



2024

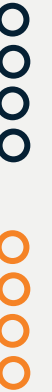
TRENDS TRENDS REPORT REPORT



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American scientist and futurist, Roy Amara, is credited with saying that “we overestimate the impact of technology in the short-term and underestimate the effect in the long run.”



Commonly known as Amara’s Law, this sentiment is a useful lens through which to view the most important trends impacting the marketing world right now. In many ways, this moment feels as significant as the advent of the Internet itself, as rapid technological advancement continues to drive cultural and behavioral change.

Butler/Till’s updated Trends Report for 2024 reflects that perspective. We’ve rewritten and reordered our macro trends based on the events of the past year, and the near and long-term impact of technology that looms largely over this report and our industry. As a purpose-fueled marketing agency, we see it as our role to leverage these changes to make a positive impact on our industry, our clients, our people, and our world.

The trends identified in this report are a result of collaboration between our employee-owners and our research, technology, publisher, and client partners throughout the year. We make the collective investment in this effort for two primary reasons:

1 We need to understand where our space is going to evolve our offerings and provide our clients with the solutions that will set them up for long-term success.

2 We recognize that these changes are not set in stone. The way that we all react to these trends will help to write the future of our industry. We all have a part to play in that, and understanding these trends is critical to discovering how to best play ours.

Before we get to the trends themselves, we’d like to offer a quick explanation of our approach to trendspotting. We view all trends through a marketing lens, sometimes this is obvious, but sometimes it’s more nuanced.



Trendspotting



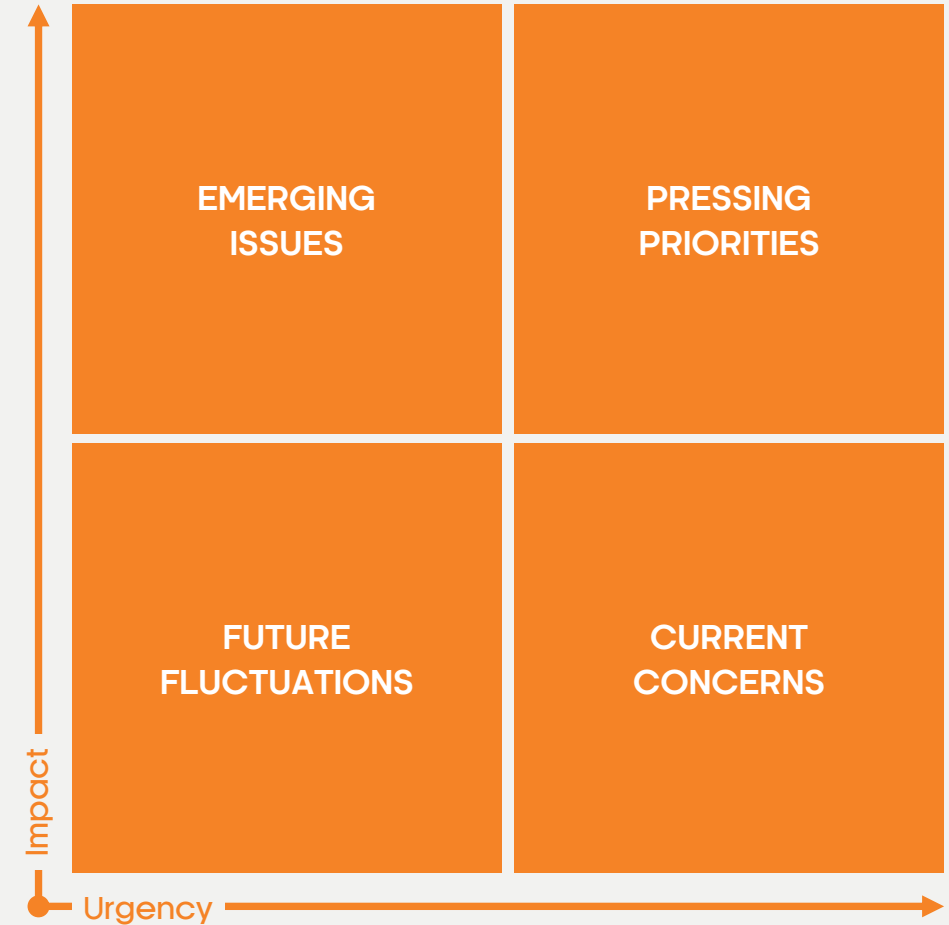
We track macro trends that are more consequential and enduring, along with micro trends that tend to be more timebound and ladder up to the larger trends. It is the former that we present here in our annual trends report. We've plotted these macro trends on two axes: impact and urgency, breaking them into four distinct quadrants.

Future Fluctuations: These are trends that fall into the lower left quadrant. They are less urgent, and while they are important to keep an eye on, their potential impact on our industry is not as significant as other trends.

Emerging Issues: These are the trends that occupy the upper left quadrant of our chart. They have the potential to transform our industry significantly, but that impact seems likely to occur further into the future than some of the other trends.

Current Concerns: These trends live in the lower right quadrant of the chart. They are happening now, and are important to watch, but their potential impact on our industry is not as significant as the most impactful trends.

Pressing Priorities: These are the trends in the upper right quadrant, they are the ones that we are watching most closely. Pressing priorities not only have the potential to significantly impact our industry, but they are also urgent. These are the trends that command our attention in the here and now.





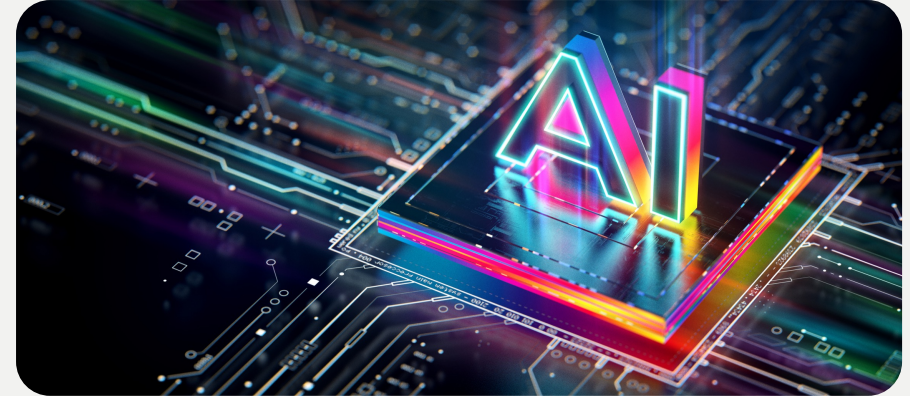
PRESSING PRIORITIES

Artificial Intelligence



The concept of artificial intelligence, also referred to as generative AI, has quickly become top of mind for leaders in all points of the marketing value chain. Tools like ChatGPT, Google's Bard, DALL-E, Midjourney, and others have burst onto the scene with their capabilities in generating text, images, and other media.

These tools have garnered massive amounts of media attention, causing our industry to rethink what parts of marketing could be automated through artificial intelligence in the near, medium, and long term.



Implications

- 1** The idea of automating tasks has long been a topic of conversation in the world of marketing. However, these tasks have usually been associated with highly repeatable, standardizable tasks that can be codified into processes digestible for standard computer models.
- 2** Generative artificial intelligence pushes that conversation from tasks like trafficking ads and pulling reporting into the realm of writing copy, designing images, and even coding web properties and software. The industry is grappling with how to ethically and strategically leverage this disruptive technology into the work that we do.



The Revolution of Television



For decades, television has held a tremendous sway in the world of media and marketing. In many ways, TV was monolithic both in terms of consumer behavior and marketing spend. Things are changing fast, though, and 2024 looks like a year of media revolution for television in its many forms. Consumers are shifting from traditional, linear television viewing to streaming and digital video experiences. At the same time, their overall media behaviors are continuing to shift from offline to online.

These behaviors are being driven by technological change and content availability. Much of the in-demand content is now available exclusively through digital channels. One of the major contributing factors to this trend is the migration of premiere sports content from linear to digital, including the major sports leagues in the U.S. This content is being split between a proliferation of streaming services that are increasingly ad-supported in nature. In search of content that they seek in an on-demand environment, consumers now spend nearly three hours with digital media for every hour they spend with traditional. Marketing budgets are quickly following the eyes of these emerging channels. In the midst of this, Nielsen lost its accreditation by the Media Research Council, and new currencies for buying TV are emerging. All of this adds up to what promises to be a revolutionary year for television in 2024, meaning that both consumer attention and marketing budgets will continue to move rapidly from linear television to digital providers.

Implications

A revolution in consumer behavior and marketing spend requires a revolution in the approaches we take to planning and executing media and marketing. The fragmentation of television viewing brings opportunities and challenges in equal parts. Streaming services and digital video providers offer levels of addressability, flexibility, and accountability that traditional television buying has long lacked. However, for many marketing campaigns, achieving the levels of reach that was historically available through linear TV alone, now requires activating across a myriad of channels, providers, and formats. To maximize outcomes and take advantage of the measurability of digital formats, marketers now must create bespoke data strategies, as emerging providers have low levels of interoperability and industry standards for things like currency, frequency control, and overall transparency are still emerging. This means that 2024 will be a year for marketers to blaze new trails, try new things, and participate in industry conversations about new standards.



Digital Transformation

The business world is waking up to the fact that rewiring organizations with scaled technology is critical to gaining a competitive advantage in the marketplace. More and more efforts are going into creating infrastructure for employees and customers to access data and technology in an on-demand and distributed fashion. Evidence is mounting that digital leaders are providing more enterprise value than their peer set.

i Implications

The myriad of initiatives that surround the huge task of digital transformation will occupy a large chunk of client mindshare for many years to come. Forms of marketing that do not leverage digital transformation or move these things forward will be de-prioritized and potentially defunded. Agencies must rethink the strategies they are putting in front of clients and take a fresh look through the lens of digital transformation. This is the key to getting into senior conversations and remaining sticky with clients. They must also focus on digital transformation in their own business to achieve and maintain a competitive advantage.



Environmental, Social, and Governance (ESG)



Stakeholders at every point in the value chain of our industry are focusing on their impact on the world from the perspective of ESG. Brands are actively looking to partner with companies who reflect their corporate values. Agencies and publishers are seeking more progressive ways to do business.

Employees are more deeply connected to organizational values than ever before, and consumers are prioritizing their purchase decisions based on brand commitments to ESG-related issues. Public companies are feeling pressure from boards and investors to integrate ESG initiatives into their long-term strategies.

Implications

1

As a business of any kind, it is more important than ever to articulate a set of values and actively demonstrate how you are living out those values.

2

Agencies risk employee engagement if they work with clients and other partners who are not aligned with their own ESG approach.

3

Brands who are only paying lip service to ESG are paying a price, as consumers assign increasing value to causes when they make purchase decisions. ESG issues are already an important part of RFP's and pitch expectations. This trend only shows signs of intensifying.



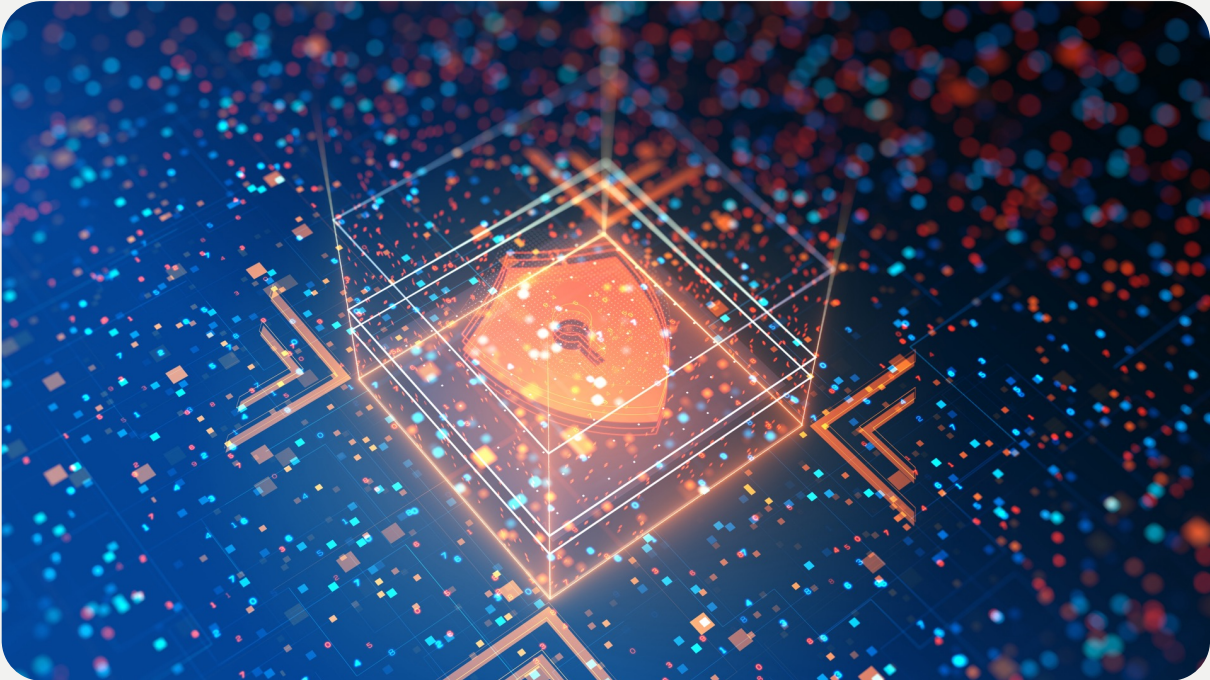
Privacy and Regulation



The issue of privacy has seized the attention of our industry and led to a state of regulation that seems to still be gaining momentum. Consumers are more aware of data privacy issues and the value of their own data. Regulation is largely aimed at companies who make money from consumer data, and the regulations are aimed at limiting the collection and use of third-party data without explicit consumer consent. While legislation has largely been at the state level in the U.S., there are reasons to believe that momentum is building behind federal policy.

Implications

Ambiguity around the legality of marketing data has made innovation difficult. Third-party data for the purposes of targeting paid media will continue to become scarcer. Brands and agencies who rely on this data will need to find new strategies. Identity-based solutions are a clear example of how this can be done, but scale is often an issue with such solutions. Marketers need to focus on building and leveraging rich, first-party data assets to decrease reliance on third-parties and control their own data destiny. Agencies must be hyper-vigilant about how they are advising clients and handling personal data.



Resources for Pressing Priorities



Artificial Intelligence

- Hype Cycle for Artificial Intelligence, 2023
- Building Generative AI into Marketing Strategies: A Primer
- How CMOs Are Succeeding with Generative AI
- Generative AI Revolutionizes Marketing Creativity

The Revolution of Television

- U.S. Time Spent With Media Forecast 2023
- What the Measurement and Currency Discussion Really Means to TV Advertisers
- Streaming TV Advertising Landscape and Opportunities
- NFL Sunday Ticket in 2023: Everything You Need to Know

Digital Transformation

- What is Digital Transformation?
- The Value of Digital Transformation
- Where and How to Target Your Digital Business Transformation
- How is Digital Transformation Changing Marketing?

Environmental, Social, and Governance (ESG)

- A Modern Leader's Perspective on Changing the World
- How Marketing Teams Can Tackle the Challenge That Is ESG
- Want to Excel in ESG? Craft a "Green Ocean" Strategy
- Preparing Your Board for Enhanced ESG Requirements

Privacy and Regulation

- U.S. Privacy Laws: The Complete Guide
- Data Privacy Abuse Continues Because We Struggle To Define The Problem
- US Data Privacy Legislation: Could a Federal Law Be On The Horizon?
- Meta Investor Sues Over Apple Privacy Update's Impact on Ads



CURRENT CONCERNS

Big Tech Backlash and Legal Action

As tech companies like Meta, Google, Apple, and Amazon have grown in size and influence, lawmakers, consumers, and regulators have become increasingly concerned about the amount of power they hold across numerous industries, along with the potential negative impacts they have on their users. The leaders of these companies and others have been called before congress to testify about their practices, and anti-competitive action lawsuits have been filed against them for the ways in which they wield their power.

These legal actions came in a flurry at the end of 2020, followed by revised complaints into 2021, the bombshell whistleblower report on Facebook by the Wall Street Journal, and continuing lawsuits filed by a wide range of parties from international government bodies to concerned parents of teenagers throughout 2022 and into 2023. No matter how you look at it, the immense power of these tech giants is being challenged, and the battle seems to be intensifying by the day. There is little doubt that 2024 will bring further legal and government action.

Implications

While the wheels of justice and regulation grind slowly, many of these actions have already come to a head. Meta is facing unprecedented fines from the European Union, and Google is settling class action suits that were filed more than a decade ago. Marketers need to prepare for a future where a few monolithic technology companies no longer command such a large portion of marketing budgets and consumer attention. This is likely to lead to further fragmentation in the digital marketing space, as concerns over hegemony and user wellbeing give rise to new players and business models.



Gaming and Esports



The gaming space has been exploding. Consumers of all ages and backgrounds are spending huge amounts of time playing games on PC's, consoles, and mobile devices.

The concept of Esports is also coming into its own. No longer the domain of a small set of hardcore gamers, this entertainment category has now moved from the basement to some of the largest venues in the world, drawing huge audiences in-person and online.

Implications

The time is right to invest in this category for businesses of all types. We are at a moment when investment, particularly in terms of marketing dollars, is lagging far behind consumer behavior. There is no category for which in-game advertising is not relevant. It touches every demographic, and audience attention is there. There is still time for brands to capitalize on an early adopter advantage. The space is still establishing norms and proving itself as a viable marketing channel. Marketers who create and execute strategies now will benefit as the space matures and more players enter.



Shifting Attitudes Toward Work



Accelerated by the fallout from the pandemic, people are looking at work differently. Once considered a perk or a novelty, flexible work situations are now table stakes.



Beyond expectations of flexibility, the pandemic seems to have served as an opportunity for reflection for many. There was already ample evidence of a trend toward better work-life balance, and that trend has accelerated. Employees are in high demand, and they are lobbying for better benefits, better working conditions, and frameworks that measure outcomes rather than metrics like physical presence or a number of hours.



More and more, employees also want to work for a company that is aligned with their values. This is more than words on a wall or in a mission statement; it is an ongoing demonstration of a company's commitment to the environmental, social, and governance issues that employees care about.



Implications

1 The idea of working from home is just the beginning. In the future, employers will be called upon to rationalize all of their expectations about their relationship with employees through a new lens.

2 Employers who can intersect this trend with logic, empathy, and progressive policy will win in the increasingly competitive war for talent. Conversely, employers who attempt to stick with outdated workplace conventions will struggle to attract and retain talent.

3 Trends like the great resignation and the anti-work movement will continue to plague companies that don't create strategic plans to meet today's workforce where they are.



Resources for Current Concerns



Big Tech Backlash & Legal Action

- What Google's Trial Means for the Company – and Your Web Browsing
- FTC Sues Amazon for Illegally Maintaining Monopoly Power
- Google Agrees to Pay Up in 12 Year Class-Action Lawsuit
- 'Largest Number of Claims Ever Filed': 17M People Validated to Receive Facebook Settlement Payment

Gaming and Esports

- 7 Huge Gaming Industry Trends 2023-2026
- In-game Advertising: A Marketer's Guide
- Why the IAB's Updated Measurement Guidelines Could Be a Watershed Moment for In-game Advertising
- Twitch Users – How Many People Use Twitch (2023)

Shifting Attitudes Toward Work

- What Corporate Leadership Can Do About Shifting Employee Expectations
- What Gen Z Wants from Employers
- Early Adopters of a Four-Day Work Week Have Published a Tactical Guide to Planning and Piloting a Shorter Week
- More than Half of Workers Would Consider New Job; Even Top Earners Not Satisfied



EMERGING ISSUES

Retail Media

The explosion of the Retail Media category has retailers large and small looking for ways to become a media company. What started with monolithic commerce players like Amazon and Walmart is now reaching down into much smaller regional retail chains and ancillary players like Instacart and Cars.com.

While things like sponsored listings and other owned and operated inventory opportunities persist, the use of audience data for programmatic, social, search, and other channels is driving the exponential growth of this space.

Implications

1

Retail Media is no longer relegated to brands who sell physical products online and/or in-store. Given its size and potential to impact the marketing landscape, retail media must be a consideration for virtually every client.

2

In the age of online addressability signal loss (cookie deprecation in particular), the first-party nature of retail media data makes it an increasingly essential part of almost any marketing strategy. Couple the richness and durability of retail media's shopper data with its inherent measurability, and you can see why it's projected to be a \$100 billion category over the next few years.



Healthcare Disruption



The healthcare market in the United States is ripe for disruption. Healthcare costs have skyrocketed over the past four decades, while outcomes have trailed behind other developed economies. The lagging patient experience and dearth of tech-enablement of this space, coupled with growing cost inefficiency, make it the ideal target for growth-hungry tech companies.

Amazon is the clear first mover, having opened its own pharmacy online and purchased a large primary care practice with physical locations. Other tech giants and large companies are almost certain to follow suit.

Implications

This level of potential disruption has huge implications for healthcare marketing. Brands who play in this space will be forced to focus more and more on efficiency and outcomes. Just as the pandemic accelerated unearched pent-up demand for services like telehealth, disruption in cost efficiency will transform and modernize marketing budgets with accelerating speed. As patient expectations evolve, so must the focus of brands (including pharma) on the patient experience. Those brands able to disrupt themselves and change their approach to marketing will come out the winners.



Uncertain Economic Forecast



Rising interest rates, inflation, supply chain issues, and labor shortages have economists scratching their heads about what many thought was an inevitable recession. With the rising cost of electricity, gas, and groceries largely to blame, recent figures suggest that more than three-quarters (76%) of consumers are concerned about the impact of the rising cost of living, resulting in lighter household consumer spending and cutting back on non-essentials (brands, products, and services).

Interest rates are at their highest level in decades, making the cost of borrowing and investing in business growth more expensive.

Implications

1

During economic downturns, brands of all industries turn to cutting budgets due to external and/or internal pressure. Investing not only in ad spend, but also in client-agency relationships, is key to emerging stronger in the recovery.

2

As the industry faces a market of uncertainty, media investments should be addressable, accountable, and measurable. Brands will likely look to be creative with their media investments (inclusive of creative efforts and media placements) to drive long term growth and will almost certainly demand demonstrable results from all media and marketing efforts.

3

While data clearly shows that brands who continue to invest through economic downturns come out much stronger than those who don't, paid media investment is often one of the first things on the chopping block. Agencies will need to make strong cases for their media plans in the face of this trend.



Quantum Computing

Investments in quantum computing have skyrocketed globally in recent years. This is the first real change in the basic mechanics of computing since the invention of the computer. It is a shift from binary to multi-state calculations, and it has the potential to be millions of times faster than the world's fastest conventional computers.

Implications

This level of acceleration in the capabilities of computing has the potential to change every aspect of the business world. For agencies, this could introduce new formats and experiences for brands to interact with consumers. It has the potential to accelerate the concept of artificial intelligence and potentially automate more and more service tasks. It also presents material security concerns, as quantum computers would be able to bypass current standards of encryption.



Resources for Emerging Issues



Retail Media

- The Evolution of Retail Media Networks: The First-Party Data Revolution
- Retail Media Ad Spend Will More Than Double By 2027
- How Advertisers Are Grappling With the Influx Of Retail Media Networks
- How Rising Measurement Standards Are Boosting Retail Media

Healthcare Disruption

- Special Report: How 7 Disruptors Will Transform Health Care in 2023
- Can Amazon and Big Tech Make American Health Care Less Painful?
- Explained: Amazon Pharmacy and Changes it Brings to Pharmaceuticals
- Mark Cuban's Pharmacy Adds 50+ Drugs, Rolls Out Social Media Community

Uncertain Economic Forecast

- What Causes Inflation?
- Three Principles to Emerge Stronger From Economic Crisis
- Key Insights for Marketers in the Cost-of-Living Crisis
- WARC Talks: Media Inflation

Quantum Computing

- What is Quantum Computing?
- Defense Department Must Determine the Threat from Quantum Computers
- Quantum Computers Could Crack Encryption Sooner Than Expected With New Algorithm
- The CIO's Guide to Quantum Computing



FUTURE FLUCTUATIONS

Virtual, Augmented, and Mixed Reality



The concepts of virtual, augmented, and mixed reality have been topics of conversation in our industry for years. Recent innovations, however, have increased the feasibility, accessibility, and adoption of these technologies. While related, these three concepts do have discrete definitions.

Virtual reality is an immersive technology that creates a separate reality for the user to experience. This is generally achieved through a headset and some form of haptic controller or controllers. Popular examples include the Oculus Quest devices and PlayStation VR headset. Augmented reality is a technology that overlays information and/or visuals onto the real world. This can be accomplished through common devices like smartphones or emerging technology like smartglasses. Popular augmented reality examples include the new Meta Quest 3, Amazon's 'View in Your Room' feature and the Pokémon Go smartphone game. Mixed reality, as the name suggests, combines elements of virtual reality and augmented reality. While virtual reality creates a new reality and augmented reality enhances the real world, mixed reality enables interaction and manipulation both of the real world and virtual elements. Popular examples include Microsoft's HoloLens and Magic Leap.

Implications

1 These technologies and concepts will allow marketers to create new experiences for their audiences. It will create content opportunities for clients to explore. As these technologies continue to mature, there will likely be increased opportunity for paid media inclusion in virtual, augmented, and mixed reality spaces.

2 For healthcare, this has the potential to change a wide variety of things from telemedicine visits to procedures performed virtually.

3 For retail, this includes features like seeing what a piece of furniture would look like in your room or how you might look in a piece of clothing. It's critical for marketers to begin thinking about the implications of these technologies on their marketing efforts and their industries.

The Rise of Digital Audio



Digital audio is having a moment. Digital audio, social audio, podcasts, chat, however you want to consume it, audio is on the rise. Spurred on by the pandemic and broader shifts in consumer behavior, adoption of digital audio is rising rapidly. This includes big platforms like Pandora, Spotify, and iHeart Media, and smaller, more niche platforms like Tidal and Idagio.

While traditional ad formats will likely exist within these emerging audio platforms, they will also provide opportunities for thought-leadership, open forums for brand-to-consumer discussion, and unique customized content-first ad formats to create engagement.

Implications

Digital audio is a growing and expanding space for customer engagement and should be considered as part of the media mix (paid, earned, and owned) in 2024 and beyond. Time spent with audio is on the rise and projected to continue its trajectory as additional audio-first experiences are introduced within social and digital channels. While it may lack the panache and sizzle of its cousin, digital video, audio offers a level of intimacy that is unique among marketing channels. Marketers who engage in this burgeoning space will have a leg up on making genuine connections with customers in 2024.



Web3



Web3 is an umbrella term that generally refers to a series of developments that point to a more decentralized Internet. This is largely centered around concepts that are built on blockchain technology, concepts including cryptocurrency, nonfungible tokens (NFT's), and the metaverse. The 3 in Web3 refers to the third generation of the Internet. In the simplest of terms, here's how those generations are defined:

Web 1.0

Online publishing and early e-commerce.

Web 2.0

The rise of the platforms, social media, and advanced digital commerce.

Web3

An economy that is defined around digital assets transacted and valued in a fully decentralized manner.

Implications

1 While Web3 is not the hot topic it was just a couple of years ago, it still has meaningful long-term implications for the marketing world. One of the main promises of Web3 is that it could empower individuals over companies and platforms.

2 A commerce framework based on blockchain could, theoretically, operate exclusively on a peer-to-peer basis. An identity solution based on blockchain could put online footprints into the hands of users, allowing them to consciously trade with their own data online versus being tracked.

3 NFT marketplaces allow users and brands to trade digital assets directly with no fear of counterfeiting or theft.



Resources for Future Fluctuations



Virtual, Augmented, & Mixed Reality

- Meta Unveils High-end Quest Pro VR Headset
- Marketing Using Virtual and Augmented Reality
- Virtual-reality Tech is Fast Becoming More Real
- How VR Will Impact the Future of Marketing

The Rise of Digital Audio

- Four Trends That Will Rock Digital Audio In 2023
- U.S. Digital Audio Users 2022
- Expand Influencer Strategy to Include Streaming Audio

Web3

- Crypto Enthusiasts Want to Remake the Internet With 'Web3.' Here's What That Means
- Battle for the Soul of a New Web
- Web3 Is Coming – What Does It Mean for Brands?
- Web 3.0 Can Repair the Attention-Driven Digital Economy

Let's connect