

AND **SUPERCHARGING** PROFITS IN THE **DIGITAL WORLD**

10 Digital Marketing Trends to Future Proof Your 2022



Predicting the Future of Digital Marketing

When keeping up with trends in the world of digital marketing, two things are always true:

- **1.** We need to accept that change is inevitable.
- **2.** Our willingness to adapt is paramount to achieving new levels of success.

In this guide, we have evaluated a combination of historical consumer data trends, technological advancements, and thousands of internal success metrics to uncover where the market is shifting and where it presents the most profitable opportunities for 2022.

The trends you will find in the following pages are not like the "tips, tricks, and tactics" that are traditionally shared. Rather, they are strategic responses to disruptions that have already begun. We don't have a crystal ball, but we do have data, and the data speaks louder than any assumptions.

National Positions' advantage in providing these insights stems from our firsthand experience, having managed hundreds of clients every month through these industry disruptions for nearly 20 years. In 2021 alone, our organization beta tested, integrated, and optimized more new technologies and strategic approaches than in the past five years combined!

We can't deny that the pandemic over the past two years has fueled the massive adoption of ecommerce purchasing as well as selling. That being said, we believe that this impact only sped up the trajectory that we were already on, and while new ecommerce adoption may slow, sustained online purchasing is a certainty.

With that in mind, the intent of the following trends is to prepare you for what's coming, offer you actionable strategies for success, and ultimately give you the greatest competitive advantage possible.

We wish you the greatest of success in 2022 and can't wait to see you at the finish line.

Bernard May, CEO | National Positions

Online Privacy Continues to Gain Momentum

WHY IT MATTERS



The majority of consumers (52.4%) are either much more concerned—or at the very least somewhat concerned—about their personal data than they were a year ago.



As our physical lives become more intertwined with our digital lives, the vast majority of Americans (82%) are showing concern regarding their security online.



Nearly every American (95%) has apprehensions surrounding the idea of businesses collecting and sharing personal information without their permission.

Sources: ROI Revolution, BroadbandNow



How It Impacts You in 2022

From everyday shoppers to the tech giants of Silicon Valley, the consensus is that privacy and the protection of customers' personal information are paramount. This shift means less actionable data for marketers to attract, target, and connect with customers online.

Make compliance a top priority

Most consumers report wanting their government (federal or state) to implement rigorous regulations to protect personal data. The California Consumer Privacy Act (CCPA) is a taste of this regulatory push.

Develop an explicit value exchange for customer data

Nearly half of consumers report that they are willing to provide comprehensive personal data to companies in exchange for discounts. It's also interesting to note, nearly half of consumers expect a higher level of customer service if personal information is shared.

Exercise transparency from pre-purchase to post-purchase

With almost three-quarters of consumers reporting they would be more likely to read policy and legal content if it wasn't so lengthy, this is an area businesses can easily improve upon, utilizing straightforward language on these pages that the average consumer can easily understand.

Custom Ad Optimization Platforms Emerge

WHY IT MATTERS



Most digital advertisers (87%) think that the tried-and-true strategies of the recent past are at risk because of rising data privacy concerns.



The majority of digital advertisers (65%) are confident in their creative prowess in creating assets, but when it comes to targeting the right audience, confidence drops to 26%.



A large swath of digital advertisers (64%) feel that consumers' trust in their ads are diminishing, which can spell trouble when it comes to brand loyalty.





How It Impacts You in 2022

With lack of third-party data, marketers are at a distinct disadvantage when it comes to investing and allocating their marketing budget. Transparency surrounding what messaging, on which channels, and in what sequence is actually delivering ROI is getting more difficult to unpack and understand. It is getting harder to determine which touchpoints had the most significant impact on a customer's decision to purchase.

The competition online is only growing more intense and the use of first-party tracking and ad optimization platforms will give businesses the tools, data, and speed required to make strategic decisions faster and drive greater levels of profitability.

Automated suggestions for bid changes

Two key components you need in your paid media campaigns are better ROI and speed. In 2022, start using ad optimization tools within your existing platforms or utilize third-party platforms to help you scale success faster and more accurately.

Take advantage of lookback windows

Historical performance is critical for making future decisions. Look for an ad optimization platform that can not only help with optimization and bid suggestions but also capture and store historical data so you have access to it in the future.

Utilize first-party data tracking

Leveraging your first-party data will give you an even greater advantage in 2022. You can start "feeding" your online and offline conversion data back into your campaigns to make them "smarter" and more effective at targeting new customers.

Personalization Goes Mainstream

WHY IT MATTERS



We all like feeling special! Data shows that the vast majority of customers (80%) who get a tailored, curated experience are far more likely to make a purchase.



A personalized experience has staying power. In fact, 60% of customers who get that personalized experience are likely to purchase again.



Personalization can also impact loyalty. The majority of customers (66%) agree that if a brand seems to understand their individual needs they are far more likely to be a loyal customer.

Source: Salesforce



How It Impacts You in 2022

Customers expect a personalized experience that caters to their specific needs, desires, and lifestyle. This personalization applies to their brand experience on desktop, mobile, advertising, etc. The more personalized the experience, the higher the likelihood that you can lock in a customer for life. If customers don't get this personalized experience from one brand, they are more likely to turn to a competitor. It's time to look at the entire customer journey and personalize from top to bottom.

Cater to new vs. returning users

Personalization begins with your website, and your customers' needs will depend on where they are along the customer journey. Consider providing returning customers different imagery or messaging to welcome them back.

Implement dynamic digital advertising

Ever searched for a product and then seconds later you saw the exact same product scrolling through Facebook? Then you have experienced dynamic retargeting. Add this strategy to your remarketing campaigns to make marketing communications hyperpersonalized.

Don't forget SMS and email

Personalize your outreach based on specific actions such as an abandoned cart. Segment your email list by browsing history, prior purchases, location, purchase time, etc. Personalize your notifications via email and/or SMS featuring images and descriptions of products your visitor has searched for so they feel like these messages are tailored just for them.

Digital Marketing Grows in Complexity

WHY IT MATTERS



If your audience consists primarily of millennials, many of them (60%) expect brands they buy from to provide a consistent brand experience across channels.



Retaining customers is gold, and omnichannel retention rates are typically 90% higher than single-channel marketing efforts.



Ready to sell more?! Well, when it comes to purchase frequency, omnichannel boasts 250% more than single-channel efforts.



Those high-touch, cross-channel customers typically provide a 30% greater lifetime customer value for your brand.



How It Impacts You in 2022

While there are more channels to market on than ever before, these various platforms are becoming more complex. Additionally, customer journeys are becoming more complicated as they move between channels (on more devices) that impact both online and offline purchasing activity.

It can be difficult to keep up with the myriad of changes, especially when, all too often, the data connecting these channels is either incomplete or simply inaccurate. As customers' expectations rise when it comes to both privacy and personalization, brands online will need to pivot their mindsets to meet them in the middle.

Remember that the customer journey is omnichannel

The customer's interaction with your brand has evolved into a matrix of user experiences that culminate with a sales conversion. Consider how each of your campaigns (SEO, PPC, social, etc.) can complement one another to produce better results.

Leverage offline conversion tracking

Leverage your offline sales data to improve the ROI of your online campaigns. Take your customer CRM data and feed it back into your paid media campaigns. This enriches the targeting of online campaigns, making them even more valuable.

Bridge the retail gap

Complexity applies to offline sales as well and can be leveraged to drive retail sales. Revisit your Google My Business (GMB) profile and take advantage of the latest updates available for featuring your products, providing local purchasing options, and much more.

Lean on external teams

Consider outsourcing more of your digital marketing efforts to experts in areas where your internal team may lack the core expertise needed to make the greatest (most profitable) impact.

TikTok and Reels Continue to Command Attention

WHY IT MATTERS



TikTok has grown very rapidly and now has over 1 billion active monthly users!



We all know engagement speaks volumes—consider that Instagram Reels drive around 22% more engagement than standard post videos on the platform.



These platforms continue to dominate in the App Store. In fact, for 2021, the most downloaded apps for iPhone were TikTok, YouTube, Instagram, Snapchat, and Facebook.

Sources: Growoid, TechCrunch



How It Impacts You in 2022

Video has been the major focus for the better part of a decade, but the adoption of short-form and bite-sized video content has dominated the social media landscape. From both an organic and an advertising standpoint, TikTok, Instagram Reels, and even YouTube Shorts are prime placement for fresh brand content. While the adoption of this content has been greatest with younger audiences, data shows that older demographics are catching up quickly.

Cater to younger demographics

Although TikTok has been embraced by all audiences, it predominantly skews toward a younger demographic, with 25% of all users being 10-19. The most dominant group on Instagram is the 25-34 demographic, accounting for over 33% of users.

Watch your metrics

To know what is resonating with your audience, keep an eye on your engagement metrics in the first 24, 48, and 72 hours. This short video content moves quickly and these metrics (likes, shares, views) will indicate if your videos are hitting the right notes.

Don't start from scratch

Repurposing content is a great way to get the most out of the video content you already have. Take your best-performing (or most informative) content and see what you can break into 30-second and 60-second clips to use on TikTok and Instagram Reels.

Don't neglect descriptions

Even video content needs something the algorithms are able to read. With every video, include a description and, more importantly, hashtags. The more audiences that engage with your content (with the proper hashtags) the further your content will reach.

SEO Is All About User Experience

WHY IT MATTERS



No one likes a bad experience, and nearly 90% of customers are unlikely to come back if they had a bad user experience on your website. First impressions matter!



The vast majority of adults (85%) believe that the mobile websites they visit should be as good as, if not better than, the same site on a desktop device.



Nearly 54% of internet traffic worldwide comes from mobile devices, and experts say that by 2025 over 70% of users will be accessing the internet only via mobile devices.

Sources: 99firms, StatCounter, CNBC



How It Impacts You in 2022

Customers (and Google) care far more about the experience that websites provide than how much content the website possesses. Yes, content matters—but the value a brand's website provides matters just as much, if not more. In short, it comes down to the "user experience." Customers not only need to find you online but also need to be able to navigate, click, swipe, and convert on your site with ease. Google's latest updates all point to user experience being a top priority.

Keep an eye on Google's frequent algorithms updates

We used to see one major update a year from Google. Now, we are regularly seeing several a year, and these updates are not slowing down. Keep an eye on your Google Analytics (GA) traffic for sudden spikes or dips to see how these updates may be affecting you.

Prioritize optimizing the mobile experience

The mobile experience must be a priority. The rapid domination of mobile search and purchasing are the main drivers in Google's latest updates. So, in planning for a better user experience, focus on the mobile experience first and foremost.

Focus on user experience in Google Analytics

Focus on areas in GA, like behavior flow, to see where users are dropping off your site the most. Additionally, look into the individual pages with the highest bounce rates. Poor load speeds or poor time to interact speed are common culprits that result in a bad mobile user experience specifically.

Conduct your own competitive analysis

Just do a Google search to understand what Google values most from a user experience perspective.

Compare your experience to the top-ranking websites for your top search terms.

Ecommerce Domination Grows

WHY IT MATTERS



Amazon is expected to drive \$470 billion in worldwide retail sales in 2021. This is over \$65 billion more than 2020 (15% est. increase).



In 2020, Amazon accounted for 40% of all ecommerce sales in the United States (over \$318 billion) and added another 15.3% to this growth in 2021 (\$367 billion).



Walmart ecommerce sales have increased over 100% over the past two years (\$30 billion vs. \$64 billion) and was ranked #2 in ecommerce sales, second only to Amazon.

Sources: <u>Statista</u>, <u>eMarketer</u>



How It Impacts You in 2022

The pandemic may have lit a match under ecommerce purchasing but consumers have poured gasoline on that fire in 2021. So when it comes to scaling product sales, shifting, adding, or ramping up your ecommerce efforts is a goldmine you cannot ignore. Additionally, this prolonged period of "ecommerce dependence" has now become an "ecommerce preference" (due to convenience and options) for customers as we move into 2022.

Amazon sales for many ecommerce companies are higher than on their own platforms. The simplicity of checkout and free delivery and returns makes Amazon the platform of choice for most Americans.

Join Amazon and optimize your listings

Amazon is the obvious ecommerce powerhouse, but it also has a significant built-in advantage:
Customers go to Amazon with purchase intent! If you are not on Amazon yet, now is the time. If you are, it's time to optimize every product listing and brand page possible.

Do not underestimate Walmart's reach

An overlooked opportunity for many, Walmart is seeing the rates of growth this year that Amazon saw last year. They are putting considerable effort into capitalizing on the ecommerce explosion, so consider them as another ecommerce sales channel in 2022.

Add social commerce to your strategy

Purchasing products directly from social media platforms has gone mainstream and is a lost opportunity for many brands. If you are selling products online, be sure to get your Facebook/Instagram shop set up ASAP to offer your customers another avenue for purchasing.

Machine Learning Expands Its Influence

WHY IT MATTERS



Why are all eyes on machine learning data? One of the biggest drivers is the need to uncover more accurate data, more rapidly—with 61% of marketers saying AI is the most critical part of their strategy.



It is not just the volume of data that matters. The numbers show that the majority of marketers (57%) may be incorrectly assessing the data, which can steer strategies off course.



With core benefits in speed and accuracy, a majority of businesses (65%) looking to adopt machine learning tech are doing so to help with decision-making.

Source: G2, Wharton



How It Impacts You in 2022

In the coming year, your ability to not only collect but also leverage data to make more profitable strategic decisions is going to be critical to your success. The fact is there are more metrics and correlative data points available to us than any human can effectively take in at any given time. Brands that embrace machine learning technologies will have a strategic advantage in making more accurate optimizations and maximizing campaign ROI.

Break apart the "black box"

Now is the time to take control of your business's data and use it as a decision-making tool rather than simply a success indicator. This shift in mindset lets you break your black box of data open and be strategic rather than reactionary.

Automate smarter bidding

In every paid media campaign, our goal is to maximize profit and minimize waste. Machine learning can streamline campaign effectiveness and adjust the bid strategies to keep ad waste at a minimum and your investment performing at the highest levels.

Constantly be A/B testing and optimizing

Machine learning can measure thousands of campaign touchpoints in real time. Businesses need to be A/B testing more creatives than ever to stay competitive. So let machine learning do the heavy lifting when it comes to picking your winning ad creatives.

Conversion Optimization Becomes a Necessity

WHY IT MATTERS



Every dollar matters! In fact, for every \$92 a brand spends on acquiring a new customer, only \$1 is spent converting them into a sale!



The average ROI for businesses using conversion rate optimization tools and strategies is 223%. Where else do you see this kind of ROI?!



CRO is critical for ecommerce businesses—87% of consumers say that a complicated checkout experience or process will cause them to abandon their shopping cart.

Sources: OutGrow, Transaction, Internet Retailing



How It Impacts You in 2022

What would a 1% boost in sales conversions across your website, emails, and paid media efforts do for business revenues and profits? The concept is simple—but the execution is not. Businesses that make conversion rate optimization (CRO) part of their strategic arsenal are going to reap major rewards. It doesn't just add to your bottom line, CRO gives you a better understanding of your customers and the motivations that drive them to convert faster—valuable information that can be applied to all of your digital marketing strategies.

Reduce customer friction

Reducing ecommerce purchase friction with CRO is a must. Can your visitors add a product to their cart? Convert those carts into sales? Convert these customers into loyal repeat buyers? Where can you reduce customer friction and make purchasing simpler?

Consider the entire marketing funnel

The entire marketing funnel provides opportunities to improve conversion overall. From attention to interest to consideration to purchase, you can improve conversion throughout the journey. See where you can reduce customer friction at every turn.

Have a CRO expert analyze your website

For any business online, a website is either going to inspire a visitor to convert into a customer or send them looking for a competitor. Start by getting a full CRO analysis from a professional so you know where to begin. It will save you a ton of time.

Bake CRO into your marketing mix

The cost of conversions is increasing, so you need to implement ongoing (and never-ending) testing across your website UX, landing pages, campaign creatives, and beyond.

Your Data Needs to Come "First"

WHY IT MATTERS



Most digital marketing experts (65%) agree that using a first-party data-driven approach provides a more valuable, personalized strategy for campaigns and content.



Finding and maintaining high-quality data is said to be the most difficult and critical challenge amongst 53% of digital marketers.



A collective 88% of marketing industry experts are making the acquisition and storing of first-party data a high (or their highest) priority in 2022.

Source: GoodFirms



How It Impacts You in 2022

A common thread across many of our tips and trends for 2022 comes down to data. And between Google's upcoming elimination of website cookies, Apple's iOS update disrupting paid media campaign data, and the aforementioned focus on consumer privacy—your data should be your top priority. Every online business will need to adapt and focus on their own first-party data (like CRM contacts) and squeeze every drop of value from it. This also means handling your first-party data as if your business success depends on it—because it just might.

Treat first-party data like gold

Your first-party data is so valuable not only because it is "yours" but because it gives you the blueprint for your ideal customer! And we predict that third-party data will evaporate soon, so start collecting (and protecting) every drop of first-party data now.

Understand data is critical for nurturing and loyalty

We often say that the most valuable asset any company has is their list of customer contacts. Prioritize maximizing customer lifetime value via ongoing nurturing campaigns to keep those hard-earned customers coming back for more.

Fuel omnichannel success

The aforementioned "blueprint" that your first-party data holds will allow you to enrich your marketing efforts across channels—from paid media targeting and social content to email outreach and personalization.

Focus on your business intelligence

Taking action on the right sets of data is critical. This is why it is so important that you start collecting and storing your own data. The ability to understand and leverage your data strategically is vital for success in 2022.

Looking to the Future

Businesses that are innovative and willing to embrace change are the ones that will thrive online during 2022. As you may have guessed, data is the common thread throughout most of these trends that will impact all of us.

Harnessing first-party and offline data, embracing an omnichannel mindset, and leveraging automation technologies are all opportunities—not roadblocks. Using this information with custom analytics and deeper performance metrics will further uncover unprecedented growth opportunities.

As competition heats up and the market expands, paid advertising will become more expensive, forcing growth marketers to focus their energy on getting the most out of their marketing dollars through ongoing conversion optimization and split testing.

It is a fact that digital marketing continues to grow in complexity, and succeeding within the digital ecosystem requires a strategic embrace of "what is to come"—not dwelling on "what was." Winning requires a step-by-step strategy and curated framework.

If you would like to find out more about how to take advantage of these trends or need assistance creating a fresh strategic approach for 2022, please contact a member of our National Positions team.

Contact Us Today!



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