



mediacom

Trends 2021

Peering into the future through binoculars that have steamed up from wearing a face mask



- 01 Gaming: Not if but how
- 02 5G: Blurring the lines between IRL and IVL, and supercharging everything else
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A hand holding a black game controller in front of a backlit keyboard and a monitor displaying a game.

01

**Gaming, not
if but how**



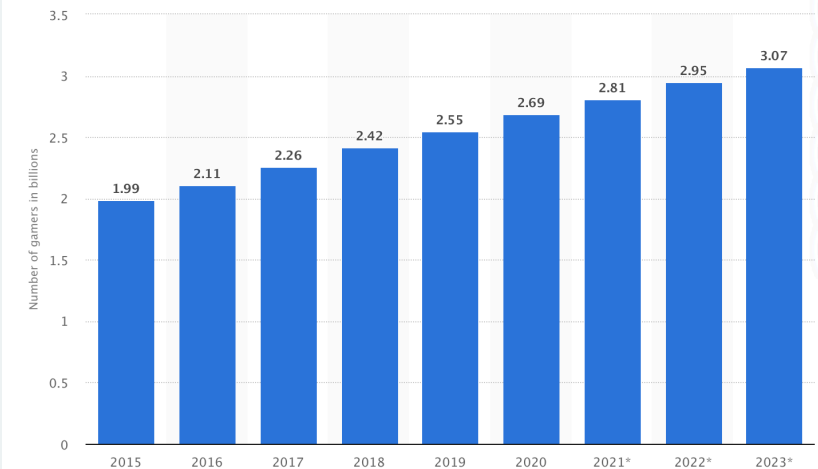
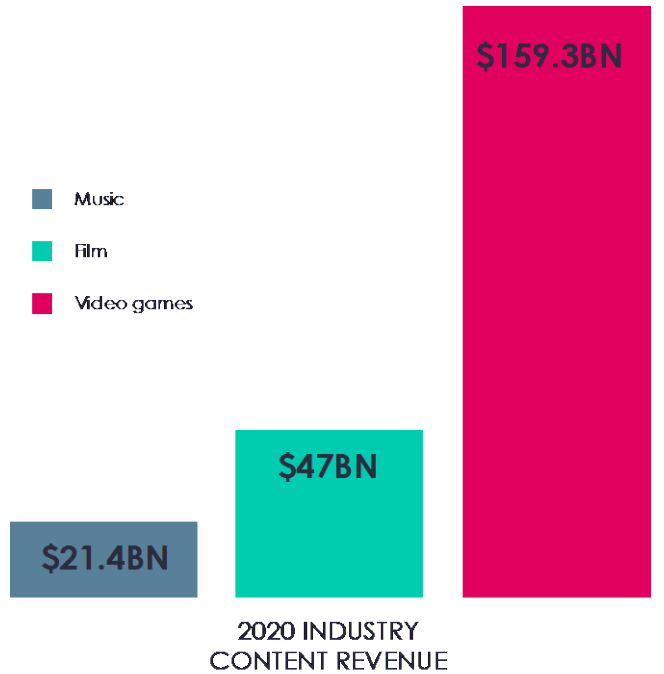


In the 2020s gaming will dominate entertainment

Accelerated by COVID, gaming is now a mainstream entertainment industry, like music and sport. There are now 2.7bn gamers globally, a billion more than five years ago vs 1.03bn TV/VOD subscribers, and 0.45bn pay music subscribers. Estimates predict nearly \$160bn will be spent on games this year. Last year players spent 1 trillion hours playing games and 25 billion hours watching gaming streams. On average, players aged 18 to 34-years-old spent more time playing than on social media or watching TV.

Yet, despite four times more time spent on games than on TV, advertisers spend 40 times less money on gaming.

So, in the 2020s gaming will dominate entertainment from a usage perspective, and brands need to catch up with our audiences.





It's not just about playing games, it's about watching others play too

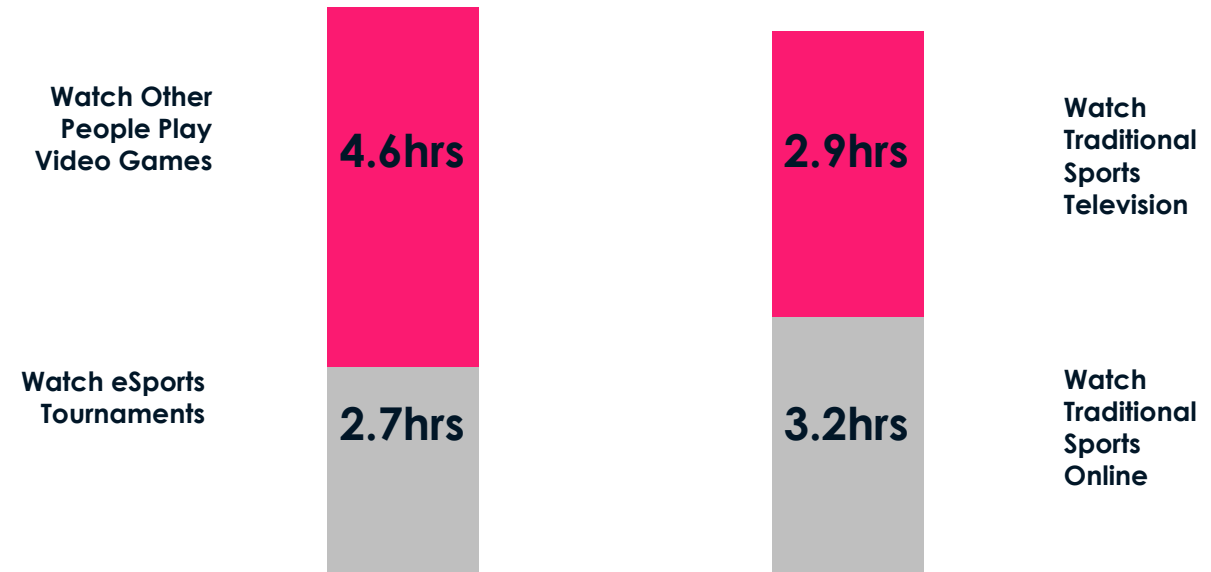
Twitch, the Amazon owned streaming platform for gaming grew by up to 1/3 in March alone and set a record of 22.7 million daily active users globally.

There are c.2.5m streamers broadcasting on Twitch, with an elite group of 12k who command huge audiences. The top 50 Twitch channels have average concurrent viewership of 30-100k. And as an example, gaming influencer Ninja (before he moved off Twitch) commanded 15m followers and 482m channel views whilst.

Gamers now spend more time watching others game than they do watching traditional sport.

In 2019, the Superbowl final generated an audience of 107m, whereas the e-sports LOL World Championships generated 99.6m.

How many hours each week do you do the following?



SOURCE: LIMELIGHT NETWORKS, "THE STATE OF ONLINE GAMING" 2020
ALL RESPONDENTS PLAY VIDEO GAMES AT LEAST ONCE A WEEK

It's not just massive, it's mass

Advertising investment in gaming lags behind its popularity and usage. One reason, perhaps, is a misunderstanding of what a 'typical' gamer looks like. Contrary to the stereotype of the teenager or middle-aged man stuck in his youth, nowadays your everyday gamer is likely to look a lot like you or me. In fact, he (and increasingly she) is you or me, playing through our phones and social platforms.

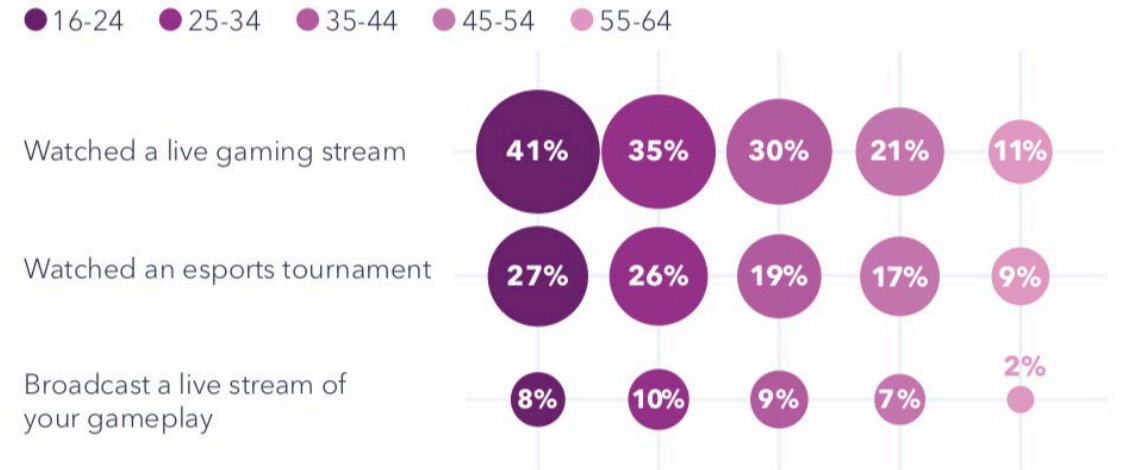
Research conducted by Activision Blizzard Media shows that around one in three adults across the US, UK, France and Germany is a 'gamer'. 40% are women, while the average age of players is 34/35 years old. Facebook estimates the true UK figure is even higher, at 50%.

This trend towards mass usage has accelerated over Covid. Bidstack research points to an increase in video game use across all generations this year; with Gen Z up 47%, Millennials up 41%, Gen X up 27% and Baby Boomers up 25%.



AGE

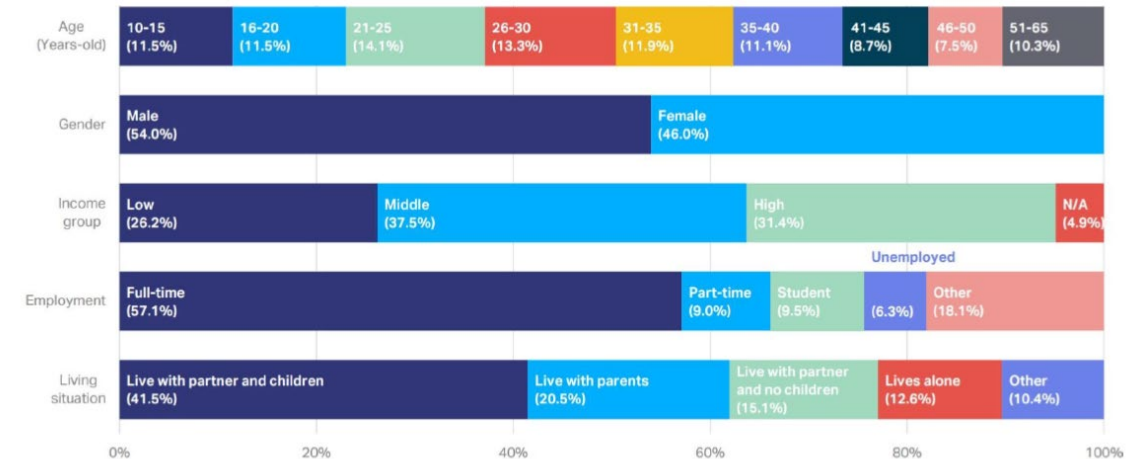
% of internet users who have done the following in the last month



Global gamer demographics

% of all gamers

WARC[^]



Gaming has become an entertainment lifeline for the masses over Covid

When Covid hit, and we all locked down, gaming became a lifeline in several ways. It became a way of entertaining your family and yourself in the confines of your home.

Parents who were previously trying to limit the amount of time their children spent gaming, suddenly encouraged it, and joined in.

And for kids and young adults it became a way of beating the isolation of lockdown, of connecting with communities and friends IRL whilst IRL was put on hold.

"Working together toward a shared in-game goal is a powerful way to build bonds with and get to know others, and that social connection is paramount for mental health." - Susan Rivers, *the Thrive Games Foundation*.

"I would say gaming on the Xbox with my friends saved my sanity during the spring lockdown. I bought a mic just before COVID-19 first struck and it allowed me to chat – almost as if I were face to face – with my friends. I thought I wasn't going to be able to talk to them in months and would lose relationships, but with live chats it kept friendships intact and even made them stronger". - Max, 16, Bath.

Active Gaming Can Help Children, Teens Battle Loneliness during Pandemic, Experts Say



Even in a pandemic, the PS5 was more popular than toilet paper

We can see how mass reaching gaming is now, with the launch of the PS5.

PlayStation Boss Jim Ryan recently spoke of the pandemic challenge; the launch of a console in the midst of a global pandemic has been "a rollercoaster" he says. "The most extraordinary thing is all of this has taken place in 2020. The one thing I've learned is I'll never do this again in a pandemic". The company's been "astonished" by the level of pre-orders. If you needed more proof that the PS5 was a hit, just look at Google. The search giant just published its annual year in search, where it looks at trends in the sorts of things that people looked for and the sorts of questions people asked over the past 12 months.

They were, for 'where to buy' in order:

- Where to buy PS5
- Where to buy toilet paper
- Where to buy face masks
- Where to buy Xbox Series X
- Where to buy hand sanitizer





So, what is the role for gaming?

Just like any media there are different ways to use
gaming to achieve your objectives



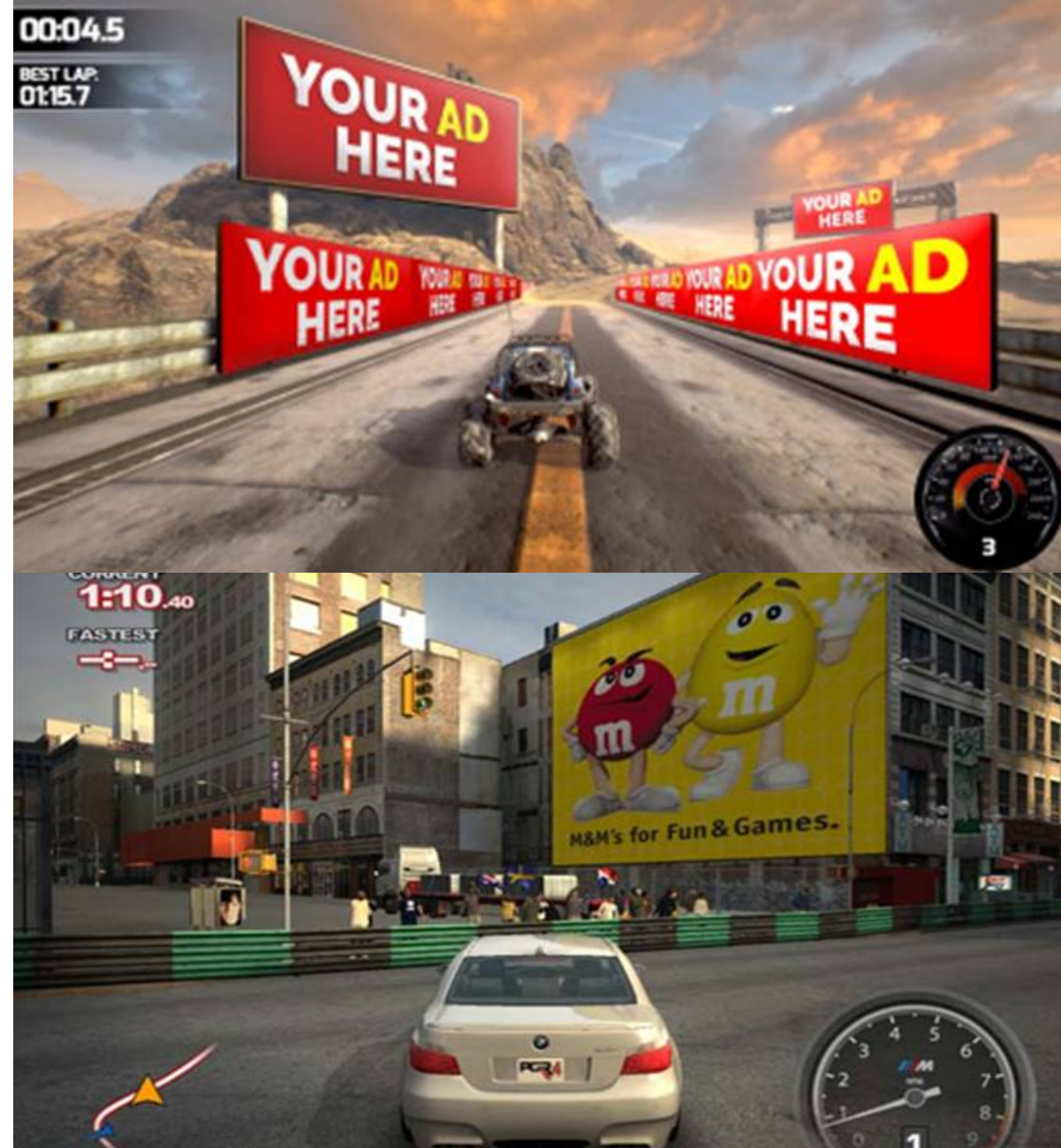
1. Game engines as scale advertising environments

The reach numbers available to advertisers in-game are enormous but perhaps even more so is how engaged they are. In a time where reach is harder to buy in traditional channels than it's ever been, games offer staggering scale and collective understanding. The finale of Fortnite season 4 has 15.3 million players engaged at once, while another 3.5 million watched on YouTube and Twitch. For brands, these are the X Factor finals and Superbowls of tomorrow.

So, what does this look like? Streaming or In-game advertising refers to advertising in video games or while watching, with advertisements integrated within computer/console games and mobile games. This is generally seen in the use of pop-up messages, cut-scenes, on-screen adverts, billboards, and background displays. Virtual spaces are sold for advertising purposes to advertisers, much in the same way digital space can be bought programmatically. They are unskippable, unblockable and targeted.

Brands can do simple mobile programmatic native advertising. We can extend digital reach of campaigns via scalable, affordable native integrations within gaming by thinking about partners like Anzu who have a scaled programmatic solution.

We can extend social and whilst planning Facebook, Instagram, Twitter and TikTok strategy we need to think gaming. At the moment, this is likely to be Twitch – but we sense more platforms will follow. A cost-efficient extension of a social campaign, talking to a new audience.





Fanta

Fanta used display native advertising, scaled across a network of mobile games. Ads are programmatically scaled in-game across potentially hundreds, if not thousands, of mobile games. This was targeted through geo-targeting, age targeting, and frequency capping - which are just a few of the many targeting options available within potential tech partners as a way to effectively reach the elusive 18-35-year-old demographic.



2. Game integrations to influence new audiences

As virtual social interaction matures it becomes as big an influence on the identity of those engaged as physical social networks.

This has created a new space in which to shape people's preferences and drive cultural impact. Deeper game integrations offer an opportunity to borrow credibility and kudos from the games your audience are so passionate about, and place your brand at the heart of an increasingly visible virtual world.

And the fashion brands have leapt on this trend. Louis Vuitton created their own retro game, and did an Animal Crossing native integration, creating virtual clothing for Animal Crossing avatars, designed by the gamers themselves.



The background image shows a virtual character, Alex Hunter, in a virtual environment. He is a young man with short dark hair, wearing a red soccer jersey. He is holding a red Coca-Cola Zero can. The environment appears to be a virtual stadium or arena with a large red and white wave graphic on the wall in the background. There are also some technical elements like lights and rigging visible in the scene.

Coca-Cola and Alex Hunter

Coke signed an ambassador deal with virtual FIFA football star Alex Hunter to put the brand at the heart of the games narrative and reach a younger football gaming audience. For Coke, Hunter represented the democratization of football stars, a character who the gaming audience immediately loved and identified with.



KFC and Onmyoji

This is the largest gaming collaboration any brand has ever initiated in China. *Onmyoji* is a role-playing battle game where gamers hunt down ghosts and then turn them into secret weapons. To tap into this incredibly active community, KFC transformed 5,000 of its stores into real ghost-hunting battlegrounds for gamers. To convince gamers to go to KFC stores, it incorporated those KFC locations into the game's location-based service system. Gamers could find the most sought after, limited edition ghosts only in KFC stores. Once in store, gamers could invite friends playing the game to hunt down in-store ghosts. On social platforms, it extended the plot of the games and created additional comics.

3. Gaming as metaverse

Virtual and social spaces have been a growing trend in gaming for over a decade now. However, owing to the lack of physical gatherings this year, the use of games as a “metaverse” has accelerated.

Games as a platform for hosting virtual activities will be one of the most impactful trends for the coming years, simulating experiences such as fashion shows, music performances, movie viewings, and more. Examples include, Lil Nas X’s performance in Roblox, Travis Scott’s and other music performances in Fortnite, marriages, graduation ceremonies, and even funerals taking place in Animal Crossing. Despite taking place within games, these non-gaming experiences have the potential to draw in non-gamers.

The value of collaborations is beginning to show itself—for publishers, artists, and brands alike. Travis Scott, for example, reportedly grossed roughly \$20 million for his Fortnite concert appearance. Even beyond the pandemic, we will see brands experimenting in the space as digital events will complement their real-world counterparts (and vice-versa).





Lil Nas X and Roblox

Lil Nas X promoted his new single "Holiday", by partnering with Roblox. He performed to an audience of millions across two days and four shows in the hit kids' game Roblox. The shows gathered 33 million views in total across the performances. The identical shows starred a motion-captured incarnation of Lil Nas X, styled to fit in with a world that shifted to match each of the four songs he performed.

4. Gaming influencers

With the rise of Twitch, YouTube Gaming, and Facebook Gaming, we have seen a new breed of gaming and esports influencer emerge. They command huge audiences, passion and time spent and are skilled entertainers and even comedians.

There are c.2.5m streamers broadcasting on Twitch, with an elite group of 12k who command huge audiences. The top 50 Twitch channels have average concurrent viewership of 30-100k. And as an example, gaming influencer Ninja (before he moved off Twitch) commanded 15m followers and 482m channel views whilst. Riot Games commands 4m followers and 1 BILLION channel views

And it's not just big name influencers, we have also seen a rise of micro influencers, with 16-35s 1.2 x more likely that pre the pandemic to broadcast their own gameplay. The rise of gaming influencers is going to continue, especially as platforms like TikTok also make a bigger play into gaming. Existing gaming influencers have also moved onto TikTok. Ninja for example has 2.5m followers, and the likes of Pokimane has 2m.



A promotional image for the Adidas and Ninja collaboration. It features a close-up of Tyler 'Ninja' Blevins' face at the top. Below him, a white text box contains the title and a paragraph. At the bottom, a person is shown holding a pair of blue and white Adidas sneakers with 'NINJA' and 'NITE JOGGER' printed on them. The background is a blue, digital-themed space with floating keyboard keys like 'A', 'E', 'CTRL', and 'D'.

Adidas and Ninja

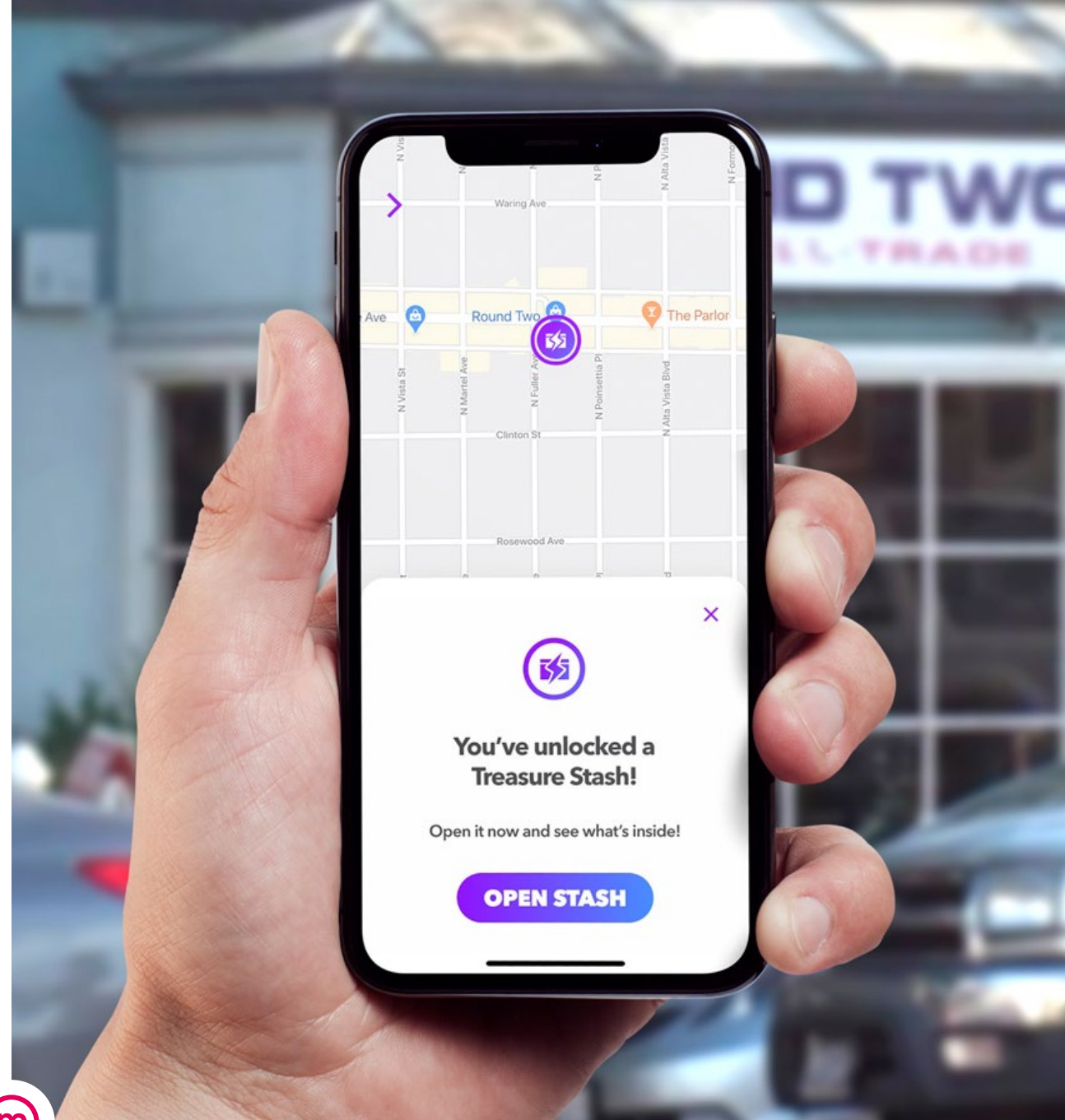
Adidas sponsored Tyler “Ninja” Blevins, probably the most recognisable gaming streamer in the world. They have collaborated on a number of campaigns including utilising Ninja in lifestyle & running campaigns and fronting certain Adidas Original activity alongside talent in the cultural world outside of gaming. They even released a sneaker together: a Ninja-themed Nite Jogger shoe.

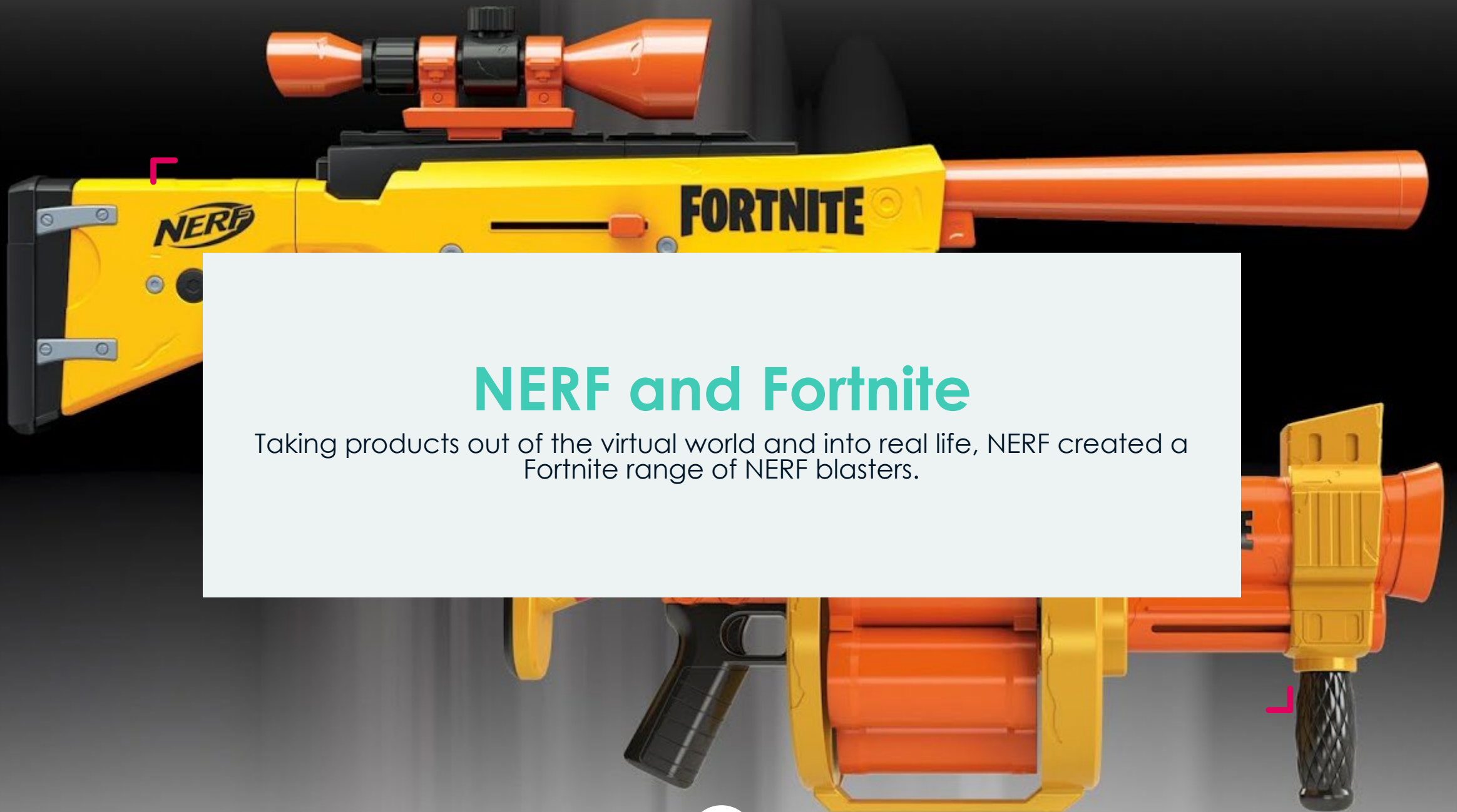
5. Gaming as commerce platforms

Gamers are well versed in trading physical currency for its digital equivalent; billions are spent each year on V Bucks (Fortnite) FUT points (FIFA) and Robux (Roblox).

This year we've seen the growth of spending on virtual products and services diversify hugely and we have seen products extend from the virtual world into the real world.

Be it tickets to virtual concerts – such as those hosted by Billie Eilish or Dua Lipa in the last few months, or buying NFTs like virtual trainers in Aglet, digital couture for Instagram, or digital artwork through Nifty Gateway, people are increasingly comfortable ascribing real monetary value to digital products, services and experiences.





NERF and Fortnite

Taking products out of the virtual world and into real life, NERF created a Fortnite range of NERF blasters.

But beware inauthenticity

Ultimately gaming is simply another avenue through which people can seek entertainment and trying to be clever in how to infiltrate entertainment spaces without being respectful or authentic can quickly cause audience anger.

For example, Burger King's Twitch bungle. There is a bot on Twitch that reads out messages from fans during a stream. It's designed so viewers, in exchange for a small donation, can ask their favourite streamers questions or comment on how they're playing. Burger King hijacked it to advertise its latest offers. It got exposure that would have cost thousands of pounds for as little as £2.50.

RubberNinja, a gaming influencer said: *"We generally follow protocol when it comes to doing advertisements. You have to disclose that it's an ad to your viewers."*

Ross O'Donovan said, *"It costs a lot more than \$5 for a company to partner with a streamer, so it's just very scummy to circumvent that whole thing and do it through a donation."*

As was the case when brands first started tapping into social media, we need to ask the question – how can our existing brand persona compliment this cultural context in an authentic and respectful way as opposed to reinventing it for the sake of a new opportunity?



Gaming, not if, but how

Accelerated by COVID, gaming is now a mainstream entertainment industry, like music and sport. It is now not just massive, but mass, with new audiences getting into gaming throughout the pandemic. But advertising investment in gaming lags behind its popularity. It's crucial that we see the bigger picture of the entire entertainment category, and this now includes gaming.

Tech evolution is driving cultural evolution which in turn is driving tech evolution – and the virtuous circle continues to gather momentum. Tech is making everything faster, deeper, cheaper - this includes VR going deeper and AR going wider meaning more people, playing more often, getting deeper into virtual experiences, on smarter devices.

And the big step change we expect from gaming over the coming years is that it will be more important than any other entertainment form, because it will eventually contain music, film, ents etc. To understand the opportunities, we should think about how brands should integrate into a engaged environment and community. Not if, but how....



For more information and to find out about workshops available to help brands find their roles in the world of gaming, contact:



Lindsey Jordan
Joint Head of Strategy Team
Lindsey.jordan@Mediacom.com



Andrew Raymond
Strategy Associate Director
Andrew.Raymond@Mediacom.com



Jack Bradford
Sport & Ents, Account Manager
Jack.Bradford@Mediacom.com



02

**5G: Blurring the lines
between IRL and IVL and
turbo charging everything
else**



5G is about to become reality

2019 saw the launch of the first permanent 5G network at London Fashion Week, and this really did mark the beginning of the 5G era. We expect it to expand significantly over the next few years as we enter the fourth age of connectivity. It's possible that the upgrade to 5G may be the most significant enabling event in the brief history of the internet.

5G, the next-generation mobile framework, started to roll out in 2019. It will set new expectations of opportunities to advance the way we interact with each other, and with both our communication and content choices and the built environment. Simply put, 5G is a new set of rules and standards that guide smartphone manufacturers and network operators to create a more efficient mobile experience.





「The UK is poised to upgrade

5G is about to become reality. 1 in 5 adults intend to upgrade to 5G. This increases to 1 in 3 of 18-34s.

Being locked down under Covid and experiencing WIFI issues has made people even more ready for 5G. 71% of consumers have experienced poor network coverage at some point (83% of 18-34s). Now more people are aware of the benefits of 5G than ever before, and it feels more relevant to our lives. 45% of the UK were aware of the 5G benefits in March, rising to 60% in Sept.



Helped along by the iPhone 12 launch

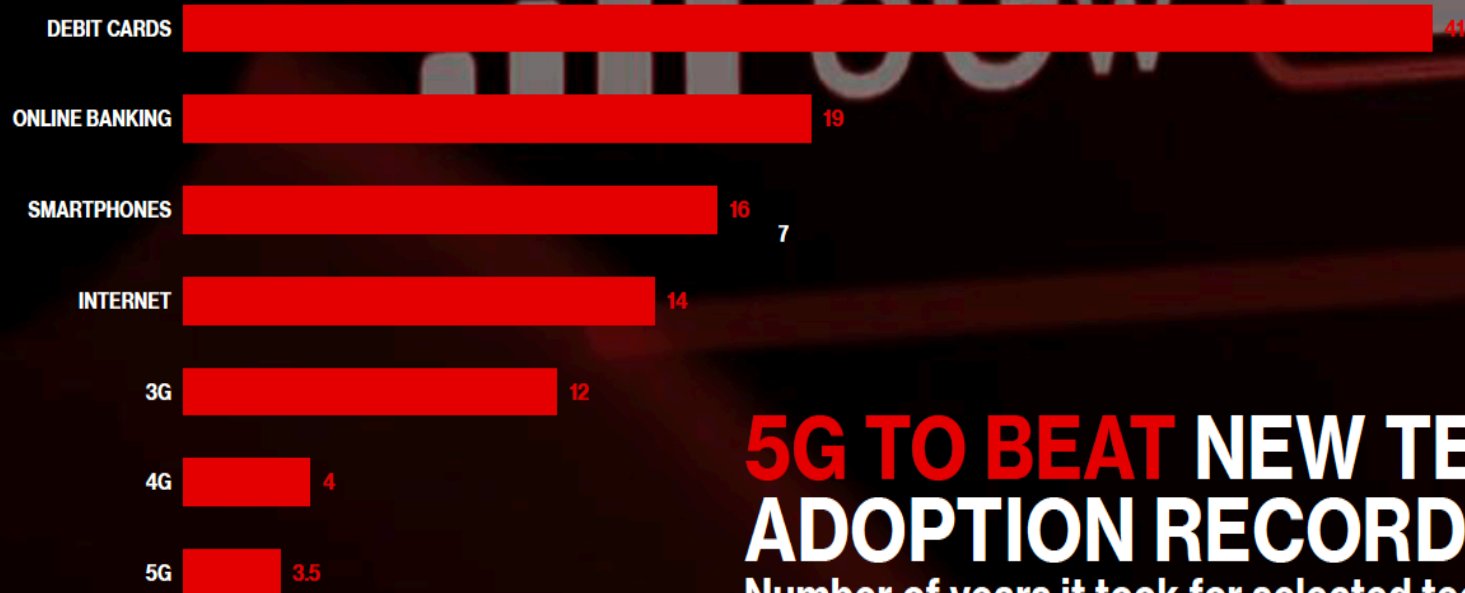
The iPhone launch will be a potential watershed moment with 51% of UK mobile users on iOS.

At the Apple Launch Event last year Tim Cook announced that all phones in the iPhone 12 line up come with 5G. The technology was front and centre in Apple's virtual launch. The iPhone 12 and iPhone 12 Pro became the world's first and second best selling 5G phones, accounting for over 24% of all 5G phone sales globally in October last year.

This coupled with aggressive government roll out plans for 5G networks including a new spectrum auction in Jan 2021, this has potential to be the 5G moment we've all been waiting for.



5G will be adopted faster than any other tech break through



5G TO BEAT NEW TECH ADOPTION RECORD

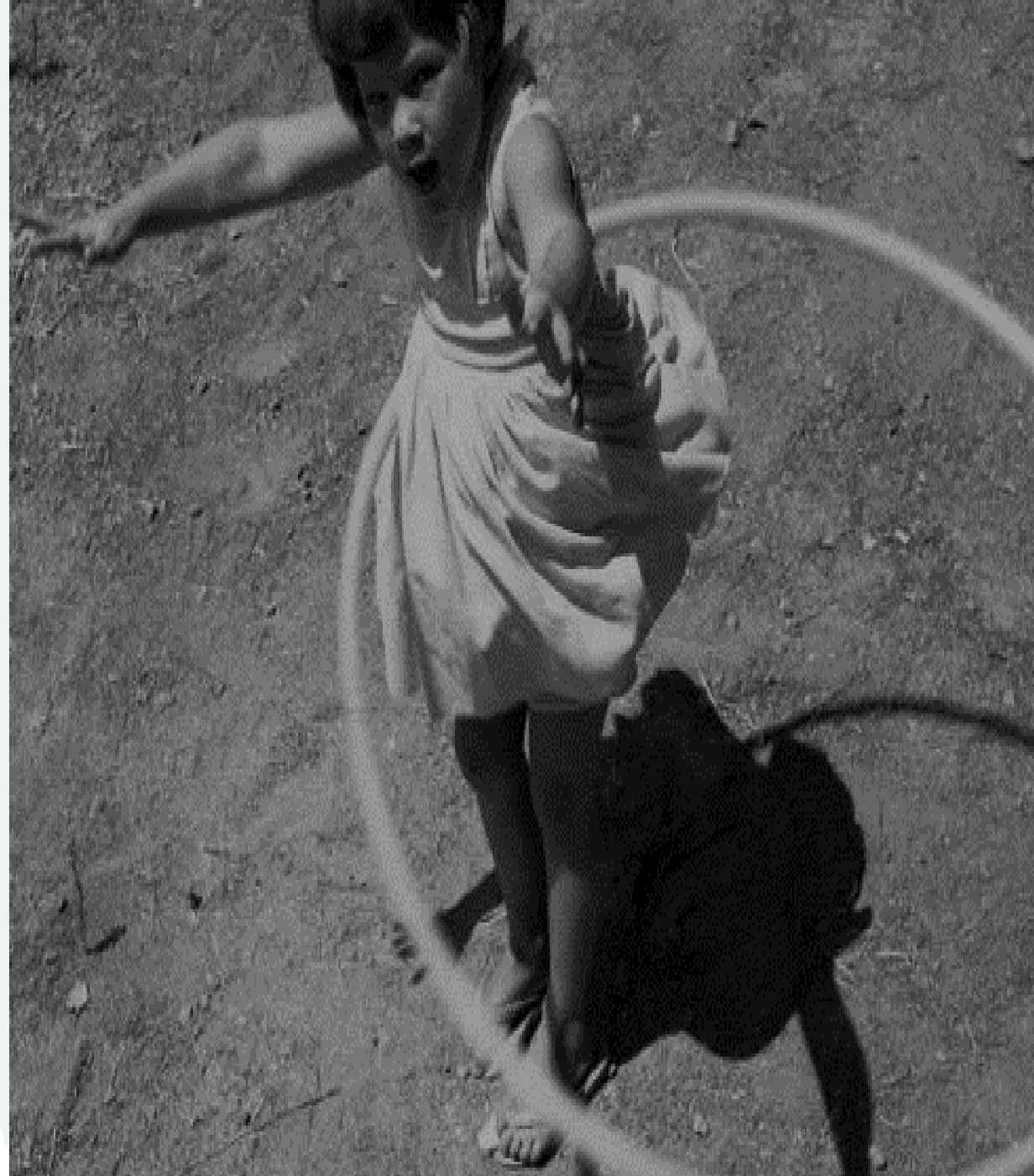
Number of years it took for selected technologies to reach one billion users

It will enable genuine real time communication

1G gave us voice, 2G gave us text, 3G gave us basic mobile computing, 4G gave us streaming, location apps and gave rise to the gig economy.

The big difference with 5G is with the speed of data transmission. To put 5G power into context, 1.4gb/s is one hundred thousand times greater than a 14.4 kb/s dial-up modem. Imagine a garden hose. The water flowing through it is data at 4G. 5G tech makes it a hula hoop. So shorter, but also wider. And much, much faster. To put it into numbers, at the moment it takes approximately 100 milliseconds for information to travel across a network. This is fast, but there is still a lag that makes it impossible to communicate in real time. With 5G this latency goes down to 1 millisecond. 1 MILLISECOND.

So 5G will enable genuine real time communication. And when we can communicate over a network in real time, proximity suddenly won't matter any more.

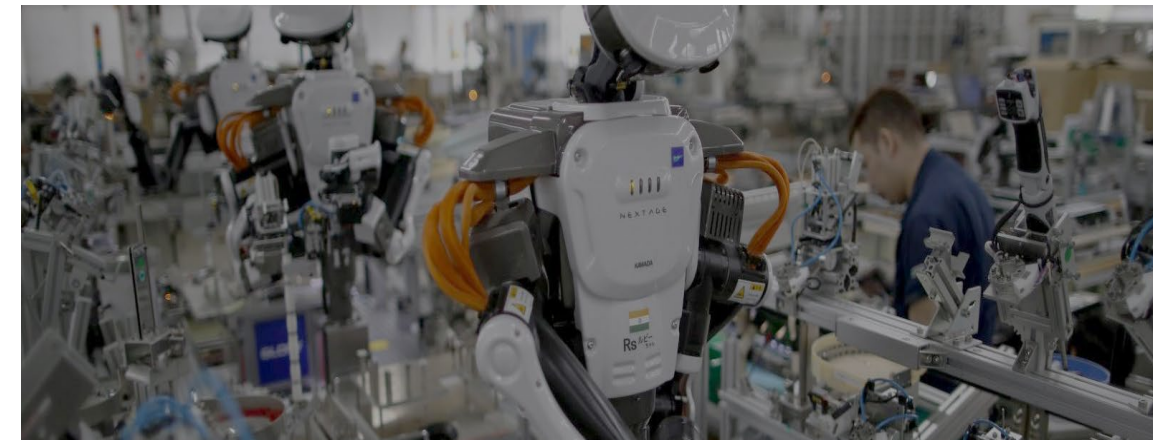


The virtual world will be as quick as the real world

The mass adoption of 5G will remove lots of the remaining friction and latency associated with data-heavy online experiences, creating a virtual world as quick as the real world. A world where proximity no longer holds us back and where data is transferred instantly is a fundamentally different world.

Augmented Reality would be table stakes for industries like retail and sport. Imagine a clothing retailer where you could try everything on via AR. Imagine a gym where your biometrics were measured in real time and altered your work-out in response to them. 5G will also release the bots, with instant connection giving rise to genuine scalable automation in factories, farms and tech companies as just a few examples. And without the barriers that the need for proximity brings, we see the pathway to digital therapeutics with patients treated at home via the help of VR and AR.

5G will fundamentally change the way we do business, the way we advertise, the way we buy, the way we exercise, the way we produce.



For us in the short term it means no more “buffer face” or “Zoom freeze face”

The world is going mobile and we're consuming more data every year. Existing spectrum bands are becoming congested, leading to breakdowns in service, particularly when lots of people in the same area are trying to access online mobile services at the same time. For us, especially locked down under Covid, that means loading times, patchy Zoom calls and BUFFER FACE.

5G is much better at handling thousands of devices simultaneously. So, whatever we do now with our smartphones we'll be able to do it faster and better.

If you are a gamer you will see less delay when pressing a button on a controller and seeing the effect on screen.

If you are watching a mobile video, it should be near instantaneous and glitch-free. If you are watching a movie on a Saturday night, you could download a high-definition film in a minute or so.

And for those working from home, video calls should become clearer and less jerky with no break in connection and no awkward freeze faces.





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So, what are the opportunities for brands?

What does a blurring of lines between IRL and IVL mean for brands?

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1. Blurring of physical and virtual in commerce

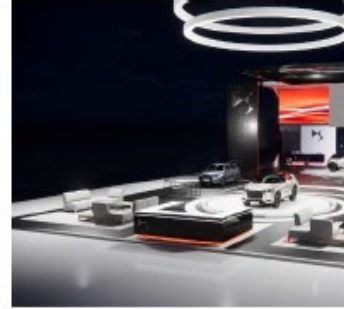
We expect large growth in mixed and augmented reality capability. And this has implications for how we shop, try and buy products.

In a Covid world where trying products in reality has become increasingly difficult, this opens up a virtual world of try before you buy.

So, you could try on clothes or shoes using AR, without leaving your home.

Or, for example, you could park your new car on the driveway before you buy it. Virtual reality is a popular option, and one being tested by many brands. With a VR headset, these test drives allow us to see cars inside and out. AR tech allows us to place a car on our street and have a closer look with just our phones and no specialist equipment.

You can also augment your physical footprint with virtual additions to bring to life your brand. And big players like Snapchat have introduced things like Local Lenses which blur the line between the real and virtual world. All brands with physical footprints should think about how to use their estate in virtual platforms.





Adidas AR Drops

Adidas launched the Ultraboost 19, but they only had a picture of the shoe, so the challenge was to get sneakerheads talking about a show that hadn't even been released. So, they used Apple Air Drop to create a medium for a digital, AR, try on. And they targeted this to people in Nike stores and other sneaker shops trying on other shoes. Then they dropped the experience into phones at basketball games, gigs, fashion stores. People could try on the new trainer by just pointing their phone at their feet.



Malteser Bunny Hunt

Maltesers created Snapchat's first ever AR scavenger hunt, inviting the UK to hunt down Malteser Bunnies for a chance to win £5000.

By using Snapchat's AR technology, they turned OOH phone kiosks into bunny hunting beacons across the country, creating a unique spin on the classic Easter hunt tradition.

2. Blurring of physical and virtual world in experiences

VIRTUAL EVENTS WITH LIVE INTERACTIONS

Virtual live events are already here. Billie Eilish's *Where Do We Go* livestream, Little Nas X's gig in Roblox or Travis Scott's live gig in Fornite pointed to the enormous potential here,

What does 5G add? 5G adoption adds location capability – tech-enabled live events offer all of the opportunity of live with none of the limitations of capacity, ticket price or human capability.

It also offers the chance to create next level experiences, for virtual events in virtual worlds and environments to have not only high fidelity but also real-life interactions in real time. They will feel like real experiences with all the real time interactions and immersiveness but in the virtual world.

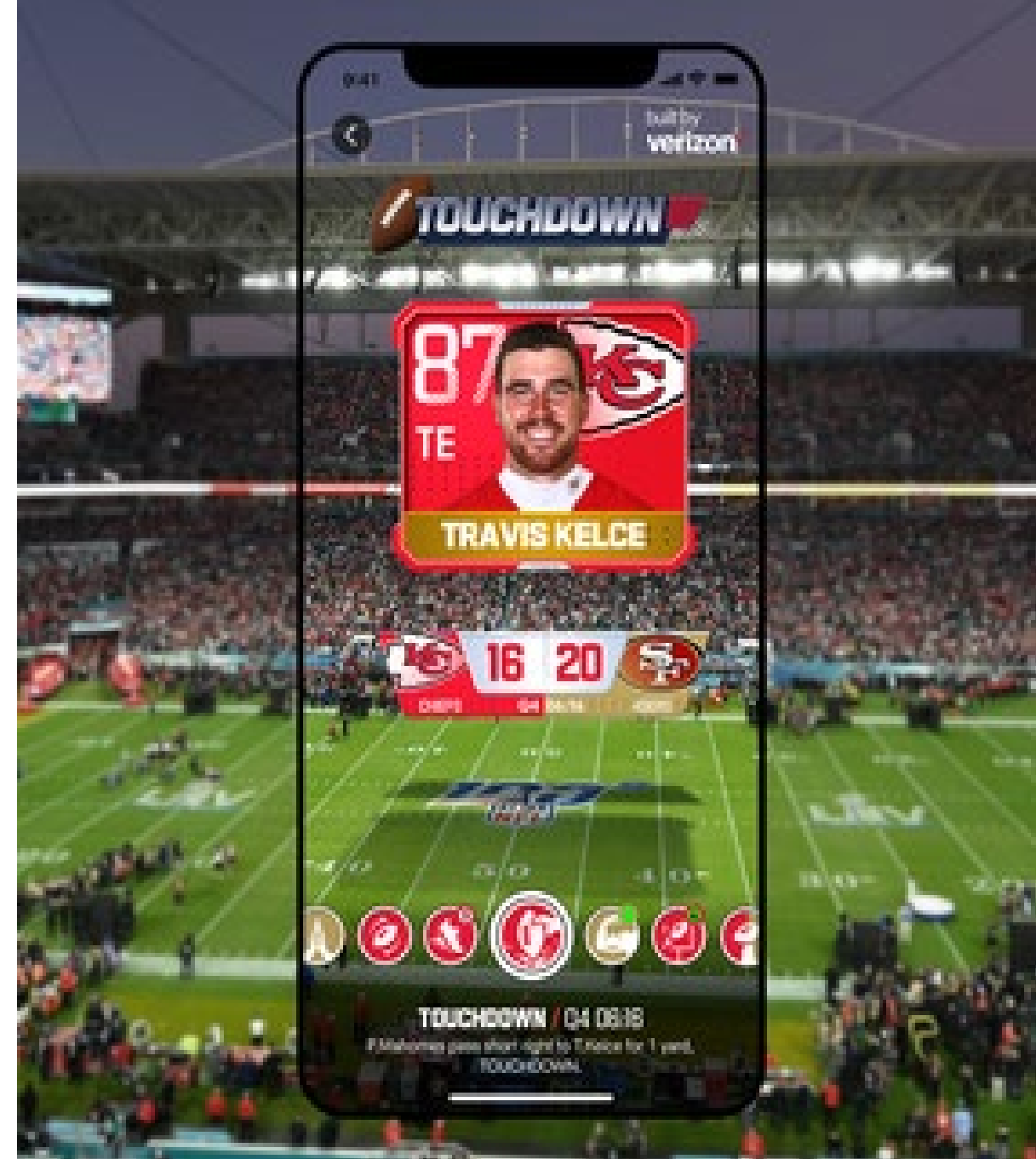


2. Blurring of physical and virtual world in experiences

LIVE EVENTS WITH VIRTUAL INTERACTIONS

The other acceleration we will see with 5G is the overlay of virtual interactions onto live events. This has grown massively over Covid as people can't actually attend events in the flesh but want to interact with them and get closer to the action. For example, when the Premier League started up again without fans in the stadia, it was notable for a lack of atmosphere, so they used virtual integrations to make up for this. They took crowd noise simulated from FIFA and played it over the games.

And it's also about adding virtual interactions into physical experiences for fans, for example, with the Superbowl.



NBA and Ryot

The NBA created virtual integrations at its games, with VR cameras mounted on scoring tables around the stadium. These gave viewers at home an immersive 360 VR experience, effectively a courtside seat, from wherever in the courtside you wanted to be.



Camera 2

Camera 3 - Post

Camera 4

Camera 5 - Wide Angle



Camera 6 - Glass



Camera 1 - Center Court

Camera 8

Camera 7



Fanta Twisted Carnival

At the heart of Fanta's association with Halloween for the past few years has been the kind of tech activations that will be dramatically enhanced by the rollout of 5G. In 2018 and 2019, meanwhile, to amplify our real live experience called 'The Twisted Carnival', we launched increasingly sophisticated Snapchat portals and lenses, delivering highly engaging but fearsomely frightening AR content directly to people's phones. Brilliant though they were, 5G would have made The 13th Floor more portable, and the 'The Twisted Carnival' even more immersive.

But what are the watch outs for brands?

When 5G reaches scale, consumer expectations will rise, fast. We are already all about instant gratification, and that's just with 4G.

The 5G generation will not tolerate any kind of friction. Any owned assets, websites and apps, will need to be ready to make the most of the data available.

Those who win will need to be absolutely frictionless.



5G, finally...

The scaling up of 5G will mean a completely connected world over time. This will inevitably mean media consumption will increase as users stream high-quality video on the go and when the linear relationship between data consumption and cost is broken. The increase in available bandwidth will be an accelerant for both augmented and virtual reality technologies, as well as for applications. This will have significant impact to your business from being able to truly connect the home, allowing for all products and services to be accessed and the full benefits to be fully realised. It will also allow for more immersive experiences in the home for new customers.

In such a world there is an opportunity for brands to maximise the blurring of lines between the physical and the virtual, between live and not live to create enriched experiences for their audiences and enriched ways of trying and buying products. Beyond media, when 5G really lands it will turbo-charge so many areas of our life, from driverless cars to telemedicine.



For more information:

We have mobile specialists across the WPP network, some of whom work directly with mobile networks, so we have a main line of the latest information and roll out of 5G, meaning we are best placed to make sure you are moving in the right direction, this topic will be added to the next Innovation session and all trends will be tracked and logged.

There is so much going on and every brand is different, but we are perfectly placed to help you navigate this space so please do reach out to us to have a chat or a free consultation with blink Consultancy and your MediaCom planner.



Richard Britton

Head of Digital Consultancy
Richard.britton@Mediacom.com



Lindsey Jordan

Joint Head of Strategy team
Lindsey.jordan@Mediacom.com