20
trends
for 2020

Our top trend picks that will shape the decade.

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Contents

2020 is the start a new decade, one that could be perhaps the most transformational 10 year span in our lifetimes as we sit on the cusp of a number of key technologies and trends hitting mass adoption; things like automation and artificial intelligence have led trend reports for the last few years with prototypes and promise, but in 2020 they will finally change the game.

2020 also marks the very first trends report from Akcelo, where we've spent the time scouring the internet, reading research reports, decoding predictions and harnessing headlines from our own experience to aggregate everything we think you need to know, about what's going to be big as we kick off the decade. All distilled down into this trends report, created for anyone in the digital, data, media & marketing industries.

So go on, grab that coffee, kick back and enjoy Akcelo's top 20 trends for 2020.

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Trends were produced prior to the outbreak of COVID-19.

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Building brands for the experience era

Innovation • Experience • Systems • Social • Storytelling • Ventures

1

Trend
#1

TikTok And The Rise And Rise Of Gen Z

Gen Z are the largest generation ever. And, as the first digital native generation, they don't see the world the way traditional marketers do.

" In 2020 we can expect TikTok to expand its branded content offering and analytical capabilities. "

Gen Z represents 40% of all US consumers. And in Australia they make up 20% of the entire population. That makes them the largest generation ever. As they become the most lucrative audience for marketers, it's essential to understand how to reach them and more importantly, connect meaningfully with them.

Gen Z spend more time on social compared to millennials, but on fewer platforms. The most popular ones are YouTube, Instagram and Snapchat. They've got a real hunger for video and live stream content. So much so that Cisco's VNI report shows

that, based on their numbers, video will represent 82% of all IP traffic in 2021.

TikTok is emerging as the next big thing for reaching Gen Z. If you're down with the kids you'll know it's all about creating short music, looping and lip-sync videos. Tik Tok has announced the launch of Tik Tok for Business, a platform that will provide marketers with a range of branded content and advertising solutions (such as the new Branded Scan which allows brands to add products into the platform in an engaging fashion) to help them with their campaigns on the platform.

Trend
#2

The Social Generation Gap
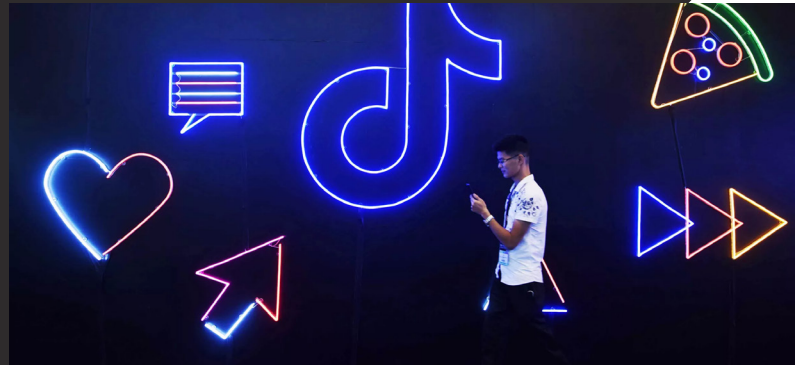
As TikTok closes in on a billion monthly active users, marketers need to look up from Facebook and take notice.

"The role TikTok plays in the social ecosystem is reminiscent of Snapchat and even Facebook once upon a time."

It's a long running line that social platforms become uncool as marketers figure out what to do with them. So its safe to say TikTok is still cool for now.

The platform skews young (69% of users are aged between 16-24) and adults continue to look at it with raised eyebrows as Gen Z unleashes their creativity through challenges, dances as well as staying on the app for an astounding 46 minutes a day. This is incredible as the average length of a TikTok is 15 seconds.

While TikTok is relatively new, the role it plays in the social media ecosystem is reminiscent of Snapchat and even Facebook once upon a time as it was the "newest" channel that had yet to be inhabited by advertisements (and even worse, their parents).

It'll be interesting to see if the gap increases as advertisers figure out the right way to approach TikTok and whether it's the next Facebook or the next Vine.
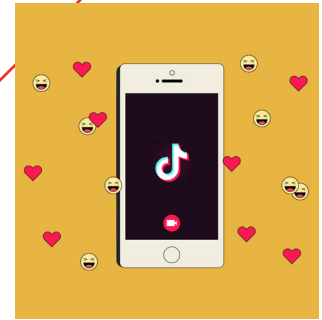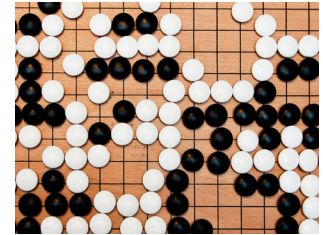
Trend
#3

Augmented Intelligence (AI) Is The New Artificial Intelligence

AI's evolution from efficiency driver to augmentor of human capabilities will accelerate.
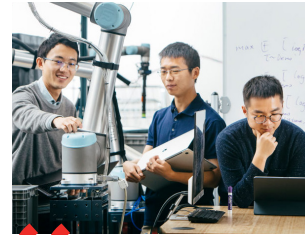
"Unlocking this potential will require a collaborative relationship between people and machines."

AI is maturing and as it does its role and potential is coming into focus, as are its limitations. Unlocking this potential will require a collaborative relationship between people and machines.

The Dock, Accenture's global innovation centre, has identified three areas that will benefit from such a posture: enhancing the human experience, empowering workers to manage complexity and envisioning new products and services.

Whether it's allowing biologists to see inside a living cell or AI applications to help railway dispatchers minimise delays the future is about working in partnership with our tools; not being replaced by them. So your job is safe, at least for this decade!

Trend
#4

4

Keeping It Unreal With AI

Rather than replacing people, Artificial Intelligence will free up marketers to concentrate on the things that really matter: creative and strategic goals.

"In 2020 the real leaps will be in email marketing, digital asset management, automated offers and video recognition."

Machine learning has come a long way from an IBM computer beating a current world chess champion. We now trust artificial intelligence to do everything from suggesting keywords to identifying fraud.

But where is AI going to be most utilised by marketers?

It's use in data analysis is growing steadily but in 2020 the real leaps will be in email marketing, digital asset management, automated offers and video recognition and processing.

The true breakthrough of AI is that it allows the re-allocation of human resources from anything that can be automated, so that your people can focus on things the machines can't: setting, curating and implementing creative and strategic goals.
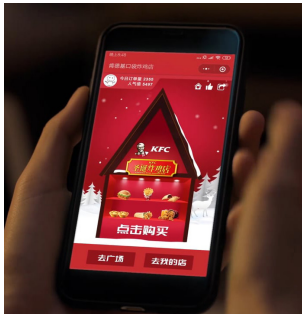
5

Trend
#5

Socialised Commerce Delivers Results

Platforms are mutating, opening up new ways for brands to get their products into the hands of customers. 2020 is the time to explore and experiment.

> " E-commerce will account for 60% of online interactions in 2020. "

In 2019 KFC China opened half a million stores in a day. This was not some miracle of Chinese engineering but an inventive use of WeChat, an 'everything app', and one of the more innovative examples of tech creating retail opportunities for business.

This fusing of social with e-commerce is gathering speed as the platforms accelerate their evolution, helping drive e-commerce to account for 60% of online interactions in 2020. A seriously remarkable number, but not surprising.

Social is one of the main things people do online and the third largest channel for media spend. The platforms have taken the next logical step giving users the ability to shop from their apps. Instagram, already getting hundreds of millions of taps on product tags, introduced it's checkout function last year. While Weibo and

WeChat have had commerce baked into them almost from the outset. There are lesser-known peer-to-peer commerce platforms too. Grailed for sneakers and Depop for fashion, for example.

Social users are now being enabled and encouraged to participate with brands in new ways, co-creating as well as buying or promoting. For marketers the possibilities are extremely exciting. And as KFC demonstrated consumers have an appetite for it. The most successful of its user-made WeChat stores sold a million dollars worth of chicken.

Trend
#6

InstaCommerce Invigorates Influencer Marketing
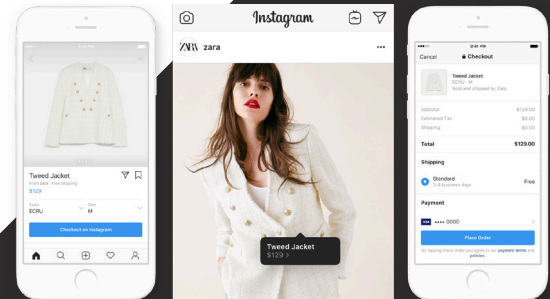
After a year of successful limited beta testing, Instagram's content as commerce play will be rolled out globally for seamless in-app shopping.

> Instagram's in-app shopping experience means a win for brands, consumers and influencers.

In March 2019, a handful of US-based retailers and high-profile fashion and beauty influencers launched Checkout on Instagram, an in-app shopping experience that allows users to purchase directly through the app for the first time.
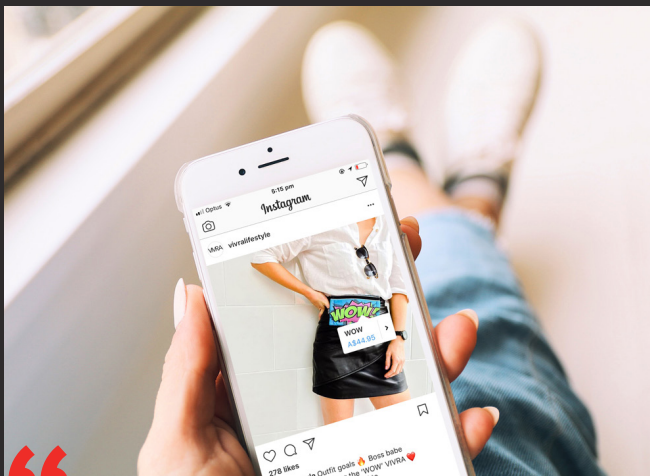
This year, the function is set for a wider global release, providing brands with the opportunity for a more streamlined user journey between the consumer's source of inspiration and the actual moment of purchase.

The Checkout feature will not only benefit brands and consumers, but should have a major impact on the way influencers within key shopping verticals (skincare & beauty, fashion and technology) monetise their brand partnerships.

The way it works is influencers tag third-party product links directly in their posts or Stories and, using Instagram's in-app real-time analytics, both the creators and brands receive insights to track content performance and evaluate success - meaning marketers will be able to measure a more direct bottom-of-the-funnel ROI from their influencer activity.

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Trend
#7

Money Is Moving On From Plastic

As ideas about money become more elastic and transactions uncouple from traditional systems, businesses need to place their bets.

"Money has changed in every way but one: people's desire to get more of it."

In 2019 Facebook, a quasi nation-state of 2.4 billion people, startled and alarmed central banks by announcing it would launch its own money backed by a basket of currencies and Treasury securities. Apple launched its credit card the same year.

But they're late to the game. The cashless society is old news, cryptocurrencies are deep into the Gartner hype cycle, and electronic transactions have long ceased being the exclusive domain of banks. We're even moving on from plastic as money increasingly lives on our phones and, thanks to exponential deployment of biometric tech straight into ourselves through our faces and fingerprints.

This shift from money as, essentially, a physical object to money as a traceable, programmable, transferable file is opening up further possibilities. For instance different kinds of value can be layered onto the unit price, such as additional value for particular groups or discounts for certain products. Your money will know where it's been and who it is going to, becoming adaptive and even more dynamic than it already is.
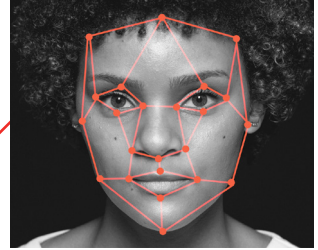
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Trend

#8

Your Body Is A Barcode

The tracking we're used to online will become more common in real life. So opportunities and dangers abound.

" Facial and gait recognition technology is being deployed at an exponential rate and our bodies and faces are increasingly being read like barcodes. **"**

In Steven Spielberg's Minority Report the hero undergoes back alley eyeball-replacement surgery to avoid being tracked by advertisers and the government. 20 years later we're actually nearly there.

Facial and gait recognition technology is being deployed at an exponential rate and our bodies and faces are increasingly being read like barcodes. Applications that began with security - accessing sensitive apps, opening doors, entering countries - are now expanding to include airline check-ins, store check-outs and, as in the online world, targeted OOH advertising. Disney made a Dumbo poster, for example, that could serve different content depending on the expression of the person looking at it.

And this is still early days. As marketers and developers familiarise themselves with the technology, new applications will emerge at a rapid rate. Especially as 5G reduces the lag between individuals, devices and networks. The rise of deepfake technology will also lead to discussions about the usage of likeness in ads.

2020 will be the year debate about the implications of all this intensifies. China has gone all in with facial recognition while San Francisco has banned it. So watch this space, because it could be watching you.

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Trend
#9

Computing Goes Ambient Through Augmented Experiences

The internet of things, augmented reality and other digital technologies continue to become even more intertwined with the rise of Ambient Computing.

" The smart speaker was worth US$700million in 2016. In 2021 it will be US$3.6billion. "

Ambient computing is where the device itself becomes less important, and the physical world - or the user themself - becomes an interface through which people can interact with technology.

Voice is already well established as a way to interact with a digital assistant and the means to control the internet of things at home. With smart speaker sales rising from US$700million in 2016 to US$3.6billion in 2021, investment in new possibilities will skyrocket.

Google's latest Pixel 4 smartphone features motion sense technology, where hand motions replace taps and swipes to control the user interface. And the use of gesture will simply continue to grow into the new natural connection with your device.

The way it's headed, immersive augmented experiences that were once solely the domain of museums and cultural institutions will soon find their way into the home through your phone.
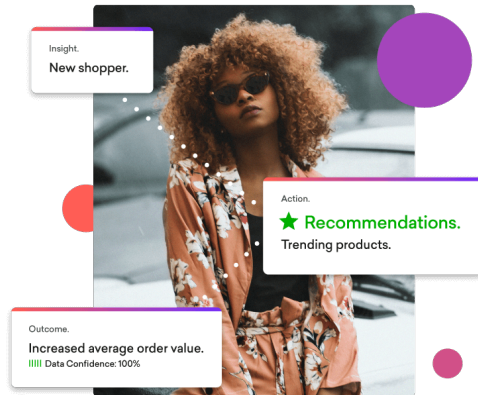
10

Trend
#10

Personalisation Has Peaked. Almost.

While the tactics and tools that enable hyper personalisation are growing, they shouldn't come at the expense of a bigger picture audience strategy.

> **While personalisation can optimise individual customer relationships, it can stifle your end game.**

Insight.
New shopper.

Action.
★ **Recommendations.**
Trending products.

Outcome.
Increased average order value.
⦀ Data Confidence: 100%

Hyper-personalisation has been one of the biggest emerging trends in marketing over the past five years. From eCRM platforms to programmatic advertising and automation, the digital arsenal of data capture opportunities available means we can engage with individual consumers in more personal, meaningful ways.

However, while personalisation can optimise individual customer relationships, it can also come at the expense of a wider, more meaningful understanding of the big picture.

In 2020 smarter companies will invest less in tactical personalisation and more in the strategic guidance that an Audience Strategy offers.

An Audience Strategy will answer questions such as: Which customer types can you more deeply engage? What are their needs? Which customer types are you failing to engage? And why?

Without this strategic guidance, you may find that personalisation is being fed the wrong data to drive growth.

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Trend
#11

The OOH Resurgence

Impactful OOH has never been more important than in this day and age.

Out of home advertising doesn't face the same issues as other channels. There are no skippable ads or ad blockers out in the real world. Programmatic digital OOH lets brands serve up a message when they know its most effective. And, with advances in Augmented Reality, RFID (radio-frequency identification) and QR codes (plus their readers are finally native on all devices), OOH is becoming an interactive medium, not just a broadcast one.

And it works. 56% of people in the US and UK who travel by an underground or subway said they could recall a billboard ad from the last week. Over half of subway travellers said a billboard ad encouraged them to buy something.

And, whilst just one in ten people in the US and UK have said they have actually bought something whilst on the go, the expansion of free WiFi points and launch of 5G mobile speeds, the landscape is set to change purchasing behaviours in new, richer, innovative ways.

> " 56% of people in the US and UK who travel by underground or subway said they could recall a billboard ad from the last week. "

12

Trend
#12

Amazon Powers In-Car Commerce

Alexa, add coffee to my shopping list.

In-car commerce is set to become a real thing.

In 2020 General Motors, the biggest car maker in the US, will join BMW, Ford and Audi in having millions of its vehicles fitted with Amazon's Alexa. Connected cars embedded with voice assistants are becoming the norm and drivers like it. Amazon has even released Echo Auto to meet this trend and compete with Siri and Google Assistant who are already integral to daily commutes thanks to mobile phones.

The in-car commerce game is not limited to voice assistants. Honda has developed a prototype dashboard-based infotainment system that includes in-vehicle payment. While Visa and satellite radio behemoth SiriusX are partnered on an in-car e-wallet.

For brands this means the possibility of engaging with customers when they were previously out of touch. Impulse buying prompted by smart, connected OOH and seamlessly facilitated is one obvious opportunity,

as is the potential for location-based advertising partnerships that prompt voice activated purchases while you're driving.

Research indicates that drivers want to be able to use this time to act on their thoughts and carry out menial tasks, 45% want to be able to set reminders to buy items later for example. The technology is more than ready to meet this desire and with 77 million new vehicles hitting the roads each year it seems only a matter of time before shopping from the driver's seat becomes routine.
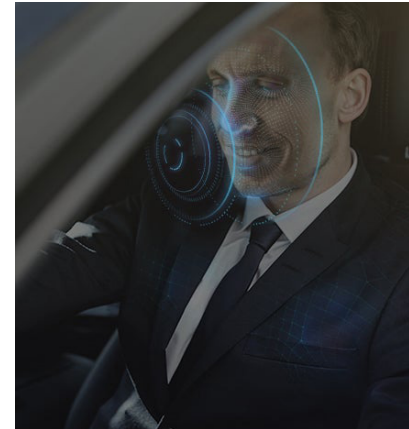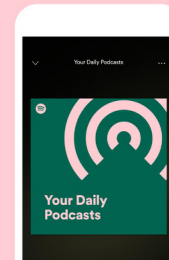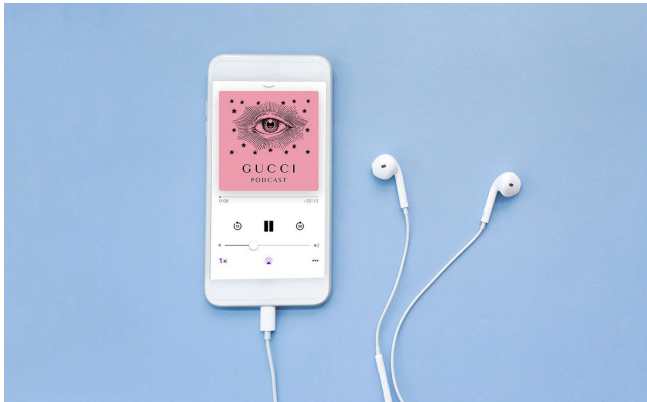
13

All Ears: Podcasting's Rapid Rise Continues

Let the podcasts come to you.

Spotify

Your Daily Podcasts

Your Daily Podcasts

Video streaming platforms notwithstanding, no digital medium has cornered the long-term attention span of captive consumers like podcasts.

> " 50-60% of podcast listeners respond positively to brands presented in ads. "

As an advertising medium, podcasts offer what might be the most seamless native integration of brand messaging in any digital format.

Globally, the podcast market is growing steadily year on year with 700,000+ podcast titles now available on the iTunes library, meaning the range of topics and themes covered allows for super specific targeting - for both offers and brand messaging.

Podcast hosts are high-trust influencers and the ads are typically either custom-written and delivered by the hosts in their own words or built into 'sponsored' regular segments within the show's structure. As a result, between 50-60% of podcast listeners respond positively to brands presented in ads. Spotify knows this better than most with the recent acquisitions of the Joe Rogan Experience Podcast for $100 Million USD as well as The Ringer led by Bill Simmons for $250 Million USD.

The user experience is non-intrusive and positive and the results are genuinely measurable and can directly impact trial: such as the use of a bespoke promo code on a website.

According to Statista, Australians who identify as 'weekly listeners' are spending upward of 6 hours a week tuning in - a volume of consumption that represents a huge opportunity for marketers.

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Trend
#14

Human-IT To Replace Bots For Brands

The ubiquity of technology and the prevalence of automated customer service systems has made unplugging a status symbol and put a premium on the human touch. This has implications for up-market brands.

" A third of global internet users now agree with the statement 'technology makes life more complicated'. "

The concept of the 'digital detox' began in the Bay Area, Google and Facebook have both implemented ways to help users manage screen time, and Steve Jobs famously kept devices out of the hands of his children. As ever, Silicon Valley is at the cutting edge of one of the more interesting developments in tech: the desire to disconnect.

The rest of us are onboard. A third of global internet users now agree with the statement 'technology makes life more complicated'. A number that has grown in line with the spread of technology into more aspects of our lives, spurred by the unhealthy ways it appears to impact us and our communities. But it's mostly the wealthy who have the option to disconnect and doing so has become a status symbol.

This is echoed in the area of customer service where interactions with a real live human are becoming more valued, the so-called 'premiumisation of human contact'. Quite simply, a person can do things a bot can't. And as the cost of high-touch, ultra-humanised labour rises, having someone personally do something for you is becoming more and more prestigious.

Trend
#15

15

Humanising Data Through Humans
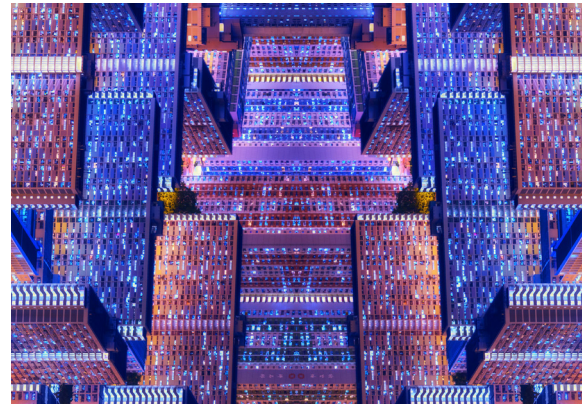
Data will become better by looping humans into the systems, and AI more useful as it becomes more sensitive to our feelings.

> " People do the best job of authenticating content, checking for biases and injecting a human perspective into sterile data sets. "

As technology has become better, technologists have become increasingly more skilled at humanising it. Making it conform to the quirks and complexities of human nature and ensuring that our darker edges don't manifest in the data or algorithms (can you imagine!).

One way to do this is by using people to augment machines instead of vice versa. Because at this stage people do the best job of authenticating content, checking for biases and injecting a human perspective into sterile data sets.

Another is to make machines better at reading and responding to human emotion. KIA, the Korean car maker, has developed a car interior that can look, sound, feel and smell different to suit the needs of the driver and the driving conditions. The system monitors biodata like facial expression and heartbeats before using machine learning to interpret them in real-time. The interior then optimises itself to make us more alert in the rain or to take the edge off in a traffic jam.

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Trend
#16

Data Is The New Jetfuel
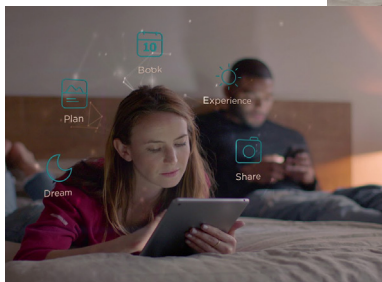
From airlines to OTAs, the travel industry is tussling to own the total travel experience - with data providing new ways to package it all up for the consumers.

" The successful brands are likely to be the ones that provide transparent value and give consumers easy control over the design of their packages. "

In 2019 companies all across the travel sector began positioning themselves to create and own a new type of travel economy. And this year all those reshuffles, rebrands, funding rounds and tech investments will begin to filter into the marketplace.

This trend is being driven by airlines, OTAs, hoteliers and publishers looking to use data to own the end-to-end travel experience. And to place themselves in the hallowed realm of Netflix, Uber and Spotify and that brand of tech-fuelled disruption so valued by investors right now.

It's not just a Western phenomenon. APAC has also been a hub of activity.

In China WeChat and Meitiuan have directed their tech expertise (and deep pockets) to the travel sector prompting former market leader Skyscanner to rebrand in a bid to own 'door-to-door travel'. In India and Indonesia, MakeMyTrip and Traveloka are aiming to become travel super apps with Grab and GoJek expected to make their own plays.

The trip has just begun and it's difficult to know who will reach their destination first. But the successful brands are likely to be the ones that provide transparent value and give consumers easy control over the design of their packages, ultimately becoming one-stop-shops powered by high-value data.

Trend
#17

Digital Twins Aren't Just Virtual Body Doubles

For businesses the growing sophistication of digital doubles can mean surer testing and new ways to interact with consumers. For consumers, a better way to live in the digital world.

"The near-future vision is digital ecosystems that individuals control, run by algorithms they own and that work for their benefit."

A digital double is what it sounds like: a digital version of a non-digital thing. They're well-established in manufacturing and systems design where they're used for modelling and testing. But in 2020 they're getting personal as efforts gather pace to create digital versions of ourselves that can act on our behalf (maybe we can send it to work!).

The near-future vision is digital ecosystems that individuals control, run by algorithms they own and that work for their benefit. A digital double that knows enough about its

owners past, preferences, personal taste, finances, lifestyle and schedule to, for example, book an entire holiday on an owners behalf. Your digital double will provide advanced bottom-up personalisation originating from you, not a platform owner or advertiser. They'll probably even make you more money.

In the meantime more familiar types of digital doubles, like avatars of celebrities and online personalities, will become more sophisticated in 2020.

18

Social Gaming Powers-up

As games become more communal the opportunities for marketers will multiply. But there are challenges too.

" Gaming platforms are now social networks where you team up to decapitate an opponent instead of sharing pictures of lunch. Hell, in 2020 you can even attend a concert or movie screening in-game with friends. "

When Fortnite, the massive multiplayer online game, finished its 2019 'season' millions of players watched stunned as, mid-game, a blackhole sucked the entire game and all its players away beyond the event horizon. The internet lit up as players connected to wail, commiserate, speculate and share experiences, conspiracy theories and memes galore.

It was groundbreaking storytelling which also threw into relief the communal nature of console games.

Gaming is social now. And the platforms are social networks where you team up to decapitate an opponent instead of sharing pictures of lunch. The growing reach of 5G will push this social dimension out of console territory and into mobile, broadening its appeal and enabling new ways for communities to form.

There are clear opportunities for marketers here. Massive and growing reach, a passionate and highly engaged audience and

data-rich platforms and studios open to new ways of working together for a start. Plus an ecosystem of influencers, creators and content. The challenge for brands is how to tap all this with innovations that feel natural to the territory. And to build support with a passionate - and highly vocal - global community. The keys will be commitment and consistency as pretenders will no doubt get their heads handed to them.

19

Trend
#19

eSports Are The New Brand Battle Ground

You won't see eSports at the Tokyo Olympics. But it's set to be a demonstration sport in Paris 2024.

" In 2019 half a billion people watched eSports. "

Regardless of when you're reading this article, there will be at least 1.3 million people concurrently on Twitch, the world's leading live streaming platform for gamers. According to Twitch, they're aged between 13 and 34, male and consume little other media (crazy right!).

In 2019 eSports audiences grew to 450+ million people with revenue topping US$1.1 billion. By 2022 the audience is predicted to grow to 700+ million around the world.

So it's no surprise that brands are trying to get in on the action.

So what do you need to know? Gamers have their own culture and language. If you can't speak it, you'll be called out, and stand out (not in a good way).

Brands can't approach eSports like it's a niche audience, it's not. Like the numbers show, it's huge. And the brands that invest, create value for games and their fans, will be the ones getting a bonus round as they cash in on the biggest new market in years.

20

Trend
#20

Life-centred Design Is The New CX Standard

As people become more about 'we' and less about 'me' smart brands will step up and cash in.

In 2019 the EU brought in 'right to repair' rules forcing appliance manufacturers to make longer-lasting products and provide spare parts for 10 years. A response to consumers unhappy about the waste and expense of throwing out their appliances as they breakdown straight after the warranty period.

People have become acutely aware of the bigger picture and the part they and their communities play in it. Smart brands are staying ahead of this trend by moving from user-centred to life-centred design. That is design of products and processes with that bigger picture in mind.

Where desirability was once all about 'what's in it for me' it is now becoming about 'what's in it for me and my we', the causes and values I believe in. Consider how meat has evolved. Where we used to enjoy the luxury of a 28-day dry-aged beef burger we now take pleasure in knowing that our Impossible Burger is doing good for the planet.

For manufacturers feasibility is no longer premised only by what is technologically or economically possible, but by considerations of sustainability and impact.

This is driving innovations in new materials and processes, which have enabled products like the Impossible Burger or Dr Marten's vegan footwear. And seeing a return of old ideas such as reusing packaging being trialled by Unilever, ultimately making things that last and can be repaired the new norm.

" Things are moving from 'what's in it for me' to 'what's in it for me and my we'. "