

The “Dynamic” Future of Advertising

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When we look back at 2021, we'll see it was almost as emotionally draining as 2020 was, serving as yet another rollercoaster of a year with its highs and lows – from the sadness of those we continue to lose to Covid (especially now due to the Delta variant) to the helplessness of those stuck in the midst of climate disasters like Hurricane Ida and wildfires, all the way to the joy of the Olympic gold medallists, the return of fans in sports stadiums and a renewed ambition for civilian space travel. Space travel limited, for now, to billionaires and made possible, according to Jeff Bezos, by “every Amazon employee and every Amazon customer, because you guys paid for all this.”

Amazon now accounts for roughly 44% of all US ecommerce sales and 2% of all streaming hours watched¹ (soon to include MGM films if the deal is approved by regulators). The world of commerce and media obviously looks incredibly different now than at the time of past forays into space. In 1969, TV was a dominant cultural fixture - airing the debuts of *The Brady Bunch*, *Sesame Street*, and *Monty Python's Flying Circus*. Today, I'm no longer watching ads on primetime TV. We now have streaming, and social media, and digital out-of-home, and influencers. We have all of these new channels and we have forecasts for how big they are going to be next year and in three years' time. But what about much further out? What will advertising look like in 2030?

Now, obviously, no one *knows* what's going to happen in ten years' time, but I, and some colleagues at Essence, found some people who were, let's say, advertising influencers, and we asked them to make some educated guesses. These experts are C-Suite executives, academics, and marketing practitioners from around the globe. We asked them to tell us how likely a set of 15 scenarios were to be true by 2030. These scenarios included people's time spent in virtual experiences, the prevalence of biometrics, and the use cases for AI and automation.

¹ GroupM analysis of government data and company reports

In this initial survey, which took place in January and February of 2020, only one person mentioned the pandemic and we got a very clear snapshot of what these experts believed would happen over the course of the next decade, pre-Covid.

Before the spectre of lockdowns and home-schooling and travel restrictions, we found:

- Only 35% believed people would spend more time in virtual environments than in physical ones
- Two-thirds agreed that by 2030, a majority of brand/consumer interactions would be bot-to-bot (more on that later)
- Finally three-quarters of our experts agreed that *everything* would be personalized in 2030 (services, products, ads)

So, we had this really fascinating snapshot in time of how 'mature' these scenarios were right before the pandemic shook everything up and decided that parents needed less sleep and more stress in their lives. Luckily, advertising influencers are a good lot, and we went back to those same people (and some new ones) at the end of 2020 and we asked them how the pandemic and resulting lockdown had impacted those scenarios. Here's what they said:

- 59% said the pandemic made it more likely we'd be spending the majority of our time in virtual environments
- Just under 40% felt brand and consumer interaction was even more likely to take place via bots
- And personalization, from a high base, was deemed 56% more likely after the pandemic

When asked what the biggest pandemic-driven change had been to brand interactions with consumers, a plurality said: "digital."

Seemingly everything has moved online, from school to doctor's appointments. Now, with the shift to digital and ecommerce firmly in place, what's the next big transformation for advertising? If the previous decade was about the move to "digital," the current decade will require brands to undergo "*dynamic*" transformation.

Let me pause here and explain what I mean. Dynamic - 'characterized by constant change, activity, or progress' (according to Oxford). And let's add a layer of connotation in terms of what's already known as "dynamic creative" - that advertising will be hyper-personalized or hyper-contextual based on the privacy settings and platform we're dealing with. (I don't only mean creative will be dynamic, here's the distinction I want to draw, I mean everything - experiences, products, services, *and* creative.)



So, if the last decade was about people, and eventually companies (thanks in part to the pandemic) getting online, the next decade will be about realizing the potential of digital and artificial intelligence in terms of its ability to generate trillions of ideas, permutations, and recommendations. It's ability to create relevance down to the nano-second, the millimeter, and the penny.

**“Everyone is now their own
first-person narrator
crafting their own unique
brand experience.”**

That has the effect of making every marketer's job more complex - potentially managing billions of SKUs vs hundreds. Billions of customer records, billions of creative versions and yottabytes of marketing data.

We're starting to see some of the promise of dynamism and personalization today, but the system hasn't caught up, so it's also failing in a lot of ways. I'm going to guess the Marketing Manager for Nike's Air Max 97s didn't foresee the shoe being reimaged in a collaboration between Lil Nas X and MSCHF called the "Satan Shoe." In today's world, a celebrity and influencer like Lil Nas X can take a product and put his own DNA (maybe literally) into it and end up with a co-created product. Sometimes this is sanctioned and official. And sometimes it's not. Nike was granted a temporary restraining order in this case, and the sneakers were pulled. But in the future, this will be happening at a global scale, in both the physical and virtual worlds and we'll need a better way for managing it.

With so many permutations of product and service offerings, how will consumers discover and buy? Here's where the bot-to-bot scenario comes in. Perhaps the most personalized product of all will be a person's digital assistant - the intermediary for all interactions with the wider world, arbitrating which restaurant, which shoes, or which date are served up to users via their (likely) voice search.

This creates myriad challenges for brands. If I'm selling what I call "athleisure shoes" and someone asks their Google Home to order them "casual sneakers" - what's the process for ensuring the algorithm understands the consumer's intent, matches it to all the metadata in my product page or ad and surfaces my shoe as one of the top results? Advertising has spent decades understanding consumer behavior, but there will now be an algorithmic intermediary that doesn't share the same biases and emotional decision making (at least not without explicit programming to that effect.)

And what happens if I find a shoe I like, but not in the right color? Some brands may choose to offer a customization service (like Converse and Nike), some may collaborate with makers and creators who are sanctioned to modify the branded design like the Vans x A\$AP Rocky mashup.

Some customers may find or create their own versions of products using advanced photo capture, CAD (computer aided design), and consumer or commercial 3D printers. What are the copyright implications? Again, Nike was able to stop the “Satan Shoe,” but designers have had less success with claims of copying by companies like Shein, and the grey market gets infinitely harder to police when every home has a 3D printer and there are multiple YouTube-style platforms for User Generated Design. (UGD is a term I use to denote design files for products uploaded by non-commercial actors.)

I've gone a bit into the far future, but many of these scenarios are already playing out today. My colleague Brian Wieser often quotes William Gibson's assessment that the future is already here, it's just not evenly distributed yet.

There are three things in this new “Dynamic” age of marketing that brands can be developing today:

- New models for branded products, copyrights, and consumer/creator/technology collabs
- Clear and, most importantly, *transparent* guidelines for voice and image search between digital platforms, retailers, and advertisers
- An expectation of uncertainty, and the required agility to deal with the next unseen disruptor - which could be a globally adopted digital assistant provider, aimed at true data minimization and obfuscation. Is your brand built to survive that?

The year 2030 may bring all sorts of wonders, albeit not widespread lunar tourism, and surely many changes to the way we engage with media, brands, and commerce.

What is clear to me is that our journey over the coming decade will involve new dynamism in the design, distribution, and marketing of products and services. The business transformation and legal infrastructure to enable that need to happen now.

The reports mentioned in this paper and the list of participating panelists can be found at the following links:

[Advertising in 2030: Expert predictions on the future of advertising](#)

[2030 Revisited: Experts weigh in on the impact of 2020 on the future of advertising](#)

