 2021 **survey** found that 36 percent of internet users aged 18 to 29 years use Reddit. However, the reach of the social platform strongly declines with age.

Brands might benefit from tapping into this need for community and getting involved on platforms that value connectivity. For example, you might create a Discord server for your consumers to chat with each other or provide value on subreddits where potential customers might spend their time.

Early movers

Lego and the value of crowdsourcing

We'd be remiss not to mention one of the earliest movers in this field, which continues to see the value in bringing passionate people together. Lego Ideas is a co-creative community, over <u>1.8 million</u> <u>members</u> have submitted over 36,000 ideas since its launch in 2008. Some of those ideas Lego brought to market, like the famous Friends Central Perk café Lego set.



Sister got me the Friends Lego set of Central Perk. It was so much fun to build, and I love how it turned out

...

Oversæt Tweet



1.54 AM · 6. maj 2022

Sephora embraces beauty fans

Beauty brand Sephora built their own community for make-up enthusiasts. They make the community easily accessible via different channels. It's part of their shopping experience, and they give the beauty community a valuable and safe space to talk about their passion.

Paramount and RECUR build digital spaces for expression of fandom

In 2022, Paramount and long-standing partner RECUR launched a number of digital NFT collections on **paramount.xyz** featuring fan favorites from Star Trek to Top Gun. In a **press release**, the CEO of RECUR, Zach Bruch, said these digital collectible experiences offer fans a community to be part of for years to come. The collections did face some backlash though, when some die-hard fans argued that NFTs and their favorite movies do not go together.

"Communities are important spaces for brands and have the power to create loyal advocates. But this does not happen overnight. Brands must invest in their communities or risk falling behind competitors who have accurately identified their customers' and prospects' need for trusted peer content and social validation."

Ian Ferguson, Brandwatch Community Platform Manager.

- 1. Niche content for a dedicated audience. Put in some research before you build your audience to find out what your audience wants. Think about what value you can give them. This could be sharing knowledge, exclusive information and events, or making them feel heard in future product developments.
- 2. Nurture relationships. The core of a community is the relationships that members build with each other. While your main goal is to get people to love your brand, you should focus on something other than brand promotion but on delivering a close 'gathering' experience where people can share and gain information about the topic they love.
- 3. Encourage user-generated content (UGC). Once successfully set up, your community will have a pool of highly-dedicated consumers. Motivate them to post their experiences and knowledge in the community. Hearing product recommendations from other customers is seen as much more trustworthy than promotions from brands.



Trend #7 Augmented reality as the preferred way to shop

Brandwatch's 2023 Digital Marketing Trends

Consumers expect marketers to seamlessly connect digital experiences with physical stores.

The pandemic gave augmented reality technologies a considerable push. With big players in the tech industry – like Apple, Google, or Snapchat getting involved – we're set to see plenty of innovations in 2023.

The AR and VR market gained <u>28 billion dollars in 2021, and is</u> <u>expected to grow to more than 450 billion U.S. dollars by 2030.</u> With AR technology, brands can remove digital customer experience barriers, connect physical stores with online shops, and reach younger consumers.

Especially in retail, virtual try-on features have become more and more popular. Consumers can virtually fit cosmetics, clothes, or furniture before they buy. According to **Brandwatch Consumer Research**, the online consumer conversations around 'virtual try-ons' continues at a high level. In fact, mentions increased by 8% between January and November 2022 compared to the same period last year.

Word cloud with the most mentioned keywords and phrases in 'virtual try-on' online consumer conversations



Source: Brandwatch Consumer Research | Data gathered from 1 Jan and 14 Nov 2022 from public online conversations on Twitter, Reddit, blogs, and forums.

'Experience' is the most mentioned keyword in online consumer conversations around 'virtual try-on.' New technologies can enhance the digital shopping experience, and consumers are excited about it. And it's not all about shopping: AR technology could revolutionize the **healthcare industry** in the next ten years.

Let's look at some brands that are excelling at using AR technology for their marketing initiatives.

Early movers

The Home Depot boosts conversions with AR

This home improvement retailer offers consumers the chance to virtually fit furniture or decorations in their homes, via its mobile app. AR helps consumers see if specific items fit the size and style of their rooms before they purchase the product. And it works. The Home Depot saw <u>two to three times higher conversions</u> from consumers using AR technology compared to those who don't use it.

Pull & Bear introduces a collaection with AR game

Inditex, the fashion giant behind Pull & Bear, launched their first <u>AR-powered game</u> in May 2021. People could play the game via Facebook or Instagram and go on a virtual journey. With gamification, the brand can reach a younger audience in a playful and fun way.

Nike reaching younger audiences with Shopping Lenses

332 million Snapchat users are engaging with augmented reality every day. Snapchat is an excellent network for brands to experiment with AR technology, allowing them to reach younger audiences. Snapchat users can <u>virtually try on Nike shoes</u> via the app and see how they would look on them. This can help to remove purchase barriers and reduce returns.

- 1. **Be playful.** With all-new technology, there's room for experimentation, trying new things, and inspiring others. Do research around ways you can complement your consumer needs, and experiment with ways to implement new tech.
- 2. Make AR part of your customer experience. Consumers want to try products before they buy them. This is one of the biggest buying barriers with online shopping. With AR technologies, you can inform purchase decisions and reduce return rates.
- 3. Connect the digital with the physical. Don't keep your digital and physical stores separate. Rather, they should complement each other. Create a holistic customer experience by making shopping in your physical stores more interactive and personalized for your customers.



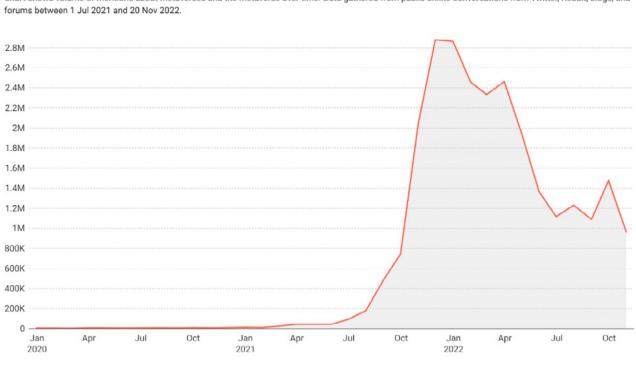
Trend #8 Metaverses set a new level of gamification

Brandwatch's 2023 Digital Marketing Trends

With metaverses, companies could reach a younger audience and implement gamification in their marketing strategies.

The idea of metaverses received a lot of hype in 2022, receiving a slew of both positive responses and worthy criticisms. While metaverses aren't a mainstream thing in the slightest just yet, more and more consumers are warming to the idea that metaverses are on the rise.

Between 1 January and 15 November 2022, there were over 19.2 million mentions of metaverses in online conversations. According to BuzzSumo, over 265k articles were published, generating over 13 million engagements.



Volume of online mentions about metaverses

Source: Brandwatch

Chart shows volume of mentions about metaverses and the metaverse over time. Data gathered from public online conversations from Twitter, Reddit, blogs, and

Powered by Brandwatch Consumer Research

Trend #8 Metaverses set a new level of gamification

2022 was a year of firsts. There was the first metaverse <u>fashion show</u>, not to mention the first <u>financial service provider</u> that entered the space. But what will 2023 have in hand for brands? Will metaverses finally become mainstream?

Probably not, but metaverses will be a big topic in the digital marketing space in 2023. We will see more campaigns and collaborations, brands creating their own spaces, and companies looking for ways to measure their success.

According to <u>research by McKinsey & Co.</u>, metaverses could be worth 5 trillion dollars by 2030. Plus, it's predicted that in 2026, <u>25% of</u> <u>people</u> will spend at least one hour a day in a metaverse. For brands, metaverses offer a chance to create new experiences for consumers.

Especially for reaching younger people, metaverses are a valuable channel for companies. Gen Z, and the succeeding generation alpha, spend more time on metaverse platforms like Fortnite or Roblox than other generations. Gamification is one of the most important marketing tools to connect with them.

Early movers

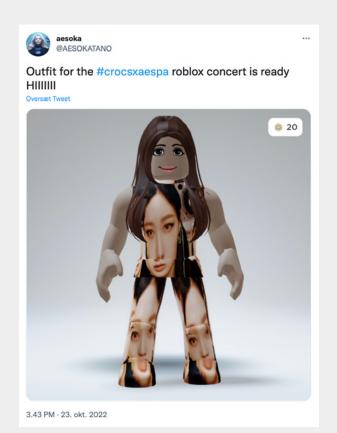
Gucci and their virtual garden

In May 2021, luxury brand Gucci opened a garden in Roblox. People could visit the garden for a limited time and buy digital clothing for their avatars. Users visiting the garden end up with an avatar with a unique pattern depending on their interactions they made in the rooms. The clothing they earned was influenced by the experience they had in the garden.

It was a success. One virtual Gucci bag from the event later got resold for a **higher price** than the physical version.

Crocs celebrate with virtual concert

Another example in the Roblox world. Crocs invited the K-pop band Aespa to play a concert in their Crocs World space to celebrate the 20th anniversary of the company. Their <u>announcement tweet</u> got over 22k likes and is one of the posts with the highest engagement in online conversations around metaverses in 2022. The event led to over 10k mentions on social, from almost 6,500 unique authors.



Epic and Lego build world for kids

Epic Games, the company behind the popular online game Fortnite, and toy brand Lego <u>teamed up</u> to build a family-friendly metaverse. While the collaboration is still in the making, the project tackles an important issue: how to protect children in metaverses without excluding them from the experience.

- 1. Don't forget your brand voice. Metaverses may seem a colorful playground for some, and it's easy to get lost in the bubblegum scenery of Fortnite and Co. But it's important not to lose your brand voice and identity and stay alert to the fact that not everything that happens in the metaverse stays in the metaverse.
- 2. Be inclusive. Metaverses offer new ways for people to express themselves and interact with people globally. As a brand, you should be as inclusive as possible. Whether you're making an NFT makeup filter for digital avatars or curating a whole new space, it's important to make sure everyone is welcome to enjoy it.
- 3. A potential game-changer. The immersiveness of the metaverse could be a whole new way for brands to build fantastic customer experiences. But new and cutting-edge also means more risks are involved, and there are still many unknowns that marketers should be wary of.



Trend #9 Brands continue to experiment with emerging technologies

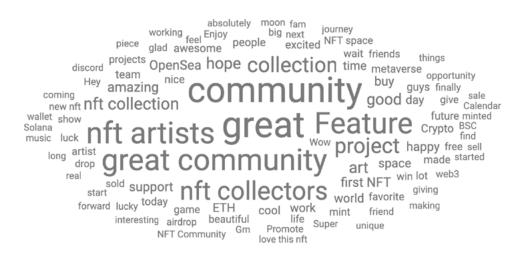
Brandwatch's 2023 Digital Marketing Trends

Brands are evolving in how they use new tech, recognizing it as an opportunity to make the headlines and engage with customers in new ways.

From artificial intelligence and machine learning to NFTs and blockchain technology, the past few years have seen the emergence of a number of exciting technologies that offer brands new opportunities to create interesting marketing activations. In 2023, we expect to see more brands using emerging technologies and push the boundaries of what they're capable of, but as with all experiments there's an element of risk to be aware of.

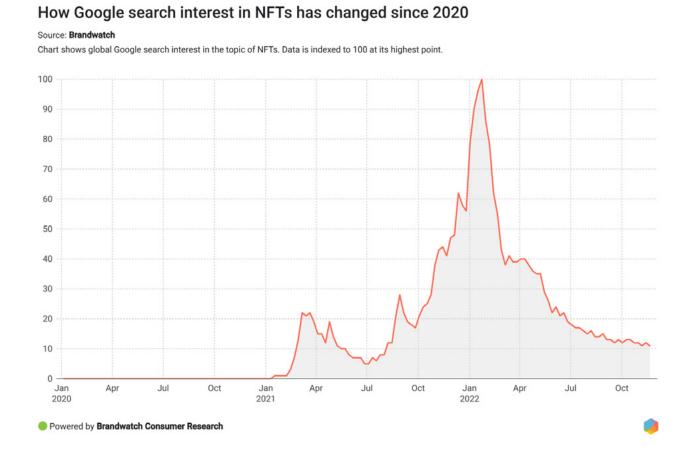
Take NFTs for example. The last couple of years have seen a boom in interest and promising projections for **growth**, while brands have shown real creativity in this area (see the early movers section). As you can see from this topic cloud, which shows positive mentions around NFTs online in 2022, there's a lot of excitement about the community, artists, and collections.

Topic cloud showing commonly used words and phrases in positive online conversations around NFTs



Source: Brandwatch Consumer Research | Data gathered from public social posts with positive sentiment mentioning NFTs from January 1 - November 14 2022.

All that said, if we look at the search data around NFTs, it seems like consumer interest in the topic has already reached its peak and searches are in decline.



And while there's plenty of hype on social, this community-focused conversation is driven by those actively engaging in trading and collecting NFTs – a group who are naturally going to sing the praises of the trend.

Experiments help push the industry forward, but marketers should always exercise caution before jumping into expensive new activations, especially when budgets are tight.

Early movers

Reddit and collectible avatars

Speaking of communities, Reddit (the biggest network of communities) launched <u>collectible NFT avatars</u>. Created by independent artists and Reddit creators, the unique avatars were quickly sold, and some avatars landed later on the NFT marketplace OpenSea in the top 10 list of favorite NFTs.

Heineken wants us to raise our glasses

VR glasses, that is. In April 2022, Heineken launched their new virtual Heineken Silver: <u>"Our virtual beer is made only from the freshest</u> **pixels: no malt, no hops, no yeast, no water and also, no beer."** While taking the mickey out of the digital world and urging users to "try to try it" in the metaverse, Heineken's point is that some things – like beer – are better enjoyed in the real world.

Hugo Boss sets engagement records

Hugo Boss used NFTs as part of their fashion week campaign in October 2021. Alongside collaborations with influencers, the fashion company also started a TikTok challenge and offered unique NFT jackets as prizes. The campaign was hugely successful. Over 1.3 million videos were created by people on TikTok, and the brand achieved four billion impressions in four days, the largest social media coverage in fashion week history.

- Stay true to your brand. While it can be tempting to dive head-first into new technology, it is – still – essential to be consistent across all consumer touchpoints. The real winners will be the brands that manage to join new trends while being faithful to their brands.
- 2. Check the tide. Experiments can be expensive. Before jumping in, check to see how other brands have fared and how general interest in the technology you're trying out is trending. Without the pressure of hosting virtual events or launching NFT collections right off the bat, brands can still embrace small-scale experimentation and try new things that align with their brand.
- 3. Never lose sight of your audience. Before you start experimenting with emerging tech, you should find out whether your audience is open to it. You should also make sure that people not as tech-savvy have an easy option to buy and access your content.



Trend #10 Multi-format content

Brandwatch's 2023 Digital Marketing Trends

Marketers will need to diversify their content offering to shape up to consumer needs.

Consumers want tailor-made experiences. Remarkable content. Fits-like-a-glove personalization. And they want it yesterday. On top of that, they also want blog posts, webinars, infographics, podcasts, videos, quizzes, white papers, case studies, eBooks, articles, checklists, newsletters... the list goes on.

Sound excessive? We're afraid that means you're already falling behind.

Year after year (and yes, we've been guilty of this at Brandwatch, too), brands try to predict what content formats will take the cake from short-lived vertical videos to conversational podcasts. But the truth is that no single format will rule for long.

Since the pandemic killed off the five-day office work week, the demand for content of all kinds has only increased, leaving brands with no choice but to offer consumers a broader catalog of experiences to meet a wider range of lifestyles.

It's tempting to think that it's the value of your content that matters, but the format you use to demonstrate that value will determine to what degree your audience takes action in 2023.

Trend #10 Multi-format content

Text is one way to go about it (be it short or long-form, blog posts or eBooks). Audio will give you emphasis and enthusiasm beyond bold, italic, and underline. Video offers visuals to enhance your message. Finally, you've got the interactive and immersive virtual reality experience of metaverses we've talked about above.

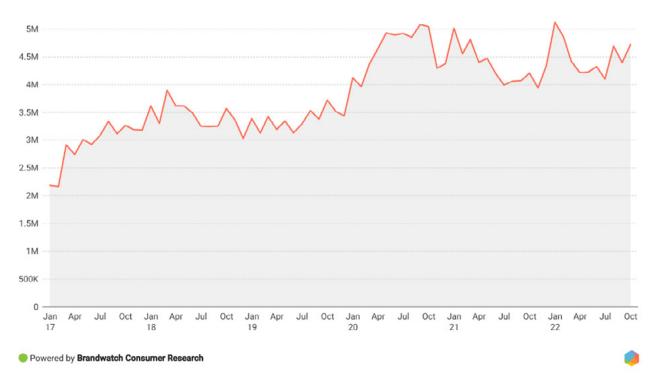
With content marketing's projected increase of \$487.24 billion from 2022 to 2026, it is safe to say the demand is growing and that several different content formats have gained popularity in recent years.

Take a look at podcasts, for example:

Volume of online mentions about podcasts

Source: Brandwatch

Chart shows volume of mentions about podcasts over time. Data gathered from public posts on Twitter, Reddit, blogs, and forums between 1 Jan 2017 and 31 Oct 2022.



Trend #10 Multi-format content

Riding on the consumer popularity of podcasts, we're also seeing tech giants getting more serious about podcasts. Recently, YouTube made a fairly significant move and <u>launched a dedicated</u> podcast homepage.

So, yes, audio content is booming.

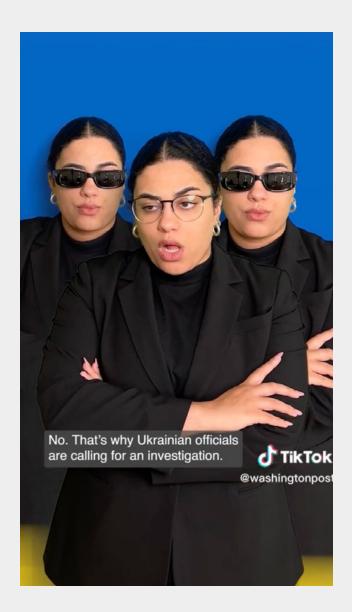
But some brands even take it beyond what we can read, see, and hear, and they capitalize on the senses of taste, touch, and smell. While the internet cannot yet convey the smell of warm soup, fresh laundry, or frosted pine Wunder-Baum, <u>6/10 expect to be able to digitally</u> experience natural smells by 2030.

The point is: Consumers are more likely to spend their time and hard-earned money on products that perfectly align with their tastes, desires, and demands. They want stories and experiences developed for them, not only containing the information they want but also in the form they prefer to consume. As a result, brands will have to expand their content strategies in 2023 and beyond, identifying the content – and the style of content – their consumers want.

Early movers

The Washington Post rules on TikTok @washingtonpost

As they're a daily newspaper, you won't be surprised to learn that The Washington Post leverages multiple content formats to perfection. But what may surprise you is that the newspaper has included <u>bite-sized comedic skits</u> on TikTok in their content catalog to cover breaking news.



Chipotle tries scent marketing

Chipotle's greatly diversified content portfolio ranges from employee vlogs to TikToks, from fan-made content to **bitcoin gamification**. And while we've established that the internet still does a lousy job of conveying smell, certain companies are already utilizing the chemical language of scent with offline campaigns. In August 2022, Chipotle turned an online conversation into a real product when they launched a lemonade-scented candle inspired by fans who 'accidentally' fill their water cups with lemonade. This cheeky, limited-edition soy candle campaign generated a lot of buzz and sold out almost immediately.



- 1. Be accessible. As a marketer, you want to repurpose your existing content in a wide range of formats and spread it around. Start writing down your thoughts, uploading your podcasts, sharing your slides, filming your day-to-day, and live streaming your events.
- 2. Communicate in local and detailed terms, targeting specific audiences based on what is most relevant to them. This might mean creating specific content for a generation, location, gender, or hobby. Still, now that companies have access to so much data, users expect them to provide tailored experiences across the entire customer journey.
- 3. Personalize your content experiences to connect with your audience. To quote Chipotle's CMO, Chris Brandt, "When they see these lighthearted tributes to social chatter and fan behavior, they feel even more connected to Chipotle."



A few final words

The digital marketing landscape is constantly changing. From NFTs to social fatigue, marketers need to be nimble to meet evolving customer needs. As consumers get used to new tech, or as they move to new ways of spending their time online, it's important for brands to meet their audiences where they are.

It's impossible to try every single new trend, but it's definitely possible to dabble in new ways to reach your audience.

Try implementing one or two of these trends into your digital strategy to reap the benefits with your consumers.

Brandwatch | The social suite of the future