



HOW BRANDS CAN THRIVE IN **2022**

PREDICTIONS
FOR DIGITAL-FIRST
MARKETERS



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Intro

In the wake of a historic 2020, 2021 signaled that transformation will not be limited to a single year. The 2020's will be a transformative decade.

2021 itself was a year of stark contrasts. It began with a wave of optimism and ended with a wave of omicron -- extending the pandemic period and expanding our knowledge of the Greek alphabet.

These contrasts were evident across many facets of business and society:

- The triumph of futuristic mRNA AND the failure of legacy supply chains
- Robust GDP growth plus low unemployment AND high economic anxiety due to rising inflation
- The institutionalization of working from home (a driver of 'The Great Resignation') AND commercial real estate valuations setting records
- The delay of Google's cookie deprecation (predicted correctly) AND the acceleration of Apple's rise as a gatekeeper and ad seller
- Retail sales, with a bounceback of physical locations, growing 2x the rate of the US economy AND e-commerce expanding its share gains

Even as these contrasts made micro prediction accuracy challenging, the macro trends that will transform business and society over the 2020s became more clear:

- The Biotech Revolution
- The Energy Revolution
- The AI Revolution
- The Primacy of the Digital Economy

The last macro trend is the context for the predictions that follow, but the underlying drivers of the other revolutions are critical for marketers to understand. The reduction of energy cost, the rise of sensors and the dramatically lower expense of computing power are among the key pillars of the inexorable rise of the Digital Economy and the increasing ability to bring individualized experiences to life.

These developments empower marketers to improve how they: detect consumer intent; translate that insight into intelligence and intelligence into action; deliver more relevant, productive experiences at every interaction with consumers; understand why things work (or don't) and inject that learning into a deeper understanding of why consumers behave as they do. Some examples of these changes include:

- **Around 80% of consumers** will see the world as all digital, with no divide, in 2022.
- By 2025, mobile commerce will make up 10.4% of retail sales, **2.5x the pre-2020 share**.
- CTV households will increase to 115.2 million by 2025, from 106.4 million in 2021. Ad dollars will continue to follow, with CTV ad spend predicted to **grow 28.4% YoY**.
- Humans will create, capture, copy, and consume **175ZB worth of data by 2025**.

2022 is shaping up to be another very interesting year. Covering both macro themes and micro events, our 2022 predictions are intended to inform, inspire and encourage you to think bigger.

"With great crises come great opportunities and times to effectuate change. We've seen at Zeta the single biggest jump from analog to digital marketing in history, and we expect to see the shift continue into 2022 and beyond."

David A. Steinberg
Co-Founder, Chairman,
and CEO, Zeta





MARKETING IN A DIGITAL-FIRST WORLD

The world is becoming a digital economy, which makes up anywhere from [4.5 to 15.5% of global GDP](#). The industry is set to take the “Internet of Things” to the “Internet of Everything” through big data, AI, analytics, and physical technology. This revolution has great implications for how humans live, work, and connect with one another across both physical and digital spaces.

1 From Omnichannel Reach to Omnipresent Engagement

In this new age, channels matter far less. Consumers have gotten cozy with shopping from their couches. This will not end when the pandemic does. They will keep craving seamless digital experiences that create efficiencies in addition to more exciting in-store shopping environments.

“In 2022 and beyond, marketers need to be really agile. Not just say it, but really practice what they preach. They must take back control of their marketing in a 24/7 always-on world. And that starts with prioritizing the integration of first-party data to be used with signals to develop personalised content at scale – in a cookieless world. That’s the start.”

Sir Martin Sorrell
Executive Chairman &
Founder, S4 Capital



Elevating the instantaneous digital customer experience

According to Gartner's [Digital Commerce State of the Union Survey](#), brands have either deployed or are piloting the following technologies:

1	Conversational virtual assistants	58%
2	AI/machine learning	56%
3	Contactless delivery	43%
4	"Thing commerce" or IoT	40%
5	Augmented reality/virtual reality	26%

With the right data signals incorporated, brands can use any and all of these technologies to design individualized experiences across the customer journey. Think one-click, one-stop, one-and-done, buy-online pick-up in-store (BOPIS), curbside pickup, touchless payments, and humanized, algorithmic messaging that mirrors in-store interactions.

Livestream selling wins brand loyalty from younger audiences

Launched in China five years ago with Alibaba's Taobao Live platform, livestream selling, or live commerce via social media platforms, is now a hit amongst younger millennial and Gen Z shoppers. In fact, 40% [have bought a product in this way](#). Live commerce sales could make up 10 to 20% of all eCommerce by 2026, according to [McKinsey analysis](#), and give brands an important opportunity to grow loyalty from a young age. In 2022, livestream selling will trend away from big-name influencers and towards micro- and nano-influencers to cut costs and create a more authentic, loyal connection with audiences. [Digital shopping platform ShopStyle](#) says its

"Modern marketers need to be able to adapt and improve the quality of the experience people will have in digital. Not by 2030, but sometime between 2025 and 2030."

John Sculley

Co-Founder & Vice Chairman, Zeta,
CMO & Chairman RXAdvance,
Former Apple CEO & Pepsi President



"I think the metaverse is an eventuality, I think we'll be there and then we'll realize we're there before it's declared, then it will all continue to evolve."

Bob Sherwin

CMO, Wayfair



network of nano-influencers, who typically have fewer than 10,000 followers, have increased year-over-year sales by 33% on average. The industry will also see new immersive formats like AR and VR emerge to help shoppers see more product details on screen.

Redefining marketing through the metaverse

The metaverse won't be just another marketing channel. It will be a new way of advertising to create deeper, more immersive, and more integrated digital/physical experiences. Succeeding in the metaverse will be less about having consumer information and more about how brands use data to rethink the customer lifecycle and its corresponding experiences.

Brands are already taking advantage of branding and digital advertising opportunities in these environments. Take Roblox, the virtual game uber-popular with the under-13 crowd, which features billboard ads in-game and on avatar attire that can be [purchased programmatically at CPMs ranging from \\$6 to \\$12](#) across platforms. What is more, these marketing moments do not require too heavy a lift because marketers can create branded assets and ads that can be used across the metaverse.

"Social commerce will focus on three things: sustainability, as the consumer base within the social world will become a much younger demographic; the metaverse, which as the physical and digital worlds come together will impact brands as they prepare for a much bigger democratized world where every consumer is a key opinion leader in many ways; and most importantly, 1:1 interactivity and how brands interact with consumers on an individualized level."

Guru Gowrappan
Former CEO, Yahoo!



"I believe that every brand will be able to create their own social network that is entirely different from what exists today. Brands will easily be able to sell any product on their own website – not somebody else's platform. I believe something like that will manifest itself where the brand will truly control their own customer acquisition."

David Spector
Co-Founder and
President, ThirdLove



"In 2022 and beyond, e-commerce will have to center on generating more premiere experiences to build customer relationships through live streaming, engaging content, and taking responsibility."

Imran Khan
Founder and CEO,
Verishop



2 Simplifying the Martech Stack

Of more than 350 martech decision-makers surveyed by Gartner last year, **just 58% use the full breadth** of their stack's capabilities. Among the biggest blockers to martech stack effectiveness included: ecosystem complexity (24%); solutions with overlapping capabilities (22%); and difficulty with stack integration and/or configuration (21%). How do marketers wade through the proliferation of martech solutions to "take back control of their data," as Sir Martin Sorrell, Executive Chairman & Founder at S4 Capital puts it.

Point solutions absorbed by comprehensive platforms

Martech mergers and acquisitions have soared for years, but **rapid market capitalization has boomed** within the past 12 months in particular. One subtrend emerging is larger marketing clouds buying smaller point solutions such as a customer data platform. According to the Gartner research referenced earlier, most business leaders were adopting a best-of-breed approach to martech selection, irrespective of vendor. But last year 59% of respondents reported a preference for an integrated suite with a single vendor having multiple interconnected capabilities. Such an approach will be critical to fully incorporating incremental touchpoints like CTV – which now has the same audiences, workflow, and measurement as other channels, into omnichannel marketing. Another benefit: AI is infused throughout the martech stack to create more efficiencies, boost conversion rates, find new customers, and drive deeper loyalty.

"The role of the Agency and SI in MarTech will continue to diminish due to the rise of more integrated marketing clouds that aren't beholden to legacy investments that can never reach the level of maturity of the modern players."

Matt Mobley

EVP, Technology Strategy, Zeta



"In the coming year, we'll see the dismantling of silos that once plagued revenue-generating teams. If working from home has taught us anything, it's that the humanization of B2B has encouraged marketing, sales, and advertising teams to come together to better understand the modern B2B buyer who uses a growing number of digital channels – from online and social media to connected TV – to explore and purchase solutions."

"In fact, the rise of personalized business engagement will give way to a new set of solutions that help marketers leverage both first- and third-party data to better understand their target audiences to more effectively reach high propensity B2B audiences for multi-channel marketing and sales campaigns. And as a result, by the end of the year, you'll see a growing number of revenue-generating teams get out of the business of wrangling data and technology, and back to engaging with their customers and prospects to drive growth for their companies."

Stacy Greiner

General Manager, North America
Sales & Marketing Business,
Dun & Bradstreet



"Time has certainly taught the team at SIMON how marketing channels continue to change. By not only accepting, but rather expecting it, that makes us much more resilient and flexible to what's going to be next. It positions us to be ready to plug into whatever these future channels are, by having a solid data foundation."

Patrick Flanagan

SVP, Digital Development, Operations & Strategy, SIMON



"We're seeing a modern marketing movement to low-code, or no-code, solutions that create flexible environments where marketers can connect insights to action without adding complexity to the software or the burden of external teams. Team structure is evolving, data is moving at the speed of business, and consumers are benefiting from being heard and understood by the brands they love."

Chris Monberg

Chief Technology Officer, Zeta



The Zeta Marketing Platform combines 2.4 billion unique data identities with industry-leading AI to create personalized, omnichannel experiences that exceed expectations and drive superior marketing results.

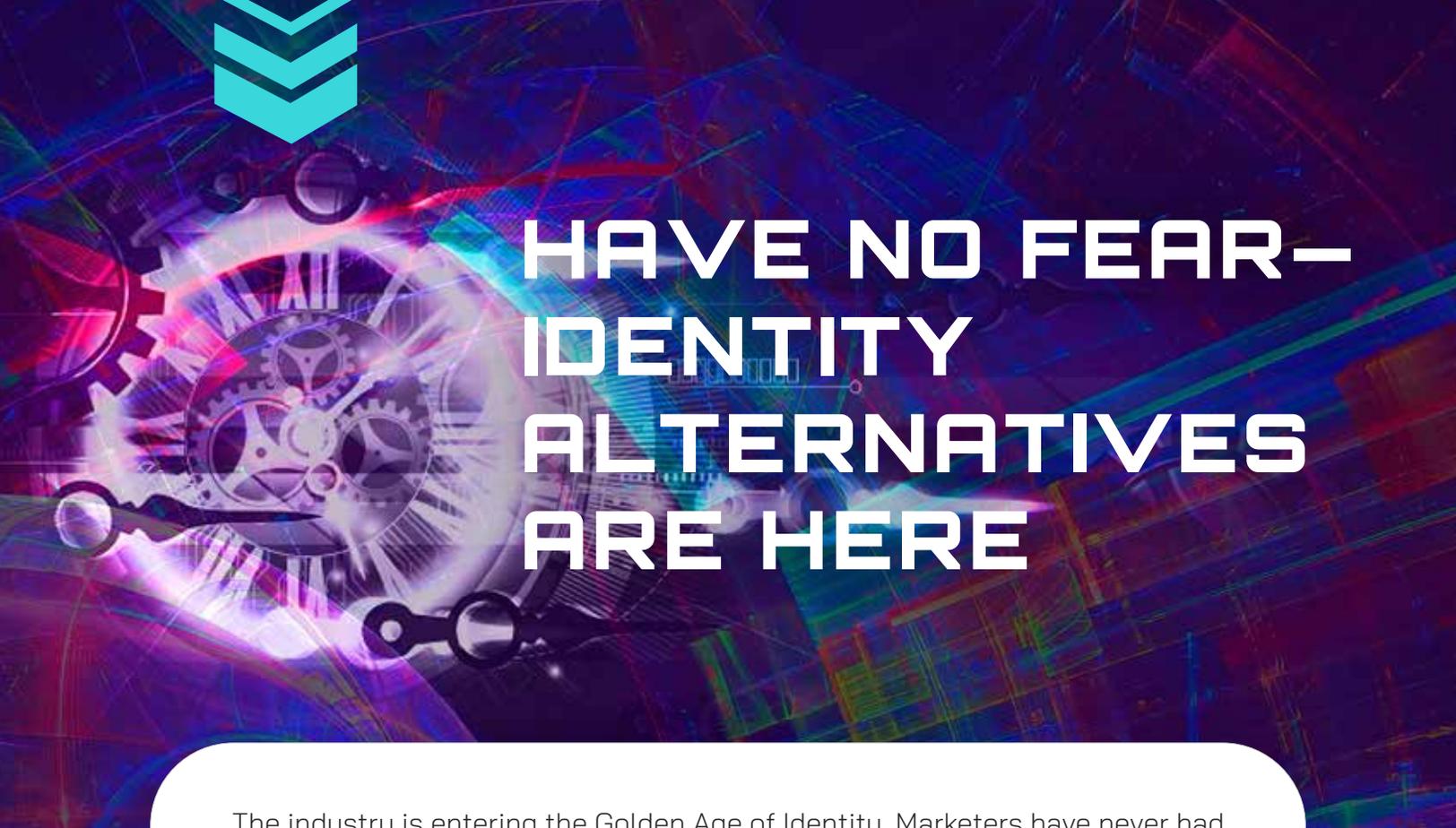


3 No Code Needed: The Future of Workflow is "Drag and Drop"

Drag-and-drop tools are on the rise. These solutions help marketers operate at digital speed through automation, which makes configuring, importing, and exporting data between systems a cinch. [Gartner estimates](#) that most large organizations will adopt multiple low-code tools by the end of 2021, and that half of buyers will come from outside IT by 2025. Marketers that adopt these tools in 2022 will not only save time and improve business outcomes, but also support the innovation and integration required to stay competitive.

Our **Data Conductor** offering is a low-code, easy-to-use interface that puts the power of first-party data activation into the hands of marketers.





HAVE NO FEAR— IDENTITY ALTERNATIVES ARE HERE

The industry is entering the Golden Age of Identity. Marketers have never had richer data with which to better understand consumers and create a competitive advantage. In the midst of a rapidly changing landscape in which identity has gone from desired to required, everyone must be evaluating, testing, and learning from emerging solutions. Google's pause on [third-party cookie deprecation](#) gifts marketers extra time to explore replacement technology, such as cross-publisher identifiers that provide accurate, scaled, real-time information to achieve optimal personalization.

1 Zero-Party Data Enables Individualization

Marketers now have all of 2022 to build up rich, opted-in pools of zero- and first-party data that fuel more relevant and respectful consumer interactions. Zero-party data is intentionally and proactively shared with a brand, establishing a direct connection with the user. Marketers can use this intelligence to enrich their value proposition with customers, offering more personalized content in exchange for yet more data. Marketers can strengthen their zero-party data strategies with partners that enrich owned-customer data for more targeted marketing across channels.

"I believe identity can become a value prop attribute to make the consumer feel they have an enhanced experience. We think we can bring that to the mass market and use identity and preference management to let us learn more about each individual."



Allan Samson

SVP, Acquisition Marketing, T-Mobile

"Identity is the cloud-native, foundational building block needed to make smart, decisive investments in people, programs, and technology in support of delivering personalized customer experiences. And by combining first- and third-party data, enterprises will be able to go a step further and expand customer profiles that power more robust insights and campaigns."



Chris Casey

Worldwide Head of Business Development, AWS Data Exchange

"The next generation of marketing technology will be defined by a unified, always-on identity –with insights that go beyond behavior to include intent."



Steve Gerber

President & COO, Zeta

Zeta has one of the [largest opted-in consumer data sets](#) for omnichannel marketing—over 225 million individuals in the US. We capture this data through a diversity of sources, such as our publisher network, which includes our market-leading commenting platform, Disqus.



2 Data Clean Rooms Become an Essential Technology

As the use of consumer data remains under a microscope, data privacy is becoming a critical component of not just business success, but survival. Brands must maintain data compliance with ease and speed when sharing personally-identifiable information (PII) or other sensitive data. Data clean rooms have emerged as safe havens for sharing data among multiple teams or companies in secure, anonymized ways. They can also support marketing attribution efforts as privacy regulations continue to complicate these types of analyses. Just under two-thirds of US and UK business leaders say they are [increasing investment in data clean rooms](#).

A data clean room cannot be operated in a silo—it has to support an end-to-end data journey. It is a utility that should be part of a marketing infrastructure, accessible when needed. Questions to ask when considering this technology: How does identity map back into it? How does it map out? How is the clean room used across the full stack? Marketers that unite media activation and deterministic measurement with clean-room technology can boost ROI in 2022.

"In 2022, we'll see brand new companies emerge as new advertising players. Eventually, all businesses that reach people at scale will start to show ads as an additional revenue stream. Everyone – all streamers, all automobile companies, telemedicine applications, pharmaceutical technologies, real estate platforms and finance platforms. Many industries are ripe for advertising disruption and we may even see ads in our Tesla car very soon."

Adam Singolda

Founder & CEO, Taboola



"Outside of your walls, change is the only constant. And preparing for change is preparing a foundation – a solid place where you can do a lot of test and iteration. Being ready for that requires a consistent thread of identity throughout your enterprise."

Dennis Ellis

VP of Product, GM of
Identity Infrastructure,
LiveRamp



Zeta Clean Room helps businesses maintain data privacy and compliance when sharing PII or other sensitive data.



3 CDPs Become the Bedrock for Brands

Brands have been interested in gathering first-party consumer data for some time, but in 2022, a fast-tracked urgency to own and activate their own customer data will accelerate due to new policies by the government and the Walled Gardens.

To accumulate that first-party data, the direct relationship to the customer, deploying truly individualized experiences that incentivize engagement, and everyday marketing tactics such as games, newsletters, and QR codes will all be more prevalent. However, once a brand collects that data, more sophisticated customer management will be crucial. Especially if the brand intends to truly own what they've collected while understanding how to best manage, enrich, store, and activate it to deliver results.

Zeta defines a Customer Data Platform (CDP) as one system that provides solutions for acquisition and retention, including features such as data collection, profile unification, segmentation, prediction, activation that integrates an Email Service Provider (ESP), Demand Side Platform (DSP)

"It's been a cliché that content is king, and it's now becoming known that first-party data is king, kingdom, and cathedral."

Chris Marriott

President & Founder,
Email Connect



"The only thing we know is that things change. MarTech will change in 5 years, and it'll change again after that. We know this."

Jason Jennings

VP, Global Marketing
Activation, Carter's



Zeta's CDP+ underpins the Zeta Marketing Platform to provide marketers with more control over data so they can activate campaigns with greater speed and effectiveness.



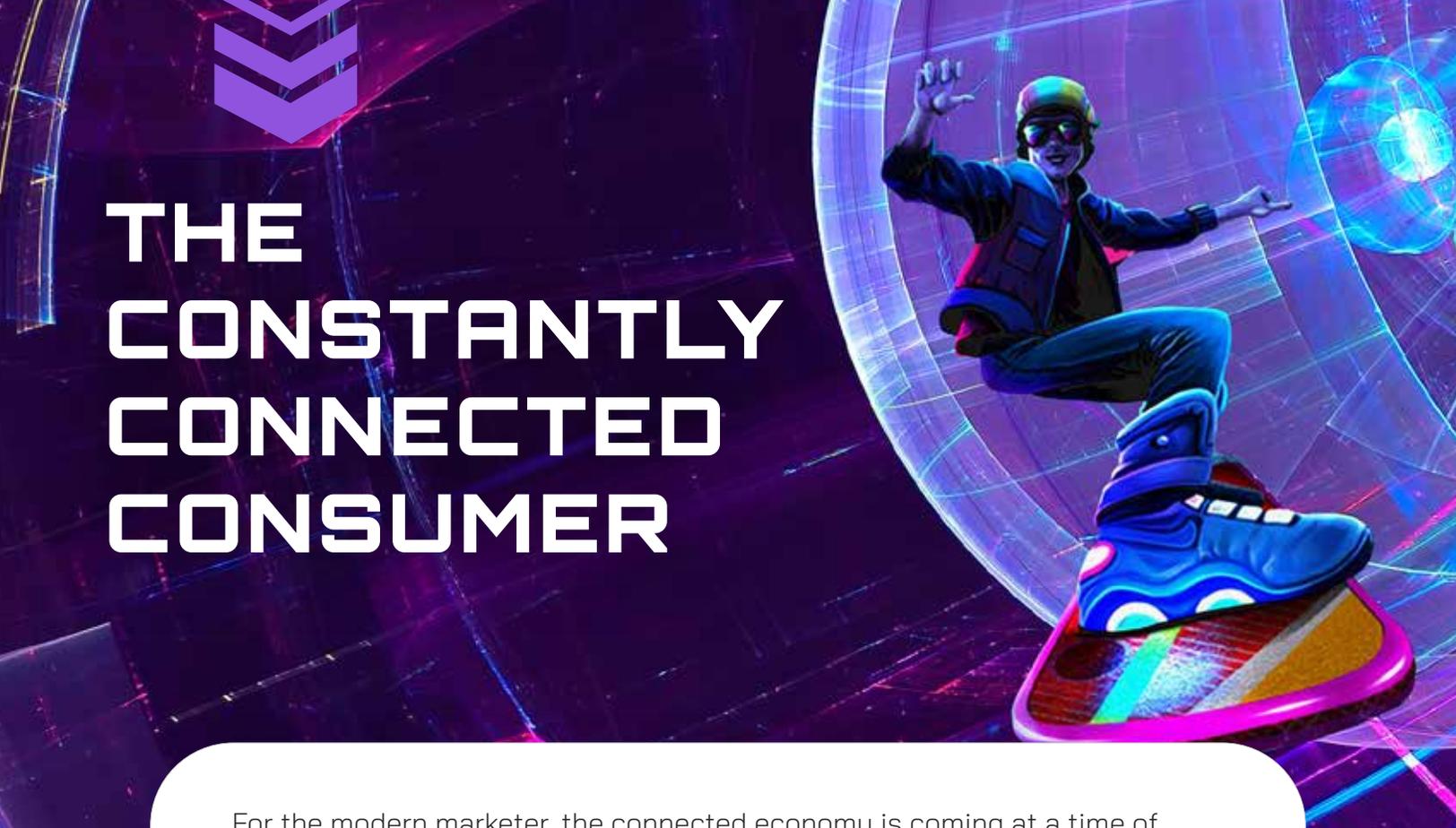
and Website Personalization (WP), and reporting.

Of [businesses surveyed by Gartner](#) last year, 35% had already secured a budget for a CDP and 43% were in the process of building a business case for it. This need will continue to grow into 2022 as brands realize the limited amount of time they have to figure out a solution for their customer data.

"My big bet is that the ecosystem is always changing and I can't bet on anything - I have to be nimble and move quickly and make pivots within my organization in a quick fashion if something changes."

Julianne Jennings
Director, Business
Intelligence, Healthgrade





THE CONSTANTLY CONNECTED CONSUMER

For the modern marketer, the connected economy is coming at a time of incredible complexity. The swift ascent of the “hyper-connected consumer” has left organizations grappling with how to better integrate their own data, systems, and teams to identify, link, and drive desired customer behaviors. [Early research by McKinsey](#) indicates that companies continuing to innovate and improve upon digital services will win in this new environment. Read on to see how marketers can invest in these areas in the year to come.

1 The Power of “One-of-a-Kind” Goes Mainstream: NFTs Surge in Popularity

Mostly supported by the Ethereum blockchain, NFTs are expected to make waves as a powerful digital certification across all verticals. Unlike Bitcoin, NFTs are unique and cannot be replaced with something else—they represent an ability to own, not rent as has historically been done, digital assets. Today they are most often used in the art and collectible worlds. Tomorrow they might be used across sports, travel, and auto to generate brand engagement, unlock new experiences, foster a passionate community, and build revenue. One recent example from the

fashion world is [Dolce & Gabbana's exclusive nine-piece NFT collection](#) which sold for \$6 million.

With NFT sales volumes [up eightfold to \\$10.7 billion](#) between Q2 and Q3, brands have a true revenue opportunity. As more connected consumers buy NFTs, they'll create an inventory across the Web that marketers can use to build new experiences. Marketers should also consider NFTs within the broader context of "Web3," in which decentralized apps run on the blockchain and enable participation in a connected community without monetizing personal data. Brands will just need to understand consumers' passions—such as what type of art, music, and other NFT items they are collecting.

"NFTs are becoming very prevalent in the crypto space, but I believe they will reach more mainstream audiences in the long-term. Sports properties will have to evolve to give fans the different digital sports products they want, which is important not only from a financial perspective, but how to better connect with fans moving forward."

Michael Rubin
CEO, Fanatics



"Right now, the easiest thing for people to look at from an NFT perspective is art and collectibles, but I would argue if you look at the medical field you can easily see how the token plus a blockchain can exist to verify patients' data across medical space. If you look at the sports arenas, NFTs could be an incredible validator for the ticketing industry and actually takes out the entire scalping arena. If you look at education, you could actually decentralize universities by using certain protocols to verify a student's participation and allow the university to burn the tokens in return for a degree. These are all potentials for what NFTs have to offer."

Keith Grossman
President, TIME



"NFTs open up the playing field where you can sell digital assets to your biggest fans. Now, if you sell a product, that product has a price point, which is meant to reach as many people as possible at the highest profit as possible. But you're still leaving out a big group of fans who are willing to pay a lot more to engage authentically with the brand."

Packy McCormick

Founder, Not Boring



"The time to future-protect is now. Invest in marketing technologies that enable infrastructure, applications, and data to orbit around a shared and real-time understanding of identity. Your business will be set-up to outpace your competitors, no matter what ecosystem changes lie ahead."

Neej Gore

Chief Data Officer, Zeta



Brands can use analytics software like Zeta's to evaluate how users engage with their websites, NFT properties, and other digital channels to create unique experiences.



2 Web 2.5 Emerges

The speculation of Web3 - the next era of the internet that focuses on decentralization enabled by blockchain - will continue to be a topic of much discussion as the power shift from brands to users accelerates.

To understand the evolution into the next era, we must take a look back at the evolution of commerce and the internet. Thousands of years ago, consumers only had the option to buy what was directly in front of them - that is parallel to Web1, the initial development of the World Wide Web, which consisted of individually owned, static website pages with no advertisements.

Web2, the era we are currently in, is more of a participative experience in which user-generated content and business-driven advertisements are prevalent, mostly driven by the decisions of larger technology corporations (the Walled Gardens). The notion of Web3 is the inverse - the consumer will have the power to influence decisions about what businesses need to make, manufacture, and sell to them by controlling their own data on a decentralized system.

However, many question how long it will actually take for the development of Web3 to become reality. If following similar evolution to previous iterations of the internet, the industry will move toward Web 2.5 in the coming years.

So, what is Web 2.5? Zeta Co-Founder, Chairman, and CEO David A. Steinberg believes it sits at the center of control between brands and consumers, leaving the larger tech giants behind. As more businesses will create their own commerce ecosystems, powered by consumer data and attribution, consumers will have more optionality to get what they want, and brands will have more power to grow.

"Marketers need to digest and act on the notion of Web 2.5, using data and AI to understand what consumers want and provide it to them, versus marketing products the business has available. This is the largest opportunity for faster growth in the near future. "

David A. Steinberg

Co-Founder, Chairman, and CEO, Zeta



"The COVID Pandemic will continue to accelerate the digitalization of the economy in 2022, driving continued innovation in the digital payments space. It is essential for payment processors to partner with software companies to provide integrated software that allows e-commerce companies to better acquire and communicate with their customers and to run their businesses more effectively. "

Robert Niehaus

Chairman and Founder, GCP



"In 2022, consumers will continue to want travel experiences but will have new preferences and expectations that brands will need to understand and act upon to maintain loyalty."

Stephen Fitzgerald

VP of eCommerce &
Distribution, G6
Hospitality



3 Community Inspires Brand Loyalty

Recent events have made consumers crave authentic, purpose-driven engagement with both each other and the brands they frequent. As they focus on getting the right data management and digital systems in place to engage these consumers, brands cannot forget to serve “with a human heart.”

How this might look in a 2022 marketing strategy: data compliance and consent management permeating every customer interaction to gain and maintain trust plus an obsessive focus on consumer sentiment as dynamic events continue to shape worldviews. The right data strategy and real-time insight capabilities will help brands understand what is important to customers and how their content, tone, and delivery resonate.

“We’re seeing people gamifying the game – fans want to be even closer to the game than they were. That’s what NFTs have done - its one more link in the chain of the fan experience.”

Jene Elzie

CGO, Athletes First Partners



“Sustainability is a really important factor for the future – if we can make the rate of returns go down via technology it’s good for brands, consumers, and the environment. I also think AR will have a profound impact on how we are all entertained, learn, travel, and shop.”

Ben Schwerin

SVP of Content & Partnerships, Snap Inc.





Global Trends & Predictions

"Building upon a wave of disruption in music we haven't seen in over a decade, 2022 is poised to be a keystone year in the future of music distribution and monetization of IP. The power will continue to shift away from large corporations into the hands of savvy artists and forward-thinking startups who are utilizing blockchain technology to revolutionize the way artists exploit their IP."

DJ Politik

DJ, Producer, & Music Curator



"The global supply chain crisis is expected to extend well into 2022 accelerating 21st century manufacturing solutions that will improve global competitiveness. Keep an eye on emerging technologies that utilize robots and reconfigurable, semi-autonomous factories for everything from technology, to food and pharmaceuticals."

Kari Stoever

Chief External Relations Officer, On Demand Pharmaceuticals



"My crystal ball for 2022 is blurry!"

Fred Wilson

Co-Founder, Union Square Ventures



"Through the lens of the current media landscape, I believe the trend for further growth in 2022 by the major streaming services will continue to flourish, introducing deeper engagement with their IP and talent through unique, immersive experiences in both digital and physical destinations."

Billy Zane

Actor - Artist - Visionary



"With both inventory and interest rates historically low, I see a strong real estate market in 2022. It's a supply and demand business and there is no supply. This is due to many regulatory changes made by the government caused by the pandemic. Real estate prices do not drop over night. Before that occurs, sellers will flood the market and inventory will increase before the prices decrease."

Tarek El Moussa

TV Host, Entrepreneur & CEO



"In 2022, as more people return to work and there is more commuting time, I believe there will be substantial growth in streaming services, with more voice based apps, podcasts, and video content created than ever before. I personally did my first podcast in '21, and in 2022 will be doing my first video comedy special! Also important in 2022 is to support our global communities in need - my biggest goal is to finish building a school in my home village in Africa to provide scholarships to students."

Michael Blackson

Comedian - Actor - Artist - Visionary





Conclusion

We look to 2022 with a renewed sense of optimism, purpose and resilience. While challenges – expected and unexpected – are inevitable, so, we believe, is progress.

We encourage you to engage with us to share your feedback and your own predictions. We look forward to working together and winning together in the New Year.

Onward & Upward.