



socialhype

SocialHype Trends Report 2022/23

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New Era. New Opportunities.

Where the past decade has seen us confronting the more challenging aspects of social, things like data privacy, mental health and politics, 2021 has given us plenty of exciting signals that point towards a new era of social that starts right now – Web 3.0. With new opportunities coming at brands left, right and centre, we’re about to see a deep shift, with creators and innovators taking the reins and decentralising the power held by the big blue platforms since the mid-noughties.



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In this report, we naturally discuss the emerging vision of the metaverse. The metaverse represents huge opportunity for brands; for some, early adoption might prove to be a key strategic investment. But the metaverse isn't what excites us at the moment (sorry Zuck). With revolution in the air, we want to know what the underdogs are doing: the tech dreamers, the NFT kids, the creators. As creators become more and more valued for the central role they play in making social a fun place to be, we are already seeing examples of individuals breaking away and building their own niche communities. Whether they start to take large swathes of the larger platforms' audiences with them remains to be seen. What can brands learn from their thinking – and how can we forge better and more creative partnerships? This is the big question of 2022.

Certain trends from last year, notably s-commerce and live video, are back for another year. The challenge with video is how to leverage new tools and techniques to create video content at scale in fresh, creative and authentic ways. We're also starting to see audiences being actively rewarded for their loyalty and engagement, with highly-creative community managers and efficient and proactive customer service teams. Web 3.0 is unfolding; a bolder, fairer and more democratic digital playground where creativity and loyalty trump all. As user numbers grow and platforms and audiences mature further, budgets are likely to shift towards a combination of acquisition AND driving loyalty and retention.

“Community” is our key buzzword for 2022. Whether you’re getting in on the ground floor of branded NFT “moments”, exploring the hotter-and-hotter world of gaming, or investing more in cinematic video, success will depend on centring your community, acting thoughtfully and, as always, creating difference with mind-blowing content and standout campaigns.

Welcome to the Punch SocialHype Trends Report 2022...

2022: Year of The Creator

In last year's trend report, we predicted that creators were about to become more important than influencers. That prediction proved so accurate that we now believe we are about to witness an explosion of new for-creators-by-creators communities.

In our new reality, creators will generate their revenue from a small but passionate set of members. As their network grows, so too will the opportunity for those in control – bringing new revenue opportunities like monetised subscriptions and novel activities such as minting NFTs.

Having realised that creators are ultimately key to the success of their platforms, Facebook, YouTube, TikTok and Twitch are already investing in holding their attention, with a wide range of tools and products there to help creatives make money; everything from tip jars, to ticketed spaces, subscriptions, badges, bonuses and creator accelerator programmes. But is it enough?

Creating content on social media is an art form. Besides your work looking and sounding great, it also has to provide value to your audience. Social algorithms are powerful in so many ways, but it can be argued that they limit the realms of creativity, pushing for a steady stream of formats over bold and unique concepts. Instagram has always been to photographers what MySpace was to musicians back in the day – somewhere to connect, build a presence and be seen. Creators, armed with their earnings and audiences from the major platforms, now have the chance to play by their own rules, with direct-to-fan delivery and greater potential for monetisation.

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He made it into our last trend report, but his commitment to the cause and flawless game means that Mr Beast is back for round two this year. A creator himself, Mr Beast recently established a fund in partnership with Creative Juice, investing up to \$2M in up-and-coming creative talent. Qualifying creators that have a YouTube channel in addition to their other platforms may be eligible to receive grants from \$25,000 to \$250,000, to be used in the development of new tech projects.

Similarly, SEO tool Ahrefs recently announced they would be withdrawing investment in Google/Facebook advertising and using it to sponsor “the industry’s best creators”. This kind of investment gives talent the juice they need to grow their business and take their content to the next level.

Brands will begin to sign up creators just like sports stars are snapped up by the likes of Nike and Adidas. Brands will find immersive ways to sponsor or advertise inside creator communities, co-create content, build up small tribes of creators or indeed, build their own specific networks.



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Key takeout

All of this will only work if creators are given the flexibility and freedom they need to do their thing. In the meantime, it's important to understand who the big creator names are in your sector: which channels they are on, where they may be moving away from and to, and their interest in playing in new spaces. This is a good way to see what shape your audience is likely to take. One thing is for certain, creators are going to be at the centre of the conversation in 2022.

Meta: The New Internet

By now, you've probably heard rumblings of Mark Zuckerberg's latest controversial brainchild, the metaverse. Online worlds where people can meet, work and play, the metaverse is a hypothesised iteration of the internet you're inside of, rather than just looking at.

Think of it as a real-life video game, where nothing is off limits. Always dreamed of walking on the moon? Perhaps you want ringside seats at the next big UFC fight – or even to see things from the perspective of the UFC fighter? You can do all this and more in the metaverse. The big question: do you want to?

In Zuck's vision of the future, our carefully-designed digital avatars will flock to the metaverse to go shopping, attend school and participate in work meetings. We'll be able to hop seamlessly between untold worlds via our phones, computers and VR headsets – and stay there for as long as we want. Unlike a game, the metaverse is designed to be live by default; it cannot be paused or reset. We won't be playing with a few mates, we'll be playing with millions of other community members, all creating, consuming and fuelling the content we consume.

Unfortunately for him, the global reaction to Facebook's version of the metaverse seems to be tepid at best. There simply doesn't seem to be the joy and hunger to adopt the metaverse and VR that there once was for mobile and social. One person's metaverse is another person's dystopian nightmare. Given Facebook's track record over the past couple of years, any scepticism is understandable. There are several reasons why the metaverse won't take off for most brands.

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For most of us, VR will not, cannot and should not ever be a replacement for in-person interaction or experience. Will lying on a virtual private beach be as fun and relaxing as the real thing? Of course not. Are you really looking forward to hitting a virtual bar with your neighbours, or a virtual wedding with your weird uncle? Will work meetings be better with VR? Again, probably not. And let's not forget that after decades of hype, VR still hasn't really caught on in the mainstream.

VR has been Facebook's largest expenditure for years now; most estimates put the 3.5bn-user company's metaverse-related development at around \$5bn per year, with around 20% of Facebook employees working on VR and AR. Big tech wants to help the metaverse become a reality, but only as long as it doesn't challenge their dominance. But we just don't see that being a reality. We are likely to have competing walled metaverse gardens just as we do with social as it exists now.

The big question – what does the metaverse mean for brands? Our position is not much – YET. Technology needs to get better, smaller, and less expensive for things to progress much in the immediate future. Even so, there are huge creative possibilities and monetisation opportunities for brands launching novel, imaginative and exciting projects in the metaverse.



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Key takeout

We recommend that in 2022, brands sit, watch, research and plan in line with further announcements in the space. We can see people attending virtual events, buying branded digital products for their avatars and investing in digital currencies and NFTs. VR and AR will help further evolve content and shopping, and aspects like payment services and digital assets will continue to be important. Brands should consider what value they can add to a community – and how they might engage their audience in the metaverse in an authentic way... if and when the time comes.

Instagram Pivots to Video

One of, if not THE defining trend of the past decade, you'd be hard-pressed to think of anything that has created as many trends, innovations, companies, brands and artfully-arranged slices of avocado toast as a little photo-sharing app from 2010 known as Instagram. Insta showed us that life could look and feel so much better as a series of carefully curated images.

The simple grid and feed aesthetic was a thing of sheer beauty. We snooped on celebs, got to know new, more diverse faces and voices, and saw every niche we could think of blossom into a library of aspirational and inspirational images at the touch of a like button. We love photography assets, they a) look good b) can be shot, edited and uploaded within a decent timeframe, and c) can be repurposed at the drop of an exquisitely-filtered and well-lit hat. But things have moved on... Instagram recently announced a pivot to video.

Why? One word (or maybe two words?) – TikTok. That's right; the strangely hypnotic short-form video platform has done it again. IG has shown us time after time that it's not afraid to go all in when it comes to copycatting its competitors. Can you remember your last Snapchat Story? Exactly. But now, more video? Only video? Wow. Instagram has taken aim at TikTok's business model and it seems it won't rest until it wins back its demographic.

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This brings a whole new world of opportunity for creating even better video content. Branded video content may be being thought of as modernity's answer to the TV adverts we all know; it only works if you dream big and turn up the creativity to max volume.

While Instagram may start to lose some older users, it seems likely that this pivot will provide a financial boost for the company in the short-term. It has the opportunity to open up Reels as a competitively-priced video ad platform and to capture the attention of the generation who want TikTok style content wherever they are.

The tactic is to serve up short, engaging video content, delivered by a hyper-effective algorithm. It seems that IG has flicked a switch to favour this format. Creators and influencers have claimed their engagement has dropped when they don't use Instagram's video functionality – yet they are rewarded with more likes and views when they do. Interestingly, we're seeing some Instagram creatives who prefer photography now turning their attention to other platforms such as Twitter, or their own individual profiles on creator platforms.



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Key takeout

It is becoming increasingly difficult for brands to keep up with platforms and their almighty algorithms. Our tip for brands is to keep it simple; and play around - there's no need to try and cram 50 messages into a 10-second asset. So, that's it. A new era for social as video becomes the go-to format. Luckily, creating video content for brands is literally one of the most fun things ever, and a huge opportunity for brands to help their customers feel closer to them, create difference by telling a story, and ultimately scale their social output.

LIVE: The future of S-Commerce

Last year, we've seen retailers setting up shop on Instagram and Facebook, creating easy-to-browse digital storefronts, often with aesthetic IG-specific photography and/or real photos shared by customers. While the "View Shop" button makes it easy for users to discover products, new tools make it easier for brands to discover influencers to collaborate with. But in 2022, the real opportunity for brands lies in live streaming "shoptainment". Allow us to explain...

Live first debuted on social in 2016 to much fanfare. But in the real world, brands and their customers were unsure about what it was and why they should care. Going live was viewed by many as complex and risky, and with little to hold their attention, viewers tapped out as quickly as they tapped in. The pandemic changed all that. With live content and events serving as a source of escapism and connection for many, creators and their audiences fell in love with the technology – and so did brand marketers.

Considering that most viewers watch social ads for a fraction of a second, it isn't such a bad idea to produce a live stream that can lock in the user's attention for 15 minutes or more. Live stream tool Bambuser reports an average watch time of 13 minutes – and a phenomenal 12% conversion rate. Better still, live events (hot tip: it's best to pre-record if you can) promote audience feedback, giving brands the chance to manage the conversation and engage their customers as individuals. With YouTube, Twitter, Twitch and Pinterest jumping on board, and Facebook launching Live Shopping for Creators, we're now working with brands to create shoppable live events, where users can click on the products being presented and checkout with minimal friction.

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The best brands will replicate what people love about physical retail online, putting together complete looks, sharing natural conversations with customers, promoting personal shopping services and offering better customer service overall. Remember, live content doesn't have to be enjoyed live.

On-demand-loving users can play content back in their own time, generating valuable traffic to product and/or landing pages. Brands can also squeeze further value from live events by chopping up content for social snippets.

As with any piece of content, measurement is key. Pay attention to the points where viewers drop in and out – and where the conversation sparks genuine reactions. This will give you the opportunity to improve things next time.



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Key takeout

In our experience, it's important to get the look and feel right. Having multiple cameras means you can travel seamlessly in and out of your product shots. If you get it right, working with talented presenters, polished sets and dedicated stylists live can be very effective. If your brand's live stream converts a browser into a buyer for the first time, that's a huge win. The lifetime value of a customer should never be underestimated. Expect big things for shoppable in 2022.

The Clue is in the Game

Gamers. Bleary-eyed teenagers shut away in dark bedrooms, surrounded by the carcasses of fillet burger meals and share bags past, fuelled only by energy drinks, hormones and their mothers' despair as they mindlessly mash their pads, right? Right?

Actually, data suggests that that particular stereotype is outdated... A recent Facebook-commissioned survey found that as many as 70% of consumers who regularly play real-time competitive games do not identify as 'gamers'; perhaps because of what some perceive as the negative connotations associated with the label (see above). Did you know that more than half of the gaming population is over 36? Or that women now account for more than half of the gaming community?

This may be surprising to some, but it highlights a pretty obvious truth; i.e., that gamers are just ordinary people who need insurance, banking, cars, mortgages, food, furniture, and so on. Realising that this demographic represents a largely untapped market, brands are now seeking in-game advertising opportunities, gaming brand partners, competitions to sponsor, and digital products to design.

With in-game mechanics, avatars, digital money and gaming features becoming more and more commonplace across social and digital in 2022, today's in-game marketers have to meet the expectations of an increasingly discerning audience. Many online gamers have stratospheric followings and serious clout as influencers, delivering brand-sponsored content campaigns and in-game advertising opportunities, from product placement to digital billboards, naming rights, digital skins, exclusive merch, digital currencies and lots more.

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The best brand partnerships and sponsorships take customer insight and authenticity and add a creative spark. Check out the Burger King X FIFA Stevenage campaign as one great example. By partnering with car-loving gaming crew OpTic and creating some great content, Turtle Wax has now become an unlikely hero brand in the eSports space, growing its social channels by 25%.

Sponsorship, merch and naming deals are also skyrocketing, whether it's North American eSports crew FaZe Clan partnering with artist Takashi Murakami on a limited edition range of clothing, or Doordash sponsoring Australia's Oceanic League of Legends competition.

FIFA, Fortnite, Minecraft and Roblox seem to be the platforms in vogue among our youngest gamers. With around 1.5 million children playing in the UK alone, Roblox is nurturing gaming entrepreneurs, rewarding those who can create new games or worlds with their own currency, RoBux. The data suggests that 24% of 10- to 12-year-olds are on Roblox – more than on TikTok (13%) and Snapchat (20%) and nearly as popular as Instagram (25%).

Games in general, have the kind of engagement and loyalty most brands can only dream of. To follow their lead, brands must better understand that the customer is the hero and that a positive and engaging user experience is what keeps users coming back. How can you turn this to your advantage?



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Key takeout

The brands that can successfully blur the lines between real life and game life and between different platforms and different devices, are sure to see the most commercial success. For now, the attention is firmly on gaming – a creative community of people having fun, solving problems and iterating on each other's creativity and hard work. Long may it continue.

Brands to Converge on NFTs

The NFT bubble is inflating as we speak – but what are they, what on earth do you do with them, and what does it all mean for brands? Essentially digital artworks bought and sold on the blockchain (ensuring public proof of ownership), activations around non-fungible tokens have been labelled “innovation theatre” by industry commentators – with people creating, buying and selling just for the sheer fun of it. That and the eight-figure sums a few choice pieces have already been sold for. Collecting art is no longer the sole property of the physical realm.

NFTs give fans the chance to be real stakeholders in brands without the formalities, having real ownership over works or moments that are meaningful to them. As NFTs change hands, concepts like selling them or collecting associated royalties in perpetuity could be smart plays for brands, helping to convert marketing costs into brand profits. In 2022, we predict we will see more and more brands striking while the cartoon ape is hot, creating their own works that show up in people’s NFT or crypto wallets.

Like any bubble, the NFT thing is guaranteed to burst, but for now, the area is seeing serious growth. Is it worth brands getting involved now – or should we all watch and wait? The focus right now is on the fun and collectable aspect of NFTs, rather than any potential marketing value.

But, like anything, there is value in being first – Adidas’ first NFT drop made a reported \$23m. While a technical glitch meant it wasn’t entirely smooth sailing for the brand, this does at least prove there is an audience out there.

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If you're interested, now is the prime time to wrap your head around core concepts like ownership, smart contracts and the tracking of value over time. NFTs will also lead to more brand add-ons or digital unlocking.

Customers can grab an NFT of their favourite moment or thing – movies, fashion, film, and sports all have use cases. In theory, Disney could create a unique movie character that can only be interacted with via an NFT. Brands are also using NFTs as a membership layer, with tiers of perks and engagement tailored towards purchase. Sports fan? Forget autographs, you can now own your sport's greatest moments digitally. Officially licensed to sell the NBA's digital collectibles, Top Shot offers new slam-dunk and three-point moments weekly (you can get a LeBron dunk for a cool \$535,000) and the community have the chance to win new packs (think digital stickers) for \$9, which helps to keep the barrier to entry low so everyone who's a basketball fan can get involved and take ownership. In music, Kings of Leon used three types of tokens for their first-of-its-kind NFT album release; a special album package, live show perks and exclusive audio-visual art. Sales and transactions on NFTs allow the creator to retain rights and collect royalties over time. For example, a fan could buy (and then sell on) the NFT for a track, and the band would make profit over time through NFT royalties, which give a percentage of the sale price each time the NFT is sold.

The brand awareness comes from the endorsement of people holding NFTs and telling others how great it feels. Savvy brands are ensuring that buyers have special holder privileges like brand add-ons and digital unlocking – after all, FOMO is real.



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Key takeout

On social, brands looking to launch NFT projects need to invest in community managers to seek out, be present and engage on new digital distribution channels like Discord. Here you can share materials, have conversations with niche communities, send audio recordings, and exhibit your work in Crypto “gallery” chatrooms. Twitter, however is the true NFT community builder, and is probably where to invest time first. Watch this space.

Community Management

Community management has been around for as long as social media itself. While some brands have embraced community management, bringing people together to build, educate, onboard, and entertain, others have yet to follow suit. In 2022, that could be a BIG mistake.

Brands are rushing to employ community managers; great listeners who are skilled at organising and tracking people's conversations, engaging with customers, keeping conversations alive with new prospects and ideas and sniffing out potential influencers and brand advocates. And there's the moderation – the best community managers are those who are able to weed out comments and conversations that don't add value, taking on each customer complaint one by one and slaying it dead, but then translating that insight back to the brand.

The landscape for brands has changed dramatically over time. There are 8x more complaints on social media than there were seven years ago, with Twitter and Facebook now viewed as the perfect vehicles to escalate customer quibbles.

The easy messaging tools, inexpensive barrier to entry, convenience and public nature of social media platforms make them the perfect place to exact revenge on a brand they feel has done them wrong. While high-quality customer service has been a must for brands since forever, many may have overlooked and underinvested in the crucial role of the community manager. With the average salary now set at £42k (equivalent) across the pond as their stock rises, the UK looks set to follow.

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Douglas Atkin, Global Head of Community at Airbnb gets the nature of community, and the depths you have to delve into to understand an audience. His research work included exploring focus groups of teenagers talking about why they love their favourite trainers and deep dives into the culture of famous brands – all useful intel to fuel their community commitment strategy.

Think beyond the usual platforms. Telegram may be considered by brands as a better way to receive community feedback, and Zendesk may become the preferred platform for ticketing responses. Creating longform content using platforms such as Medium can help increase credibility, and platforms like Reddit and Quora can help prompt deep discussions and feedback, with high viral potential to inform your content strategy.

Crypto and gaming have shown that community building and well-thought-out growth tactics make for a truly loyal following. Brands could even take the crypto inspo a bit further, with bespoke digital currencies to unlock new features or rewards, build trust and keep people invested in their communities.

The bottom line? Get reacquainted with your audience, with experiences that both cater to and are crowdsourced by them. Collaborate with your own community!



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Key takeout

In 2022, brands will need to get comfortable being uncomfortable with their audience, using UGC incentives or features like story polls to ask for regular feedback, good or bad. Asking for audience input gives a brand insight on what people want to see and hear. Brands have often made the mistake on social of choosing messages that are important to them over content that is valuable to the end user.

Is it Bye Bye to Big Social?

Life lived on social isn't always easy. Whether you're a big brand or a #cottagecore princess carving out a small but highly aesthetic following on TikTok, it's easy to get stressed out by the numbers – not to mention the relentless tide of new trends, platforms and formats to swim against.

Add to that the pressure from audiences to say the perfect thing, 100% of the time, and it's no wonder many of us are feeling overwhelmed. Is enough finally enough? Probably not, but it does raise some interesting questions for brands...

We predict that 2022 will be the year that many big brands enter a new phase of their relationship with social. Some will choose one key channel to focus on, some will stick to ads, some will go from always-on to only occasionally-on, some will build a strategy around new arenas - and some will leave the job of social marketing almost completely to individual store employees for that authentic, BTS feel.

Having spent years on Instagram, Twitter and Facebook, many consumers are now focusing their attention on the communities they value most. With social now maturing, withdrawing in favour of the niche platforms we highlighted last year could help certain brands increase their authenticity and sidestep the so-called "attention recession". The rise of digital ethics will also play a part in the big shift, with brands boycotting some of the bigger platforms in response to what they perceive as unethical or unconscionable behaviour patterns. For others, adding to the relentless stream of information being pumped out may simply be seen as off brand.

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Lush recently dropped the (bath) bomb by declaring it was moving away from its social media channels entirely. While this is a bold move (or clever PR stunt), it undoubtedly aligns with Lush as a disruptive wellness brand. After maintaining a streamlined presence on social to communicate with customers during lockdown, Lush has now decentralised its social presence, leaving store managers to post their own content.

This is a BIG trend for 2022, expect to see more real employees strutting their stuff on TikTok (hi M&S) and fewer stuffy corporate campaigns, as brands start to shift budgets into employer branding initiatives.

Elsewhere, Nike have been proving the value of those niche communities, driving loyalty and advocacy through personalised and exclusive offers and early access to product drops in its Nike and SNKRS apps. Of course, it's worth noting that it's hard to promote such apps without the scale and size of Nike, and the ability to maximise a large social audience.

Being realistic, even those brands that choose to scale certain activities back will need to stay active in certain areas, such as customer service, or setting up compelling UGC activations. Whatever path you choose to move forward with, the aim should always be to make sure you know and understand your audience better than anyone else ever could.



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Key takeout

The brands that can show they understand new, niche networks, audience attention and the nature of community are the most likely to triumph as we move forward. We recommend kicking off the new year with a detailed look at your social channel and paid media strategies, considering where social and media budgets are best spent. This could mean reviewing new areas like in-game advertising, new platforms, or simply looking at your owned platforms through fresh eyes.

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