



MARKETING IN 2022: FOUR BIG BETS FOR THE CMO

Rethinking the Future of Digital Advertising

Dear Marketer,

As the largest independent performance marketing firm, Tinuiti is constantly on the lookout for all the tech, trends, and data affecting our clients' businesses.

Our Research Team works hand-in-hand with our leadership team and the CMOs of our brand partners to flag the burgeoning blips before they turn into industry norms.

This whitepaper is one outcome of that ongoing conversation. We've crafted it with one goal: helping brands zero in on the changes in digital marketing that we've placed our biggest bets on in 2022.

We've set the industry standard with our thought leadership content. And our experts in Privacy, Martech, Social Commerce, Amazon, Retail Media, Streaming, Influencer and Talent are some of the most sought after in the industry.

If you'd like more of our research, let us know. And if you'd like to start a conversation about anything you read in the following pages, we are here for it.



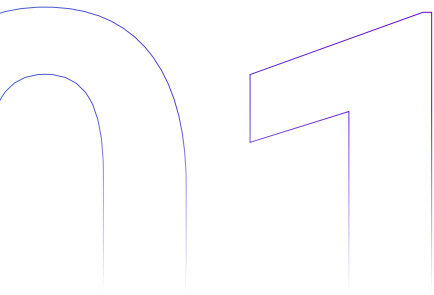
Dalton Dorné

CMO, Tinuiti

Introduction

If 2021 could be summed up in two words, they might be **Complexity** and **Contradiction**. A pandemic that was almost over until it wasn't. Plummeting consumer confidence and a booming job market. Retail sales growing healthily yet also stymied by supply chain woes. Consumers increasingly demanding data privacy while at the same time expecting to be served up bespoke personalized ads. Digital ad costs soaring at the same time that tracking and attribution only got murkier.

What does this mean for marketers? Brands will have to rethink pretty much everything, but most especially—**Privacy, Convergence, Diversification, and Performance**. This whitepaper offers a glimpse of what we at Tinuiti are sure brands need to be focusing on in 2022.



PRIVACY-BY-DEFAULT

RIP Attribution. Long Live 1P Data.

Even though Google is kicking the can down the road on its plan to strip cookies from its Chrome browser, **privacy is already here**. Over the last half-decade, Apple has been steadily building up a privacy fortress around the web's most valuable audience. When you pile on ad blockers and a spike in pandemic-driven VPN usage, it's clear that certain signals aren't just starting to go away—they've been gone for some time.

Last-click attribution and data management platforms are so 2021. In the privacy-by-default world of 2022, attribution and DMPs will be left in the dust as brands seek to gain a fuller understanding of what drives outcomes. The darlings of 2022 are going to be **1P data, media mix modeling, incrementality testing, and customer data platforms** (the real ones, not the junky ones.)

Companies that have been overreliant (read: addicted) to platforms for their insights will find they lack marketing science in their DNA, a problem only to be greatly exacerbated by the Talent Wars (see *Talent Wars 2.0*, below). Finding themselves on their back foot, these brands will have to build or outsource marketing science as the platform reporting many have become accustomed to continues to erode. Brands with the advanced analytics to identify audiences based on 1P data will win by leveraging AI modeling tech to create audiences based on 1P data and conversion metrics.

"The next transformation in marketing is upon us and it's up to us to build the new generation of marketers."



Hanan Wajih
CMO, Vytalogy Wellness



TALENT WARS 2.0: HALF THE EXPERIENCE, TWICE THE PAY?

With privacy front and center as the War on Talent rages on, 2022 is going to see the separation between the push-button and truly data-driven marketers. **Bad bets in tech and hiring made during the Talent Wars will start to reveal themselves.** Businesses need to be wary of the pitfalls of hiring underqualified, overtitled individuals. Income and title inflation will accelerate near- and offshoring trends, but there are better ways (such as in-house apprenticeships) to build a trustworthy talent pipeline that includes those with bona fide 1P data chops. As far as retention, game rooms and free snacks won't cut it anymore. Companies of the future prioritize flexibility, equity, and a path for growth. Only brands who invest in the best people and make decisions with sound data science and analytics will win in the privacy-first world of marketing.



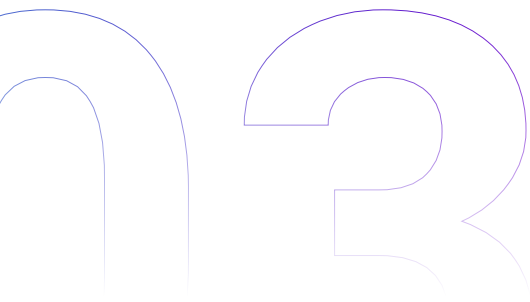
CONVERGENCE

Gen Z Meets QVC

The convergence of streaming, social media, and commerce will blur the lines between how marketers can even classify these platforms. Brands that waded into new use-cases as they arise instead of waiting to see what the other guys do will see early-mover advantages.

The US is still in the early innings of social commerce and live shopping, but **the degradation of tracking and targeting across apps and websites will further incentivize platforms to create experiences that produce in-platform customer interactions for brands.** Our bet is that Google's investments to further integrate shopping into YouTube to make a true shoppable video platform and grow ecommerce dollars will spur advertisers to sizably increase their YouTube investments in 2022.

Streaming influencers will become a true performance channel as these trusted ambassadors begin to massively drive sales, much like they are already doing in China. While live shopping has yet to break into the US mainstream consciousness, the right match of influential voices to brand and platform (which span from marketplaces like Amazon, to social networks like TikTok and Facebook to gaming platforms like Twitch) will finally change that.



DIVERSIFICATION

Triopoly Faces Formidable Challengers

Challengers will successfully muscle in on the Triopoly of Google, Facebook, and Amazon as advertisers face soaring average click and impression costs on the largest platforms. TikTok, already eating off the plates of the Big 3, will evolve from a ‘testing’ channel to an always-on channel to drive business goals. Brands will leverage TikTok’s massive influence and growing user base to generate real, tangible revenue gains. Ultimately, TikTok will take another huge leap forward in 2022, drawing the second-largest share of social budgets among its advertisers.

Diversification to reach strong-performing and incremental audiences will not stop with social. Streaming video advertising will continue to move toward performance, drawing in a wider array of advertisers by proving incremental lift beyond linear TV spots alone. (See *Streaming TV & Beyond*, below)

While Amazon trails only Google and Meta/Facebook for total digital ad budgets, other major retail brands like Walmart and Target are also racking up significant retail media ad investment. A slew of smaller retailers will compete hard for their share of the pie in 2022, creating new opportunities for advertisers, but some headaches as well. Advertising on last-mile delivery services like Instacart, which many traditional retailers can use to beat back Amazon, is also going to be a critical part of a brand’s diversification strategies in 2022.

Last, the accelerating adoption of digital payment methods including crypto will decrease the friction currently inhibiting users from purchasing products directly inside all these ecosystems. Another massive greaser of the funnel are “Buy Now, Pay Later” apps like Afterpay and Klarna, which Gen Z and Millennials are embracing like their parents and grandparents embraced credit cards and payday loans.

“We need to make sure we’re not over relying on one channel only. There’s been two mega-movements since the Triopoly. The first is streaming and the opportunity for us all as Performance Marketers to be buying TV and using it incredibly effectively. And then we got those blips a few times in the past two years with Facebook’s boycotts and outages.”



George Gallate
Board Member, Tinuiti

STREAMING TV & BEYOND: INCREMENTALITY TAKES THE SPOTLIGHT

With Linear TV in a permanent slump, dollars pulled from old-fashioned TV will get rerouted into CTV/OTT. However, we can’t say this loudly enough:

Buyer beware.

Brands that shift dollars on a 1:1 basis directly from Linear into streaming TV are missing the point.

First off, the new demand created by streaming advertising means brands need to make sure they’re picking up the concomitant increase in demand within their conversion channels, too. That means brands should make sure some of that linear spend gets redistributed to search, retargeting, etc.

The second piece is measurement. In the face of all this diversification—of which streaming is only a part—brands need to be thinking about how to measure the incremental impact of their new investments. Incrementality, long the red-headed stepchild, will finally take its deserved place onto center stage in 2022. How we measure mid-upper funnel (where money is increasingly being shifted) to ensure its effectiveness on both brand and demand will become a key challenge for the modern marketer.



PERFORMANCE GOES MAINSTREAM

Sell as You Brand & Brand as You Sell

All advertising is going digital, all digital is measurable, and therefore all advertising is performance. That means brand and performance have become one and it's time to stop thinking about them separately.

Marketers will begin to reorganize their internal structures and their approach to holistically focus on how to brand and drive performance simultaneously. It starts with integrating your "brand" and "performance" folks into one team, creating a shared vision, incentivizing people equally, and aligning everyone around the same goals and KPIs.

With as little as an hour between click and doorstep delivery, the funnel has collapsed. By delivering impactful, data-driven creative media experiences, brands can go from awareness to click in a few seconds. 2022 and beyond will be about how to sell as you brand and brand as you sell.

"I try to never actually pick one measure like brand or performance because over time it's all things working together. Certain efforts at certain times carry more weight. And I've always tried to ensure that our measures, team design, and compensation structure don't make one marketing effort "the winner" over other efforts because in the end, your job is to win the consumer game – not the brand game or the top of the funnel or the bottom of the funnel game. You have to win the consumer game in the marketplace and that's how the company pays you."



Mike Linton

Chief Revenue Officer, Ancestry.com

ALL TOGETHER NOW

As the saying goes: What got you here won't get you there.

Our new **privacy-by-default** world means push-button, platform-addicted marketing needs to be replaced with real, hard-core data science with 1P data at its core. The **convergence** of streaming, social media, and commerce means brands need to jump in early and fearlessly into new use cases. Same goes for brands who've put all their eggs in the baskets of the Big Three. They will need to **diversify** into new baskets, emerging baskets, and smaller baskets while at the same time putting measurement and **incrementality** front and center. All these changes point to one inevitability: all marketing will become performance marketing.

TAKE THE NEXT STEP

Schedule Your Evaluation Now

Let's discuss how we can help accelerate your brand's performance in 2022

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