

WHAT'S HOT

November 2020



TIKTOK EXPANDS ITS ECOMMERCE CAPABILITIES WITH SHOPIFY



We only have to look to China for major trends around the future of ecommerce. Social platforms have been slowly bringing some of those key features over to the West.

Since the pandemic started, Facebook have been accelerating the roll out of its ecommerce functionality. Instagram Shop, Facebook Checkout, shopping ads and Live Shopping are helping brands connect and transact with consumers in one place.

Snap and Pinterest have also followed suit, creating their own integrated ecommerce ecosystems.

Research by ParcelHero found that 20% of UK consumers had bought via social media during lockdown and are forecasting that 11m people will have purchased a product after discovering the ad in social media.

Tik Tok is the latest social media platform looking to capitalise on the ecommerce boom, tipped to become the next big social commerce platform.

It has been rolling out key shopping features for a while, allowing users to add ecommerce links to their bios. It has also launched 'Shop Now' buttons for brands' video ads and introduced 'Hashtag Challenge Plus', an ecommerce feature that allows users to shop for products associated with a sponsored hashtag.

But TikTok's biggest investment is through its recently announced partnership with Shopify. The deal aims to make it easier for Shopify's over 1 million merchants to reach TikTok's younger audience and drive sales.

Shopify merchants will be able to connect to TikTok for Business account and add a TikTok tracker to their store, then turn existing product imagery into videos for 'shoppable ads'. Merchants will be able to target their audiences across gender, age and

user behaviours. Sales are completed on Shopify's platform, so transaction and buyer data will stay with the retailer rather than TikTok.

TikTok's decision to integrate with a third-party platform such as Shopify is probably due to concerns with its Beijing routes, in contrast with its parent company ByteDance's approach in China.

So, what makes TikTok a major player?

Firstly, TikTok's audience is typically younger than other social platforms. This creates an opportunity for brands hoping to access (and drive revenue from) younger audiences.

Social media is also increasingly being driven by visual experiences. Nowhere is this more evident than on TikTok, which specialises in rich and diverse short-form video content.

Ecommerce brands that capitalise on this opportunity can build large and engaged followings, and ultimately create a community around their products.

Taking inspiration from China, where younger audiences want to be entertained while they shop, and with live shopping predicted to double this year from \$60bn in 2019, TikTok provides the perfect platform to capitalise on these new shopping behaviours.



2020 THE YEAR NO ONE EXPECTED



January 1st 2020 marked the beginning of a brand-new decade. And whilst it has definitely been a history-making year, for the majority it hasn't lived up to the hopes and resolutions made in January. Instead, it has been filled with a huge array of environmental and societal tragedies – all under the cloud of the [COVID-19 coronavirus pandemic](#). Creating a year filled with challenges, changes and uncertainties.

As humans, we fundamentally don't like uncertainty and change because it disrupts our ecosystem of what makes us feel good, secure and comfortable. Research from the University of Cambridge found that after surveying nearly 7,000 people across ten countries in May, the highest level of concern was found in the UK. At the7stars our own Lightbox Pulse research supports this, with levels of apprehension (55%) and worry (51%) in November being the highest emotions Brits state experiencing as they look ahead to the coming weeks and months.

So it's no surprise that during the course of this year when we've examined the results from our consumer tracking study, the QT, that the overall happiness levels of the UK have never been so low. In May, as the UK continued lockdown, feeling 'less happy' went from 21% in February to 55% in May, a 162% uplift. Then as restrictions began to lift in June, happiness saw a small uplift of 26% feeling 'more happy'. However, this was short lived with feelings of 'less happy' climbing through August (47%), October (51%) and reaching the highest recorded peak in November (56%) since tracking began in November 2016.

Despite feeling low, Brits have an incredible

resilience and set of coping mechanisms. From humour that can be seen with the huge number of memes and jokes surfing the Internet, it's fair to say that 2020 has been hosting its own tragic (comedy) club. Through to escapism in media, with 1 in 4 increasing their usage of podcasts/audiobooks, through to 1 in 3 increasing watching TV programmes live as seen in the7stars QT. Another form of escapism is nostalgia; with the7stars Lightbox Pulse highlighting that half of Brits are looking back at 5+ years ago and to their childhood and participating in nostalgic hobbies to provide them with comfort.

As the year comes to an end Brits are going to be looking for ways to distract themselves and lift their mood, so brands that help tap into consumers' coping mechanisms (humour, escapism and nostalgia) will be in the best place to build resonance and a relationship going into 2021.



IT'S BEGINNING TO LOOK A LOT LIKE CHRISTMAS...



Dubbed 'the Superbowl of UK advertising', the Christmas ad season is now fully underway. With these campaigns famously planned up to a year in advance, this year all eyes are on how well advertisers have gauged the mood of the nation – if at all.

Research agency System1's brand tracking of this year's ads reinforces many of the principles we set out earlier this year when it comes to responding to COVID-19. Their winners balance nostalgia and light-heartedness, while losers remind the nation what a real turkey of a year it has been. System1 measures the extent to which Christmas ads connect to the right brain (the more emotional side) – and in doing so provide an indicator of their long-term success. 2-star is the norm, anything over a 4 is considered very strong, with 5+ best-in-class.

So far, this year's haul has highlighted three themes that show how ads are resonating with consumers:

Stop reminding us this year will be different! We need no reminding how different 2020 has been. Especially not at Christmas. This is loud and clear in some of the lower scoring Christmas ads tracked so far. To the rationally driven left brain, Asda's Christmas advert (2.7/6) delivers everything (value with all the trimmings). But the right brain quickly switches off at Sunny's opening gambit "I guess Christmas is going to be different this year". Even Tesco's 'No Naughty List' gets a bit too close for comfort (4.1/6).

This is a timely reminder that empathy doesn't have to mean reflecting the world as it really is.

Nostalgia dies hard. Our latest research via Lightbox Pulse showed that 50% of the UK is feeling nostalgic in lockdown 2.0. And this continues to be in evidence this Christmas.

Several of the top scoring ads tap into nostalgia through their use of characters – DFS's use of Wallace & Gromit in their ad (5.5/6) and even Aldi's Kevin the Carrot (an incredible 5.8/6) show how a sense of familiarity goes a long way amidst the madness.

In a year where nothing feels familiar, clinging on to traditions and old favorites can elicit joy and a sense of comfort.

Less time for tearjerkers Tugging at the heart strings is proving too much for many this Christmas – as reflected by Amazon's surprisingly low score (a 'still strong' 3/6). A beautiful film telling the story of an aspiring ballerina whose dreams are thwarted by COVID failed to resonate with consumers in ways it might have done in previous years. Similarly, Disney's ad telling the tale of a changing relationship between grandmother and granddaughter scores lower than you might expect (3.7/6) when it comes to right-brained metrics. Emotion is powerful, but in a year of ups and (mainly) downs, focusing on the ups goes further with consumers.

In many senses this will be a Christmas like no other. But System1's research is a useful reminder that Christmas is a time for comfort, simple pleasures and a bit of a break from the daily grind.



NEXT GENERATION OF GOOGLE ANALYTICS



Goodbye bounce rate and session focused reporting. Hello smarter insights and enhanced marketing intelligence. New Google Analytics is revamping digital data measurement.

Google has announced the release of Google Analytics 4 (GA4) that comes with a revamped interface, different data collection setup and lots of exciting new features. Google Analytics is the most widely used analytics platform, the simpler reporting interface with advanced marketing and business insights. It is a very exciting development in the digital data tracking space.

Here are a few cool features that will be of significant help for marketers and businesses alike:

Machine learning searches for insights in your data, alerts you to significant trends and identifies anomalies. For example, products seeing rising demand.

Machine learning models are also applied to your data to provide **predictive reporting** on customers' future actions. For example, it calculates the potential revenue you could earn, churn probability and conversion probability.

Analytics tracking is no longer fragmented between platforms. Instead it provides a more **complete understanding of the customer journey** across devices through a unified view of the web and app performance.

GA4 is stepping away from sessions and focusing **on event based data tracking** to enable cookie-less reporting and attribution. In addition, this change

in the data model enables a consistent data structure across both web and app, with the ability to measure additional information on each customer's action.

New integrations across Google's marketing products allow for connecting more comprehensive sets of data, to help understand the combined impact of all marketing efforts, and to optimise new customers' actions and properties.

The increased **importance of privacy** standards in the world is reflected in GA4 through additional data controls, data collection and measurement that doesn't rely on cookies and identifiers.

It's expected that eventually Google will deprecate the existing Universal Analytics properties, but there's no need to worry, we're still a while away from that happening.

In the meantime, the best course of action is to start exploring how GA4 can boost audience and marketing insights. The earlier marketers and businesses start using GA4, the sooner they'll be able to benefit from the latest enhancements and build up historical data for future use.

New generation GA4 looks and behaves differently, so marketers should prioritise learning how to use GA4 and give themselves plenty of time to familiarise themselves with the new setup and next generation measurement.



AMONG US' SPECTACULAR RISE AND HOW FAMOUS FIGURES ARE USING SOCIAL GAMING TO CONNECT WITH FANS



PC and mobile game Among Us has had a wild year. It's not often that a game has its biggest moment in its second or third year of release but since August the game has regularly been in the top 5 titles streaming currently on Twitch, between the likes of Call of Duty, Minecraft and Fortnite.

Its dramatic rise in downloads has been down to a perfect storm of a solid product, timing and exposure on highly popular streaming channels. The simple, but popular premise of the game is social deduction which has been played in different guises for years. This year in particular meant that a game that's easy to learn, free to play (on mobile) and allowed private chats with friends for people to be social, and play during lockdowns, gave Among Us a huge boost. However, there are plenty of games that offer this, so why Among Us?

The most notable factor is exposure of the game through streamed content across Twitch and YouTube. For example, streamer xQc who, amounted over 11 million hours of watch time between July and September alone, had regularly been playing Among Us to tens of thousands of people simultaneously. This organic jump in relevance and awareness led to the game having over 100 million downloads on Android alone in early September!

Coverage switched from gaming publishers to mainstream news in October when US politician Alexandria Ocasio-Cortez broke records streaming to 430,000 concurrent viewers whilst playing Among Us. During the stream, similar to other much less attended rallies from other politicians, AOC prompted viewers to vote in the US election. Unlike past awkward attempts by politicians to

engage pop culture, AOC's stream feels authentic because she is a gamer herself and has engaged gaming communities outside of political 'stunts'.

Among Us isn't the only social game being used this year as a platform to connect with people. We saw rapper Travis Scott perform virtually to 27 million people on Fortnite back in April and, more recently, fellow rapper Little Nas X created shows within Roblox which were attended 33 million times. These events are paving the way for how individuals and brands may look to make meaningful connections with massive audiences in the near future.

A unifying characteristic of the success of Among Us and the live moments from politicians and musicians alike is their authenticity. Politics, music and gaming have long been synonymous with having fandom, so any brand looking to replicate this engagement should take their time and ensure they're not trying to manufacture something that won't land with the audience.

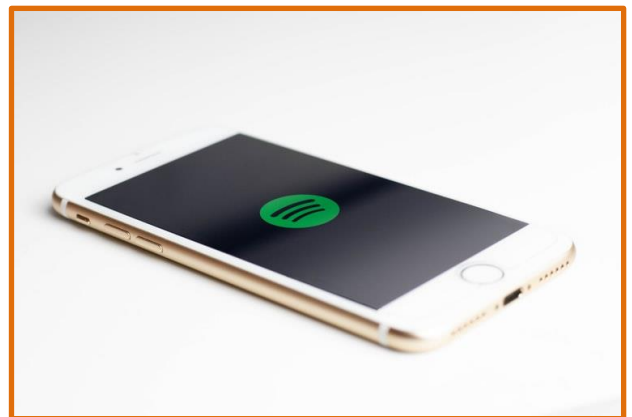


MINI NEWS THIS MONTH



Trump's presidency is coming to an end and with Biden assuming office many in the industry are questioning whether we'll see a resurgence in trust in Media. Over the past 4 years we've seen the term 'fake news' used regularly to discredit media outlets, while social media platforms have been forced to make changes to protect against misinformation. The relationship Biden comes to form with the media will undoubtedly have ramifications beyond the US. Time will tell whether confidence is truly rebuilt.

Spotify have acquired podcast hosting and ad platform Megaphone for a reported \$235 million. Under its original name Panopoly, the company produced podcasts for high-profile media brands such as Vox and BuzzFeed. Since its rebrand, focus has shifted towards hosting, ad tools and distribution. This acquisition is just one in a series of podcast related deals. Ofcom reported in September that c. 7.1m people in the UK listen to podcasts each week, so it's unsurprising Spotify are capitalising in this area.



Netflix are trialling a linear TV station and movie channel in France. Netflix Direct will be available to those with a streaming subscription and will show content that exists in Netflix's existing library. France has been selected because traditional TV remains hugely popular. Netflix will examine view time, dwell time, churn and usage rate to measure success. Should it prove successful, the model could be easily exported into different markets.

