

# Refocus Restore Run

Trends that will drive  
brand experience in 2023



# 2022 was a lot!



wow!

During the pandemic, people lived online, changed jobs, found nature, and bought at-home exercise equipment. And when the calendar flipped to 2022, everyone went wild catching up on what was missed.

People took on too much, broke free of their homes, and overspent, despite rising inflation. Consumers spent 2022 overcompensating for the pandemic – in many ways, it's the year many overdid it.

In contrast, 2023 will be about finding the way back - right-sizing actions to be more purposeful and aligned with evolving values and the way the world is changing.

**In 2023 we see three big shifts**, seemingly at odds, but moving in unison to shape culture, consumer behavior and marketing.



# Three big → shifts

01

Looser

As we **refocus** our priorities

02

Tighter

As we **restore** our purpose

03

Faster

As we **run** hard at our passions



Three big  shifts

01

# Loosening our grip for good

Breaking, shifting, and letting go to **refocus** our priorities



# Breaking from tradition

As peoples' identities become more nuanced, encompassing a greater number of characteristics and traits, they are continuing to **shift away from traditional labels and values.**

We can expect to see brands dropping domesticity in favor of consumer culture to align with behaviors such as fewer people choosing to become parents.

Brands will design experiences that break down stereotypes and societal norms. The outcome will be audiences who feel more comfortable expressing their true selves and have closer connections to the brands that support them.

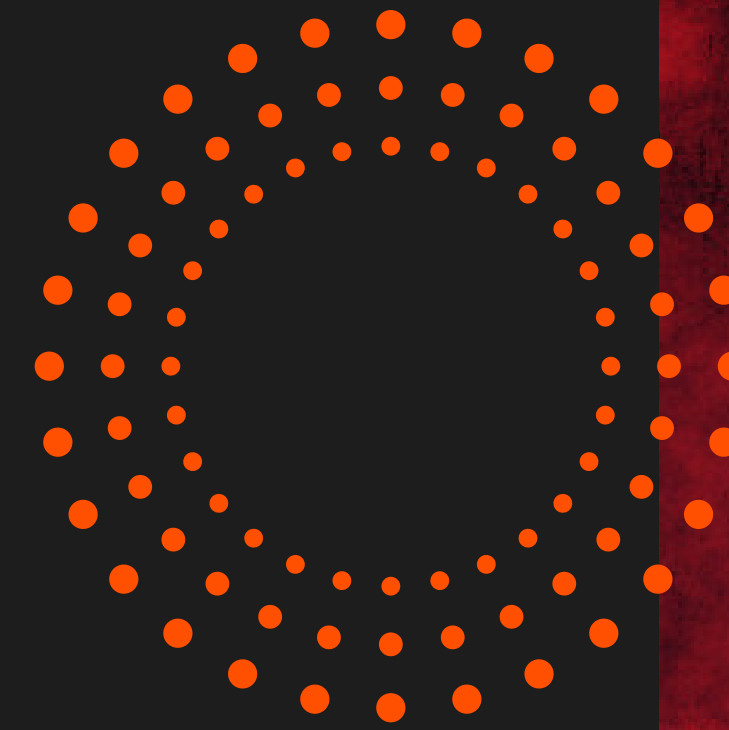


Photo Credit: The J.M. Smucker Co.

JIF's shift from focusing on moms to integrating into culture through The Lil Jif Project. The campaign, done in partnership with Ludacris, aimed to open everyone's minds to hip-hop's

## 44%

of U.S. consumers aged 18 to 49 who don't have children say it's unlikely they will have children. This number is up 7% since 2018.



# Shifting sense of community

From thinking about being part of a specific group to **freely flowing across an array of communities**.

People are increasingly seeing themselves (especially younger cohorts) as belonging simultaneously to an array of communities based on interests more than physical proximity.

The need to feel like a part of something is growing, while the permanence of that belonging is becoming more fleeting.

We expect more brands to launch virtual communities on their own or alongside loyalty programs.

Brands should proceed with caution as they weigh investment against value and longevity with fans. They should not overlook the built-in value and ease that influencers and creators can offer in reaching their audiences authentically.

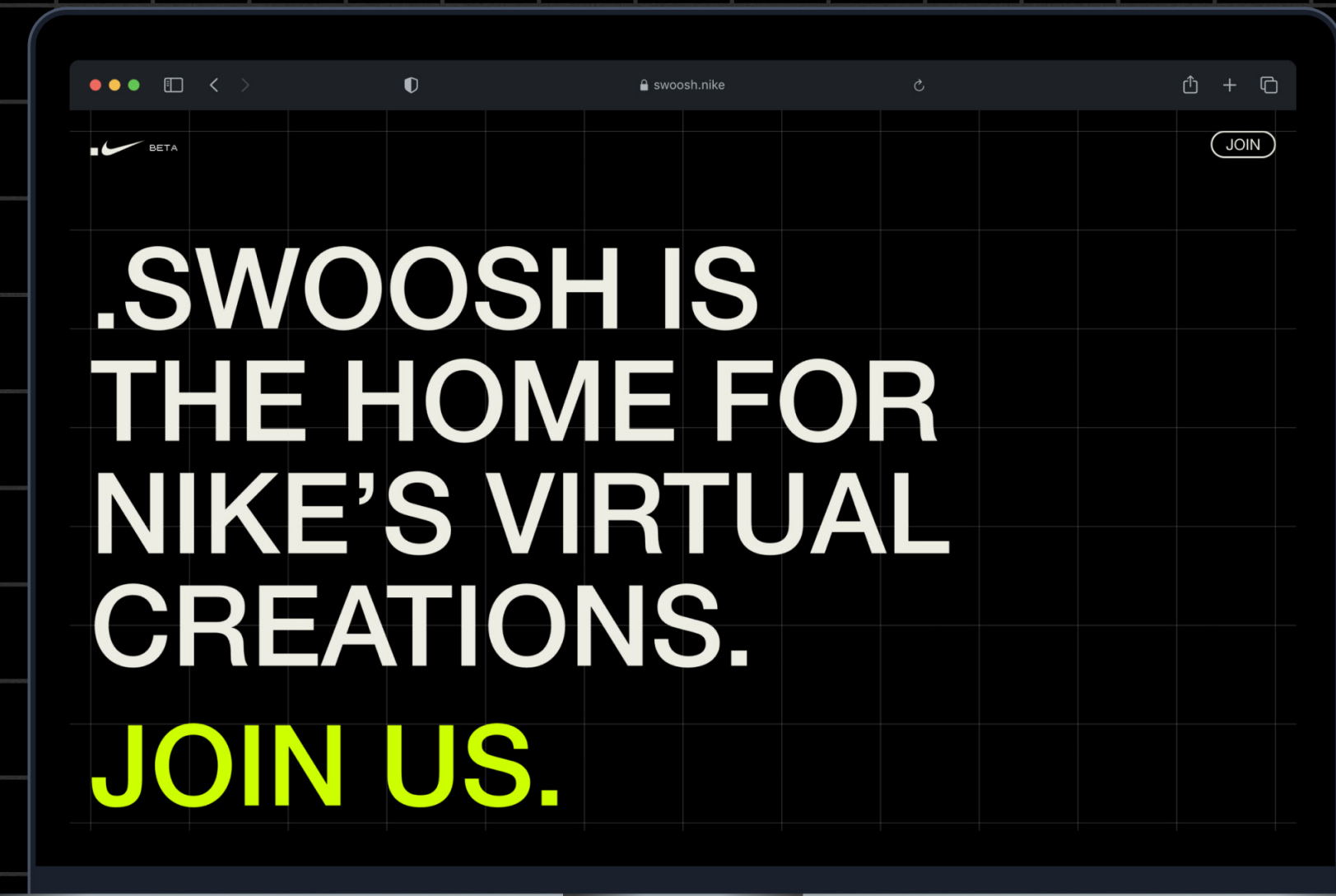


Photo Credit: Nike

Nike's .SWOOSH harnesses the co-creation trend to engage fans in a way that fits with their brand.

## 65%

of Gen Z feel more confident online with community focused social apps.



# Health and wellness everywhere

Wellness is a construct that continuously morphs, and in 2023, we expect that to **evolve even further**.

It was as true before as after the pandemic: too much of a good thing can be harmful to your health. Brands will further embrace the notion that wellness extends beyond physical and mental health.

We'll see brands drive initiatives around a wider array of aspects influencing consumer wellness, including intellectual, lifestyle, environmental and occupational health.

As a result, the idea and definition of wellness will get even broader for many people.

Brands that can be flexible will form strong connections with audiences.



Photo Credit: copyrighted by the Asahi Group

Nowhere better can this be seen than in the beer and spirits industry, where there has been an influx of non-alcoholic and low-calorie options on the market – from domestic to craft brews. Peroni 0.0 rolled out across Europe in 2022 and will be available in the States in 2023.

## \$1.5 trillion

Wellness is a \$1.5 trillion market globally, growing 5-10% on average each year.



# The work life balance conundrum

In a world where the **four-day work week** is gaining momentum and terms like the “great resignation” and “quiet quitting” are topics of everyday conversation, brands must tune into employee needs.

The gap is widening between employees wanting to work remotely and companies pushing for a return to the office. Both are trying to have it all. And with blurred lines between work and personal lives, it's getting messy. Individuals want and expect more freedom and flexibility. While some push for the return to the office, they will embrace a more holistic

approach to work culture, like introducing more wellness activities, instituting more companywide breaks, and facilitating shared experiences to cultivate team bonding. As employees share their experiences working for brands on social media, we anticipate that consumers will increasingly champion brands that live their values internally.



Photo Credit: Target

Last year, Target announced it would close stores on Thanksgiving and Christmas to give employees respite. The brand communicated this year that it continues to be a priority.

## 87%

of people take it when they have the chance to work flexibly.



# Virtual entertainment

People love attending big concerts but value artists' performances **wherever they happen.**

The physical separation Covid-19 created increased the value of virtual entertainment. The boom of musical artists on TikTok pushed that trend even further.

That means virtual concerts are going nowhere, solidifying a new revenue stream and marketing angle, especially

for small to mid-level artists unable to tour/perform internationally in real life.

We expect brands to capitalize on the growing virtual entertainment industry by securing talent that would not have been available or within budget for both live and virtual events.

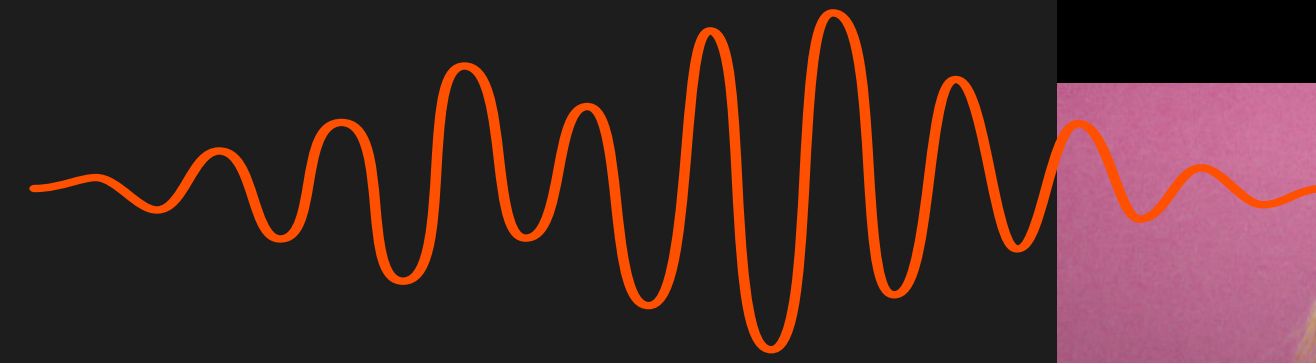


Photo Credit: Unite 2022 After Party Poster (Photo: Business Wire)

Unity's 2022 annual company event concluded with a first of its kind multi-dimensional and cross platform virtual concert featuring TikTok bass sensation Blu DeTiger.

## 28%

Globally, 28% of people are interested in attending an online music concert.



Three big  shifts

02

# Tightening our conviction

Cementing our expectations and **restoring** our sense of purpose



# Consumer control of data collection

Consumers want to **take back control** of their data.

Something once viewed as a bargaining chip for access and convenience now has a higher likelihood of fraud or worse.

Consumers are questioning why they handed their personal data over to companies in the first place and are more likely to trust brands that don't ask for irrelevant information.

Experiences that offer a tangible benefit to consumers (think a live concert or a customized Netflix queue) are great ways for brands to engage consumers and earn back their trust and data.

We expect brands to face growing regulatory measures to accompany this consumer call for action, and look for opportunities to gather first-party data- transparently.

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Tech brands Meta, Google and Amazon have been dealing with the varying global regulations on consumer data collection for years. More recently, beauty brand Sephora settled with the State of California for alleged violations in their marketing practices, showing that brands across industries are being held accountable to align their business practices with emerging laws that protect consumers' data privacy rights.

**92%**

of Americans are concerned about their privacy when using the Internet.



# Reacting to economic uncertainty

**Consumer budgets are tightening**, especially amongst Millennials and Gen Z, who say rising prices prevent them from paying for the things and experiences they want.

Price cuts are needed to break through and create long-term loyalty. Brands must find ways to show their customers and clients that they're aware of financial strains and make it easier to engage on terms that fit flexible budgets – demonstrating customer-

centricity at a time when it has increased value. That could materialize in brands activating at more nimble and localized events and conferences or creating large-scale stunts that resonate.



Photo Credit: NBCU (Photo by: Ron Batzdorff/NBC)

NBC promoted its reboot of “Quantum Leap” by lowering gas prices to what they were in 1985, which is when the show takes place.

## 73%

of US and “Gen Z and Millennials” are concerned that rising prices will prevent them from paying for the things and experiences they want.



# Leaving the world better than how we found it

The sustainability mandate for experiences is growing; consumers, governments, and clients are increasingly demanding it, and more importantly, **it is the right thing to do.**

The conversation and action surrounding sustainability efforts within business models shows no signs of slowing down. The focus has been on making compromises in the name

of sustainable decision-making. But a new mindset is emerging: embracing sustainable thinking from the ground up to drive new and innovative approaches to brand engagement.

be extraordinary be extraordinary be extraordinary



HERE Technologies debuted an entire experience at CES that relied primarily on natural light to improve energy efficiency. The materials used in the booth's construction were specifically selected to maximize reusability and minimize impact.

## 85%

of consumers purchase more sustainable products, and almost 80% of companies plan on increasing their investments in sustainability.



# Accountable authenticity

Consumers expect brands to **have values and live them.**

Transparency and accountability continue to increase in importance for consumers, who will continue to call out the good and bad on social media. Consumers are researching ESG commitments more than ever and aligning themselves to brands that represent their beliefs, cementing the need for brands to understand who their customers are and what is important to them.

The same principles apply in B2B, where the pressures of addressing heavy topics like climate change and societal upheaval are paramount. We expect conferences to explore more purposeful ambitions, and established brands to build experiences that connect their ESG commitments with their customers' values to combat consumers gravitating towards smaller brands born from purpose.



Everlane is disrupting the fast fashion through “radical transparency,” disclosing everything from the people who make the clothes to their pricing model on their website.

## 76%

of consumers said they will discontinue relations with companies that treat employees, communities and the environment poorly.



Three big  shifts

03

# Faster forward

Running to accelerate change with passion and purpose



# Women's sports

2022 was a pivotal year for women's sports. Title IX marked its 50th anniversary; the WNBA secured its first-ever capital raise, and tennis star Serena Williams' magical run at the U.S. Open drove **attendance and telecasts to record levels**.

More women's sporting events made their way onto broadcast television, driving consumer interest. And consumers aren't the only ones interested; brands are also turning towards women's sports as a solid sponsorship and investment strategy. The 2023 FIFA Women's World Cup has been a catalyst for growth and a likely driver behind 77% of participating

national women's teams securing title sponsors. We expect brands to harness this momentum. More importantly, we implore them to champion the growth of women's sports alongside leagues and players by increasing media coverage, entering comparable talent partnerships, and growing attendance through on-site activations.

**NICE!**



Buick championed their largest car buying audience, females, through the creation of "See Her Greatness," a platform dedicated to increasing visibility for women's sports.

**20%**

Endorsement deals with women grew 20% in 2022 compared to 2% for men.



# Continued popularity of sub-pro sports

In the U.S., after the first year of NIL collegiate deals, an estimated **\$917M was spent**, which is expected to reach over \$1.1B in its second year.

College football accounts for 55% of NCAA NIL deals, and collegiate football players can expect to see an increase of 179% in what they earn in year two of the NIL era.

This means we will see more brands and collegiate athletes entering into mutually beneficial partnership agreements at the local and national levels.



Photo Credit: SOS Heating & Cooling Summer Commercial with Decoldest Crawford

Nike is looking across sports and gender as it enters the NIL space, signing five basketball players, along with a collegiate golfer and soccer star. Nebraska football player Decoldest Crawford inked a deal with a local air conditioning company.

## 20%

NCAA NIL deals are projected to grow by 20% in 2023.



# Unprecedented intimacy

Consumers are closer to who and what inspires them, creating **greater purpose in influencer culture**.

The pandemic humanized celebrities and regular people alike, closing the gap between stars and everyday people. The effect was to show the softer, more accessible side of peoples' fan favorites. With the rise of social media, it is now commonplace to receive a response from your favorite celebrity influencers.

Emerging technologies such as AR/XR are creating new opportunities for fans to engage with celebrities and enabling influencers to monetize these relationships in new ways through tiered access to virtual experiences or IRL in-person experiences.

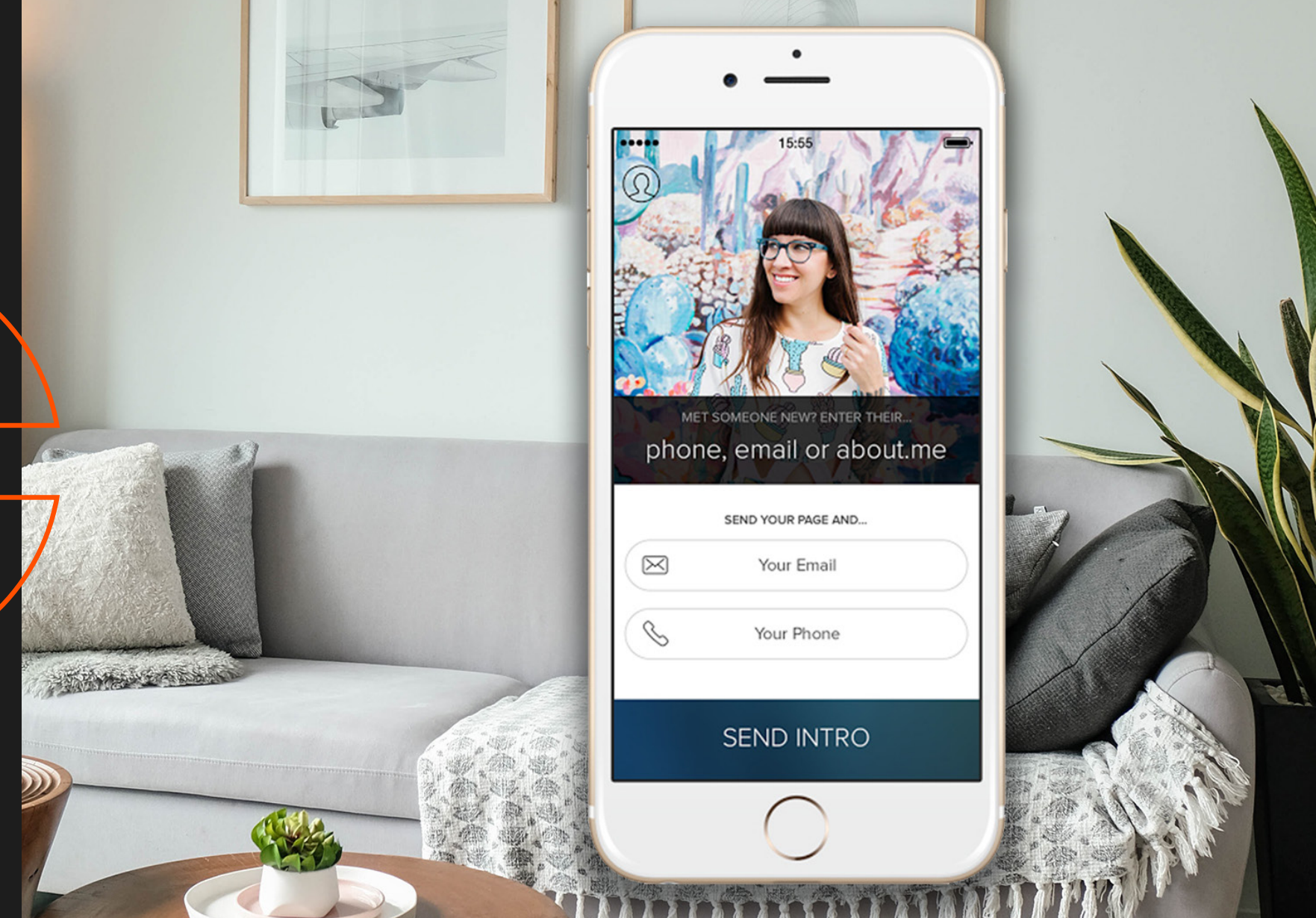
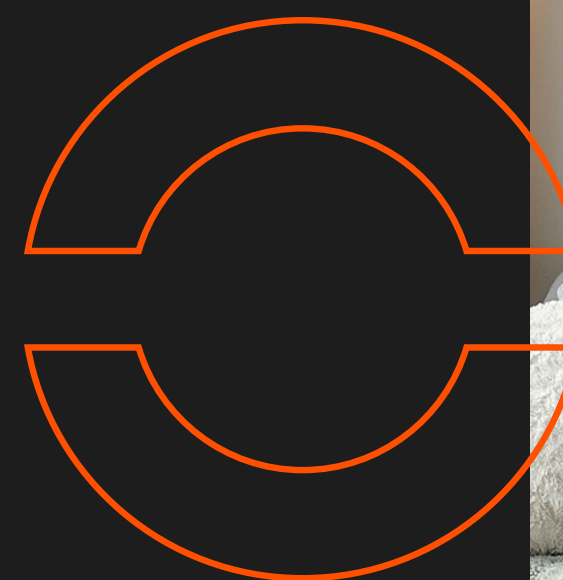


Photo Credit: Intro by about.me (Photo: Business Wire)

Intro connects people with the world's most in-demand experts across industries to get personalized advice across services ranging from fashion consults with Rachel Zoe to investment advice from Reddit founder Alexis Ohanian.

## 23.4%

Influencer marketing spend is projected to grow 23.4% and 15.9% YoY in 2023 and 2024.



# Rise of eSports and VR Sports

Competitive gaming will continue to build its presence in mainstream culture with **a rise in players, spectators, and sponsors.**

Interest among professional athletes increased access to sports betting, and the metaverse expansion is a core factor driving growth in 2023. Meta's continued investment in virtual reality also means there is a high likelihood that

more sports will transition to a VR format. The development of 5G also opens doors for more mobile live streaming and VR fan experiences, like player interactions and coaching tips, which could positively impact adoption.



Photo Credit: Dior and Gran Turismo esports collab

Dior surprised gamers by launching its first-ever virtual fashion project with best-selling racing game Gran Turismo by creating a driver avatar decked out in a bespoke yellow and gray Dior race suit.

## 6%

Consumer and advertiser spending in esports is expected to grow 6% between 2020 and 2025.



# Multidimensional experiences

It doesn't stop with sports. Consumers have an increasing expectation for **multilayer experiences** that let them go deeper and connect elements of their digital life with aspects of their physical lives.

We expect an explosion in extended reality (XR), an umbrella term encapsulating augmented reality (AR), virtual reality (VR), and mixed reality (MR), where a digital experience overlays the physical one to add greater depth. Thanks to affordable technology and generational tech fluency, AR, VR, and MR are feasible options to create richer experiences.

These immersive experiences answer consumers' desire to escape the mundane every day. They trigger and trick the senses, like auditive reactions or seeing something that isn't there, and transport consumers to their ideal world. Marketers should consider tech add-ons for live brand experiences alongside AR app add-ons that can enhance mobile shoppability to create value and differentiate the experience.

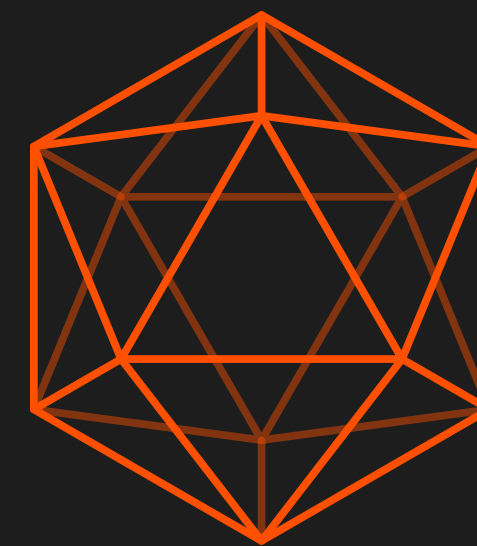


Photo Credit: courtesy of unreal garden

The Unreal Garden is a three-act play where you star as the main character in the world's first holographic theater. A mixed reality headset allows users to see their surroundings alongside amazing, augmented creatures, plant life and artwork creating a fantastical reality.

## \$465 billion

The global XR market is expected to reach a value of \$465 billion by 2027.



# So, where is 2023 headed?







# Hopefully to a world full of more progress, passion, and purpose

Some of the “over-the-topness” of 2022 will subside as consumers embrace more accessible technology, and reject outdated norms, – but in a way that is more sustainable and simpler – and ask the brands they love to do the same.

Experiences are an excellent opportunity for brands and consumers to reconnect and figure it out together – to tap into what makes them alike, escape the everyday chaos, and live in the moment.

They encourage people to unplug, touch, and feel new sensations, which marketers can capitalize on to promote values-driven platforms that dovetail into what’s important to their customers.





Is extraordinary in your future?  
It can be!

Get in touch with us at  
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