# MARKETING TRENDS

**DEMYSTIFYING CURRENT MARKETING TOOLS** TREND & INSIGHT REPORT

JANUARY 2023

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# **TREND & INSIGHT REPORT**

This Designsensory Intelligence report is the start of our new series covering current trends and hidden insights for a variety of market segments. Our research analysis provides guidance and recommendations on how businesses and agency clients can take advantage of these opportunities and prepare for upcoming challenges.

This series will cover seven verticals, which we will refresh quarterly:

- 1. Travel & Tourism
- 2. Inclusion, Diversity, Equity, Accessibility (IDEA)
- 3. General Marketing
- 4. Sports & Entertainment
- 5. E-Commerce
- 6. Economic & Community Development
- 7. Higher Education

Utilizing the research and analysis from these verticals will enhance your business and clients by understanding the current environment and being able to make stronger connections with consumers and audiences.











# What is the metaverse?

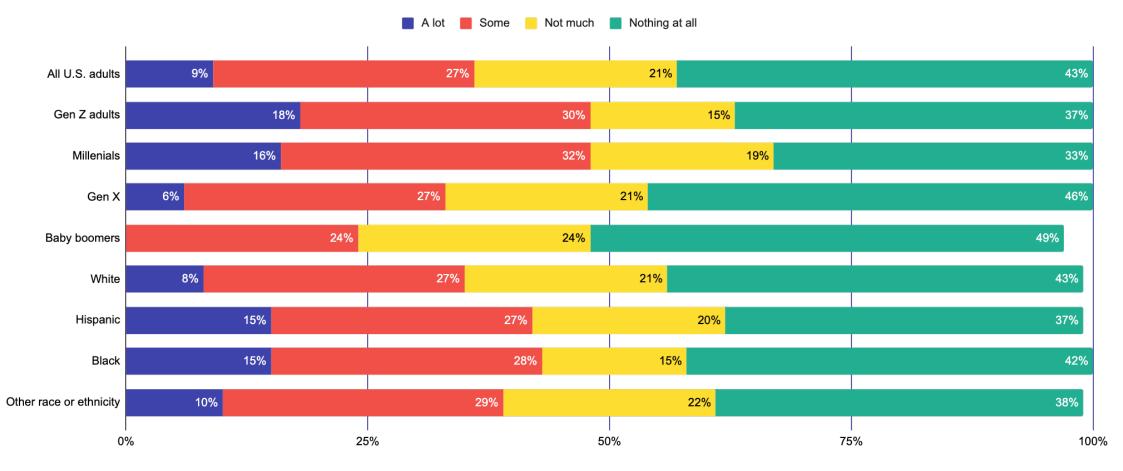
There is not yet one singular definition, but it can be broadly described as the combination of virtual and augmented realities accessed from our physical world.

People will be able to interact within their shared and individual experiences. This will include talking, shopping, gaming and/or anything else imagined in its virtual universe.

Currently, there is not one expansive metaverse, but several separated by their respective creators. They include Facebook, Microsoft, Epic Games and others. Analysts predict that there will eventually be one broad metaverse dependent on new and growing technologies, namely blockchain.



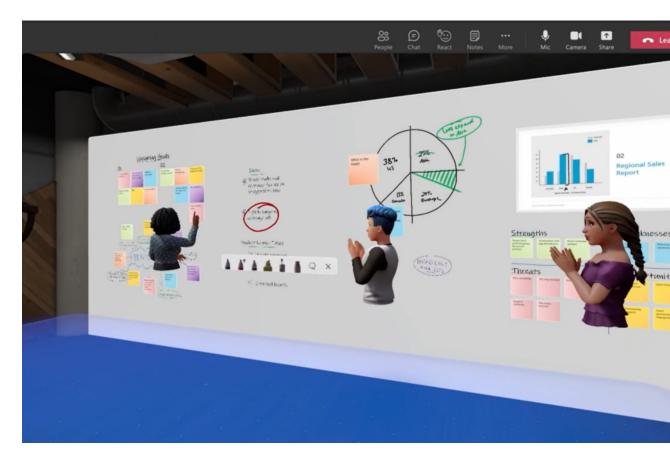
#### How often U.S. adults saw, read or heard about the metaverse



Many consumers in the United States still haven't heard or don't understand the scope and concept of the metaverse. It's more popular with younger and non-white individuals.

The metaverse is not yet at the capability or popularity to warrant extensive marketing efforts. But, as Baby boomers and Gen X fade while Millennials and Gen Z grow in buying power, the metaverse is an eventuality that advertisers should prepare for.

At this stage, marketers with flexible budgets should consider how their companies services could exist in a virtual world. Any service that doesn't require a physical component is applicable.



Most examples of companies currently utilizing the metaverse are fashion and cosmetics brands. Consumers are able to customize their own virtual avatar, and these brands are offering their specific looks. The frontrunners include Gucci, Lacoste, NYX, and L'Oréal and others.

Microsoft Mesh, a new feature for Microsoft Teams, is a mixed reality experience where co-workers can collaborate remotely but still have in-person experiences such as body language and side conversations.

Booking.com found that people are interested in using the metaverse for travel decisions.

- 35% of their survey respondents said they would take a virtual travel experience lasting multiple days
- 43% said they would use virtual reality to inspire their travel destinations.



Metaverse companies are working to make their platforms more accessible. In January 2022, Touchcast launched the first enterprise metaverse, where any company can participate by registering their .metaverse domain.

MCity is leading the way for metaverse-as-a-service (MaaS). With MaaS, businesses can register their .metaverse domain for free and set up their own virtual space where they can deliver their services, communication, and experience.

Consumers do not need VR headsets or other specialized hardware to access Touchcast's MaaS platform, MCity.

One of the first companies to take advantage of this experience was FIAT. The FIAT Metaverse Store currently presents customers with their new model, the New 500 La Prima by Bocelli. Customers can explore the car in different customizations and ask questions with their "Product Genius."



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# AI in Marketing

AI has already transformed the marketing landscape.

The technology makes decisions based on its data collections and analysis and any other observations on behavior or trends.

This maximizes efficiency by helping marketers provide personalized content in the right place and best times for their audiences.



There are a vast number of uses for artificial intelligence in general and in marketing. These are some of the key areas AI is used in marketing today:

- Data Analysis: Managing, cleaning, and analyzing data from internal marketing campaigns or outside sources.
- Customer Service: Using chatbots with natural language processing (NLP) to provide a personalized, human experience.
- Media Buying: Deciding the best ad and media placements for a business in order to maximize ROI.
- **Strategy:** Predicting the best marketing or business growth strategy using past data or outside sources in its automated decision-making.
- Content Generation: Writing both short and long form in any area: blogs, websites, social media, emails, subject lines, etc.
- **Personalization:** Changing marketing elements to meet consumer's individual preferences. This includes everything from a website to a social media post or an email.

Al provides more personalized content and connection with consumers. It has increased capacity to analyze consumer data such as purchase history, location, demographics, psychographics, and digital interactions.

With this analysis, AI develops customized communication specific to an individual consumer. This includes all relevant components: messages, content decisions, and media.

- Emails with personalized subject lines are 26% more likely to be opened.
- 43% of consumers are more likely to purchase from companies that personalize the customer experience.

This level of personalization creates more connection between a brand and its audiences, and thus increased conversions.



Al is also supportive for search engine optimization (SEO). There are numerous Al based SEO tools such as CopyAl, Headline, Jarvis, etc. The tools are designed specifically for generating content that is competitive in search engines.

AI's SEO content support includes:

- Deciding topics and creating titles
- Generating meta tags
- Drafting full content

These tools aren't able to fully replace human SEO copywriters, but they help streamline and inform content creation.



# O SOCIAL MEDIA



# **SOCIAL MEDIA**

| Facebook | The second secon | linstagram | Twitter   |  |
|----------|--|------------|-----------|--|
| Faceboon | Gmail  | Spotify    | Messenger |  |

# #1 Marketing Channel in 2022

Social media is continuing its trend of being the most utilized marketing channel, with Facebook, Instagram, and YouTube as the top three platforms.

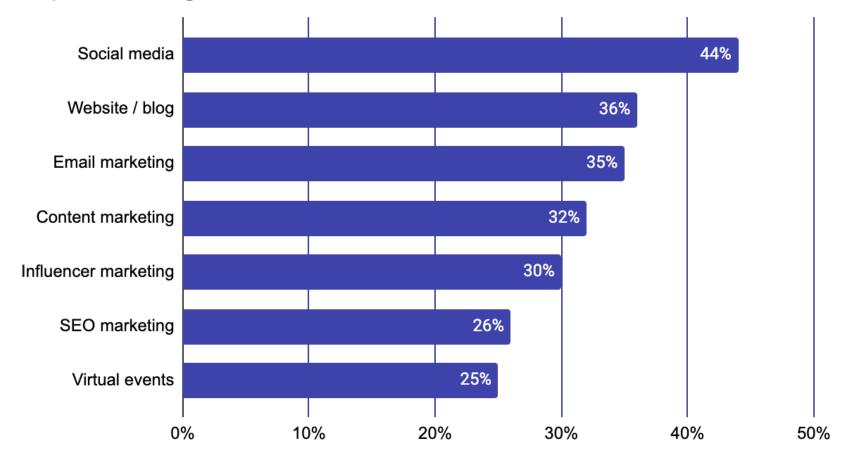
Consumers have different expectations for different channels, and in social media they're expecting engaging and entertaining content.

This emphasizes the importance of understanding what content is prioritized by marketers versus what is more appreciated by consumers.

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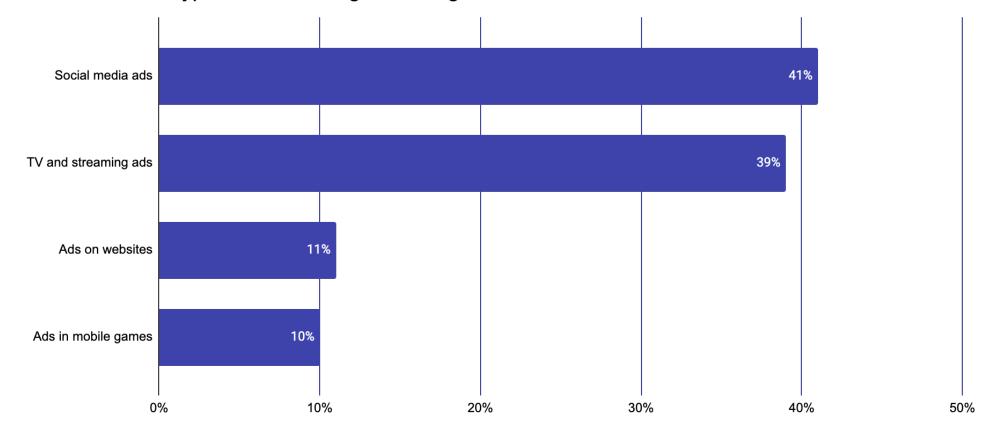
### **SOCIAL MEDIA**

### Top Marketing Channels in 2022





#### Most influential types of advertising according to U.S. consumers



# **SOCIAL MEDIA**

Marketers are heavily pushing content that reflects their brand's values, but it is ranked lower in its effectiveness. This content play is not surprising as consumers voiced the importance knowing the values and priorities of brands and organizations. But content that's exclusive to this type of messaging is not as effective on its own.

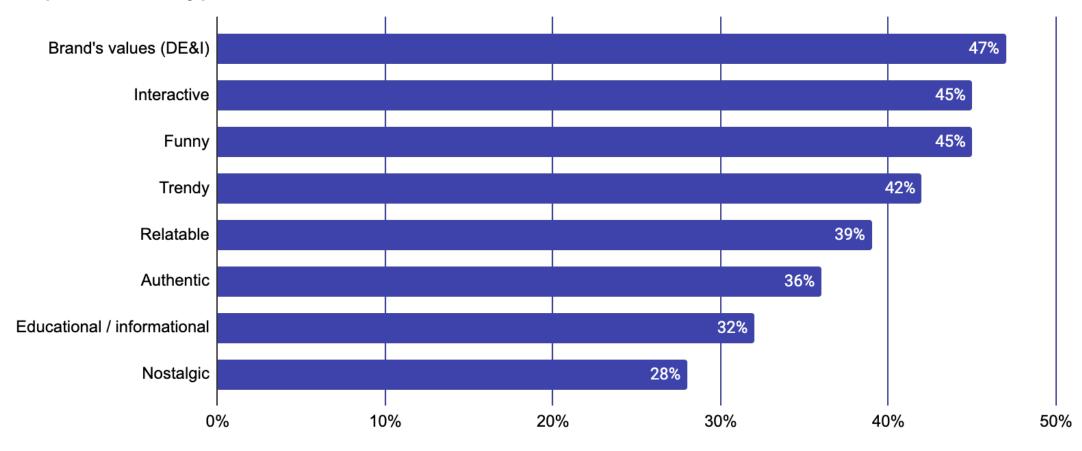
Instead, content that stands out is funny and interactive.

Brand values are still important for developing customer loyalty and brand affinity. These values can still be communicated to audiences by including and representing them in other types of content.



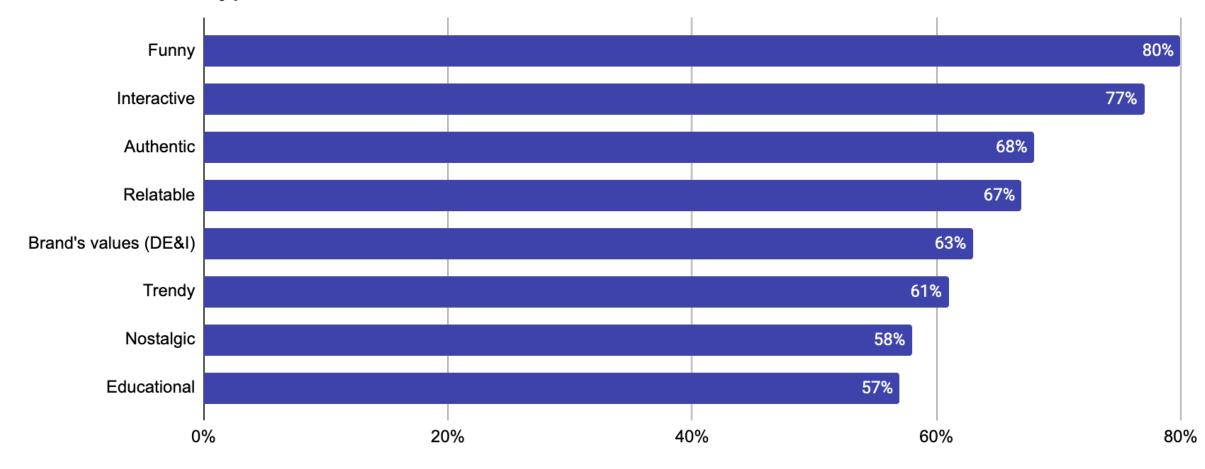


#### Top Content Types used in Social Media



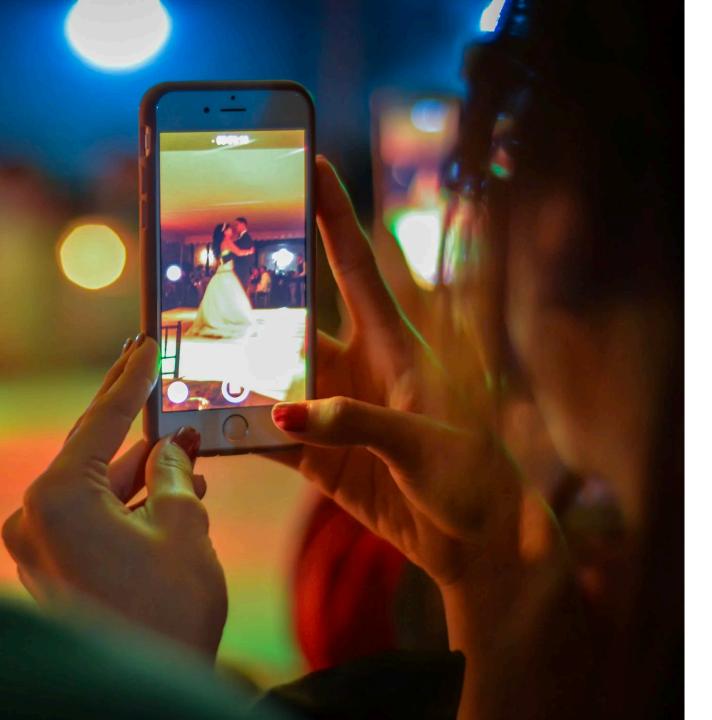


### Most effective types of content marketers use in social media









# Video is the most effective media format

Consumers are searching for more engaging content and they're finding the most in videos.

More specifically, short-form videos have the greatest ROI compared to any other media format. The broad definition for short-form is under 10 minutes, but other marketers suggest keeping them under 2.5 minutes.

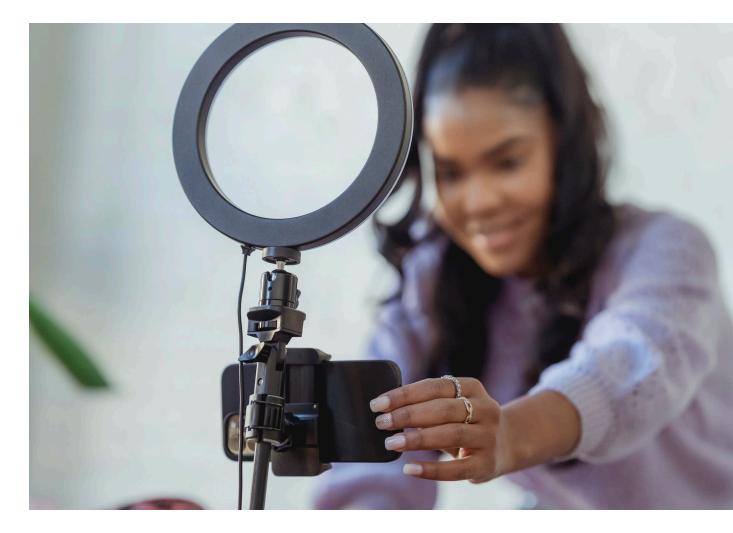
Short-form video is especially more popular for social media consumption.

# VIDEO

Currently just 60% of marketers use video in content marketing but 35% of them plan to use it for the first time this year.

51% of marketers increased their investment in short-form video content in 2022.

TikTok is the strongest platform for short-from videos, followed by YouTube Shorts and Instagram Reels. The vast majority of social media platforms are following along, prioritizing the short video content.



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