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GOOGLE'S UPDATED PRIVACY APPROACH

Google have clarified their stance on their approach to user privacy as the 3rd party cookie is depreciated by saying they will "not build alternate identifiers to track individuals as they browse across the web" or use them in products.

With this new update, Google have stated they will not be supporting any of these alternative identifiers in their product stack. Instead, they're moving towards a more 'privacy-first' solution that leverages their new Privacy Sandbox and Federated Learning of Cohorts (FLoC) approach that aggregates and anonymises users.

They've also commented on these alternative solutions the industry is pursuing, stating they "don't believe these solutions will meet rising consumer expectations for privacy, nor will they stand up to rapidly evolving regulatory restrictions".

Whilst this is a positive step for user privacy, it's going to have a noticeable impact on the way that we can accurately target and measure digital campaigns. It will affect our ability to leverage audiences across different products, and environments will become even more challenging. For our clients, their use of 1st party data is going to be crucial in order to combat these changes and so reviewing the quality and availability of this data will be more important than ever.

S4's Sir Martin Sorrell has said Chief Marketing Officers should take note that this reiterates the importance of 1st party data and how consumer trust and privacy are moving to the forefront of marketing. He says "With Google Chrome removing support for third-party cookies by 2022, the time for marketers to start investing in the future is now"

The changes to the digital landscape are coming sooner than later, so clients really must act now to make sure they're positioned in the best place to mitigate these upcoming changes. Identity solutions, while a potential quick fix, look like they may be short lived if additional regulations and browser changes come into play. As the technology that underpins the digital landscape changes, we must adapt and change with it, including shifting the ways we optimise and measure campaign effectiveness.

GEN Z: CAPTURING THE SPENDERS OF TOMORROW

Making up nearly 16 million of the UK population in 2021, Gen Z are fast rising as a leading market segment with immense buying power potential. Growing up against the backdrop of the 2008 recession and entering adulthood amid an unprecedented pandemic, this generation's life aspirations and attitudes vary greatly from the cohorts that precede it. Brands need to understand their tendencies and behaviours now in order to connect with them in the future.

When it comes to their finances, they have been dubbed as a generation of "unexpected savers" by CNBC. It seems that the world Gen Z have grown up in has shaped their frugal financial habits. Since the start of the economic downturn, Gen Z have seen and encountered financial struggles making them savings- oriented with 74% preferring brands that offer discounts. Research from Vice, Insider and Adobe can only confirm Gen Zs pragmatic spending habits.

This has only been fueled by the rise of online banking such as Monzo and Starling, making managing finances easier and more accessible. Surprisingly, Gen Z also spend less than any other generation that precedes them and do less online shopping than millennials, despite being the first digitally native cohort with access to the likes of buy now pay later schemes such as Klarna. In fact, only 49% did online shopping more than once a month compared to 74% of millennials.

Whilst they are financially savvy and were in a secure place pre-2020, COVID has been one of the most defining world events for this generation. The pandemic drove significant instability for many Gen Zs who were starting university, careers and establishing their way in the world, only for their plans to grind to a halt, with many moving back home to their parents and losing their jobs within a dire employment market.

This has certainly been reflected in their motivations and future life aspirations, where we see a strong desire for stability and security for this career-oriented generation. But it hasn't limited the size of their goals, 59% identify 'success' as buying a home – a feat that has become more challenging over the years as banks demand higher deposits and house prices increase. This is consolidated in Gen Z's 10-year plans, with 56% claiming the same, outvoting plans for having children (33%), getting married (34%) and relocating (23%).

With Gen Z's population having exceeded the population of millennials and baby boomers in 2019, and now accounting for 32% of the global population, their presence can already be felt strongly in the market, despite the oldest of Gen Z being only 24 years old. As Gen Z look to navigate their way out of the pandemic and plan for the future, brands need to focus on providing stability, products and services' that provide practicality to their everyday life.

THE FUTURE OF TV TRADING

The basic trading mechanism for TV trading hasn't changed since the 1990s. It's time for a makeover.

In 2020, we saw an increase in opportunities to access broadcast content outside of the traditional linear trading mechanism. We've seen huge developments in ITV's long-awaited Planet V, an increase in inventory and targeting options with Adsmart, and developments in using clients' first party data to enhance targeting on BVOD through Infosum. There are now many ways to access broadcast content via digital trading mechanisms, offering better targeting, attribution modeling and more flexibility to advertisers.

Since the rise of digital advertising, 'the death of TV' has long been in discussion. But surprisingly the UK linear TV revenue has remained relatively stable. In fact, revenue fell a mere 10% in 2020 vs 2019, despite the global pandemic. Although we had a rocky start to the year, TV revenues rebounded in H2 as the market grew in confidence and as stations offered more flexibility to the market by dropping their 2-month AB deadlines. (A perk we've always had at the7stars, but a huge change for the rest of the market.) Understandably, brands needed mass reach around high-quality video content to regain awareness after a difficult H1. This meant that they naturally returned to linear TV. And while it's hard to say that increased flexibility resulted in the strong revenue numbers in Q3 and Q4, we can assume that it certainly had an impact. So much so, Channel 4 and Sky agreed to drop their 2-month AB deadlines down to 1 month.

Despite this change, it's looking increasingly likely that we'll see a decline in linear TV revenue as opportunities in BVOD and Adsmart improve. We may even see SVOD providers turn to advertising models in order to maintain revenue streams. So, what's next for linear TV and how can it evolve to ensure there's still a place for linear on a media plan?

- Flexibility is key: continue to reduce AB deadlines by improving camgen/autogen technology at the sales houses
- Move away from TV pricing being traded as a discount off an ITV station price, this is stifling the planning process and taking focus away from clients' core KPIs
- Trading in volume rather than share will improve transparency in the market and allow for more competitive pricing
- A form of measurement that can report on Broadcast media as a whole: advancement in products such as CFlight - will result in better planning and overall media effectiveness

Altering how TV is currently traded will also have positive effects on the way TV is currently audited. It will take the focus away from a bottom-line discount on an ITV price and basic quality parameters such as PIBs. Instead, it will move towards an auditing process that looks at the effectiveness of a media plan in reaching specific audiences and the business effects for clients.

To summarise, it's clear that linear TV will be around for a long time. Just as Netflix and Amazon Prime have kept the broadcasters on their toes when it comes to content, broadcasters must now ensure linear TV is accessible and relevant to advertisers in an increasingly digital world, through the way that it's traded.

INTERNATIONAL WOMEN'S DAY

Monday 8th March saw people from all over the world come together to celebrate International Women's Day. A day in which we can all reflect and show support towards the inspirational women in our lives and in wider culture.

Despite March being a difficult month for British women – the tragic murder of Sarah Everard highlighted the chilling reality of gender inequality all women face daily - brands still used IWD as an opportunity to celebrate some of the more positive sides to womanhood. For example, John Lewis supported The Prince's Trust's #ChangeAGirlsLife campaign, by donating £5 to 'Women Supporting Women' when every AND /OR item was sold. Further, beauty and fragrance brand, Jo Malone, released a limited edition of their iconic 'Peony and Blush Suede' perfume, also choosing to donate some of their attributed profits to one of their partner charities.

Whilst admirable, given the nature of the categories they operate in (beauty and fashion), this isn't new, and is instead somewhat expected. Brands who have pushed the boundaries within categories that are less obviously female focussed are more likely to cut through and drive real change, particularly when the topic of gender and gendered behaviours are becoming increasingly problematised in emerging culture (see our whitepaper, Beyond Binary, for more info.)

For instance, to celebrate International Women's Day, EasyJet launched Virtual Pilot School – a programme to encourage more women to become pilots. It offers virtual introductory sessions with female pilots across homes and schools, to empower young females towards a career that is still heavily under-represented by women. Lego, who (much like the rest of the toy category) has previously come under fire for their outdated gendered stereotypes, launched Future Builders. Lego fans can re-create their famous 1981 ad, with their own faces, and label themselves as future innovators, creators or pioneers. Both brands are engaging with the topic of gender within a context where we still too often see an archaic view of gender – so their roles in addressing these issues are more important now than ever.

Whilst brands' contributions to International Women's Day are welcome and applauded across the board, brands within categories who are still guilty of not addressing gender imbalances in culture have never had a more critical role to play in shaping a more inclusive culture: one that's reflective of the world all genders want to be seen in.