ZENITHOPTIMEDIA'S 2016 TRENDS

EMPOWERING THE MOBILE CONSUMER

ZenithOptimedia
The ROI Agency

INTRODUCTION

ZenithOptimedia's 2016 trends are focused on technologies that support consumers' evolving shift to a truly mobile lifestyle. These trends stem from our understanding of Millennials and Generation Z, the true digital natives who are increasingly reliant on their smartphones to organise and manage their lives. ZenithOptimedia predicts these generations will accelerate the world towards the mobile tipping point – the point at which consumers spend more time accessing the web from their mobile than any other devices, which is now expected in 2018. The smartphone is becoming a more powerful and personal device, which is being transformed by expanding technologies such as the Internet of Everything into a gateway to personalised and seamless experiences. As we approach this global mobile tipping point, brands will need to move towards a 'mobile first' approach to marketing. Mobile will no longer be just another medium in the marketing mix; rather it will be THE primary platform for brand communication. This trend report aims to highlight the emerging technologies that will transform us into a truly mobile society, and how businesses can organise themselves for the move to mobile.

Emerging mobile technologies change mobile behaviours of consumers and in turn influence their needs for freedom and control to lead a meaningful life. In a world where mobile is the omnichannel for delivering seamless brand experiences across the consumer journey, brands will need to think 'mobile first'. Meanwhile, due to the extensive power of a mobile to harness the customer data necessary to deliver the personalisation that customers want, brands need to

be more respectful and transparent about how and when to use customer data. The resultant rise of permission marketing will mean that more power is given to consumers, and marketers will need to listen more carefully to them to understand what they want from brands. People are willing to engage with brands, but it has to be on to their own terms: marketers therefore need to consider how they can provide meaningful value to consumers throughout their purchasing journey. When offering personalised services, for example, it is crucial to take into account consumers' expectations in return for allowing brands to use their personal data.

In addressing the mobile future, brands will need to accelerate their digital transformation. Digital services – once the domain of the IT department in any company – now span across the organisation. Forrester's Digital Experience Delivery Online survey in Q1 2015 revealed that today's digital budgets are equally split between IT (36%), Business (34%) and Marketing (30%). The shift to a mobile world requires all departments to be clear on what they want the consumer to be able to do, how they can deliver the experience across the consumer journey and to identify the necessary technology. This report provides valuable insights into the changing needs and motivations of consumers, and the inspiration for brands to prepare themselves for a truly empowered mobile consumer.

METHODOLOGY

ZenithOptimedia followed a three-step approach to curating the 2016 Trends:

1. ASSESSING HOW TRENDS EVOLVED

We study how new technologies are set to combine with existing technologies in order to predict the impact on brands, consumers and the media and entertainment industry. Where appropriate, we bring back trends from previous reports, i.e. when they hit tipping point and/or when they bring new value. We also look ahead to predict which consumer segments will be most affected by the trend, how this trend will evolve and brands who set examples on how they adopt the trend.

2. IDENTIFYING THE NEEDS, WANTS AND BEHAVIOURS OF PROGRESSIVE CONSUMERS

We look to both Millennials and Generation Z to provide signals on what is new and what is changing. They are the early and significant adopters of new technology. ZenithOptimedia is in a unique position to understand Millennials through our study 'In Pursuit of Happiness: Creating Meaningful Brand Experiences for Millennials'. This study was first conducted in 2014 and grew with an additional 12 countries in 2015, bringing the total to 22 countries across all global regions covered in the study.

Generation Z, defined loosely as the group born beginning in the late 1990s, stands to dwarf the Millennial generation. They are the first true digital native generation and are basically the

"native speakers" of the digital language of computers, video games and the internet. With the oldest members of this cohort barely out of high school, these tweens and teens of today are primed to become the dominant youth influencers of tomorrow.

3. MAPPING THE TRENDS TO THE CONSUMER JOURNEY

As part of our analysis, we assess what opportunities the latest trends present in terms of enhancing user experiences along the consumer journey.

With such a rigorous approach to the identification and application of our trends, we believe this report will be invaluable in helping brands to better achieve their marketing goals.

1

FROM TEXT TO SPEECH

VOICE SEARCH REVOLUTIONISES MOBILE EXPERIENCE

Voice search has been available for nearly eight years now, but few consumers regularly use the facility. However, progress with speech recognition technology - making it easier and more reliable for people to say their enquiry, rather than type it – and the movement away from mobile browsers in favour of apps is set to give voice search a significant boost.

In 2016, we believe there will be three key factors driving voice search 1) voice search is starting to become part of Generation Z's mobile behaviour as they spend more time using apps, 2) enhanced voice search apps like Siri and Cortona are supported by AI technology and proactive voice concierge services and, 3) increasing ownership of wearable devices, which have voice control as a core feature. With voice search gaining momentum, it should be part of every brand's search strategy to optimize voice search and deliver seamless experiences, all from the mobile platform.

Voice search is increasing at the expense of browser-based search (source: GlobalWebIndex). According to a new study commissioned by Google, 55% of users under the age of 18 use voice search apps - be it Google Now, Siri or Cortana - more than once a day, in comparison to 41% of adults. The study also reveals that 57% of teenagers aren't worried about etiquette when using their smartphones around friends and their surroundings, compared with just 24% of adults. Brands need to understand how consumers 'voice their search' as the words and approach differ from text search in a browser.

The smarter voice concierge apps not only support organisation of daily activities but understand the context of a search, eg location and intent, based on previously browsed items. By understanding consumers' search patterns, voice search apps will be able to pre-empt consumers' needs and desires and deliver relevant help. With Google's soon-to-be-released 'Now On Tap' feature, consumers can dip into Google Now without leaving the app they're in. For example, when a consumer gets an email about seeing a movie, Google Now will offer ratings, a movie trailer, and a link to buy tickets. To future-proof search strategy, brands need to take into account how to integrate the various apps with voice search to drive conversion across the consumer journey.

WHERE DID THE TREND START?

Voice search evolved from speech recognition software, which originated eight years ago but was far from accurate. Recent improvements in the technology's performance now finally make it fit for use by busy and impatient consumers.

WHAT'S THE POTENTIAL?

Voice search could revolutionise search as we change the way we interact with our mobile phones. More colloquial phrase searches could replace or compete with keywords we use in typed search.

WHAT SHOULD BRANDS DO NEXT?

· Understand how your consumers are likely to use voice search and how to respond to improve search results.
· Refine your brand experience eco-system to provide ease, convenience and control, based on consumers' voice search behaviour.

HOW SHOULD BRANDS DO THIS?

· Analyse consumers' digital footprint including their voice search habits (if any) and their written search and mobile behaviour to understand how they might use voice search in the future.
· Start tracking voice search behaviours and growth through voice keyword analysis.
· Implement a test and learn programme now to be ahead of the game.

SPONSORED
CONTENT

SUGGESTED
POST

Paid
Content

SPONSORED

2

GO
NATIVE

CUSTOM-FIT CONTENT FOR MOBILE CONSUMERS

PAID POST

With the rise of adblocking and banners becoming increasingly ineffective on mobile. ZenithOptimedia predicts native advertising will become a more important way to engage the Millennials and Generation Z.

Native ads match the form and function of the editorial environment in which they appear and are designed to integrate into the user experience. Whereas non-native ad formats are relegated to advertising-specific placements on websites and in apps, native ads are intertwined with content. ZenithOptimedia estimates native ads will represent one third of display advertising by 2017.

Native advertising is a way to circumvent the increasing adoption of privacy products that strip away banner and pop-up ads. As well as keeping the user's mobile web activities private, mobile adblocking will have the added benefit of speeding up page load times (important on mobile) and reducing data charges (even more important). ZenithOptimedia's recent research with GlobalWebIndex found almost half the global internet population has used 'private browsing' and 27% have used an adblocker. Although adblockers have been around on desktop browsers, the new

feature in Apple's iOS9 operating system will allow mobile users to download adblocker apps. The initial impact of iOS9 will be limited as the majority of mobile adblockers work on mobile browsers, while 84% of mobile time is spent in-app (source: Flurry). Native in-app mobile will accelerate as native advertising formats integrate with the user interface – this means a better experience, and generally better results for advertisers. Initial results show native advertising performs better than banners with click-through rates for native at 2-8% compared with 0.07-0.1% for banners.

Native advertising can drive brand awareness as well as generate leads across the consumer journey, but some brands will have to reassess the way they work with publishers in order to create compelling native content. Brands will have to agree on broad content themes and be flexible about how the ads are custom-fitted within the editorial environment. With the digital advertising ecosystem continuing to take a more audience-centric stance, the ability to marry both advertiser and publisher data with these already contextually relevant advertising experiences will become increasingly important.

WHERE DID THE TREND START?

Native advertising has a century-long history, starting by contextualising publicity with media coverage of events in the 1900s, and the birth of the advertorial in the 1910s. In the digital age native offered additional revenue streams, but later proved to be an effective response to the recent rise of ad-blocking, which crossed its inflection point in 2013.

WHAT'S THE POTENTIAL?

Online advertising could shift away completely from intrusive banners and popups, while native formats and 'pull' type content will be the norm to engage consumers.

WHAT SHOULD BRANDS DO NEXT?

Assess the role native advertising can play within the marketing plan and the changes that need to be made to the creative process to involve media and platform owners in the process.

HOW SHOULD BRANDS DO THIS?

· Set goals for your native adverts, and ask the right questions: will they help convert sales? Or could native ads amplify and build social brand and content marketing activities?
· Invest in resources (eg. content audit and publisher data), audit competitive content and explore unmet consumer content needs in order to identify your content opportunities.
· Develop – together with creative and media partners – content for native ad formats that marry well with the environment in order to meet the set objectives.

EMOJINAL INTELLIGENCE

BRANDS SPEAK THE NEW MOBILE LANGUAGE

3

Emoji - digital images or icons that express an idea or emotion - are increasingly becoming the language of the mobile phone.

For Generation Z and Millennials emoji represent the language of now and opportunity. Emoji give them the chance to express their emotions, and the creative expression is boundless. Emoji are the language of authenticity, so it is only natural that brands will try to communicate in a way that is in line with how real people communicate.

Emoji made their international debut in 2011 and usage was limited to emoticons focused on human emotion eg the smiley face or sad face. Today, we can choose from a total of 800 emoji, the latest count with the recent additions in iOS9. Oxford Dictionaries Word of the Year 2015 is a 'Face with tears of joy' emoji and it was chosen because the 'word' best reflected the ethos, mood and preoccupation of 2015.

This new language, embraced as a form of expression can transcend cultural and geographic boundaries

however it lacks the ability to provide context. As this language is still new, Unicode (the group that chooses emoji and sets the standards) reported that some people are not interpreting the characters correctly. People are making up the rules as they go along.

If you want to be relevant for Generation Z and Millennials, you simply cannot leave emoji out of the communication equation. However, emoji marketing success hinges on more than just concept and execution. It requires 'emojinal intelligence' based on knowing your audience, the types of content that are suitable for emoji use and importantly how you want your audience to feel. Brands will increasingly use emoji for utility. The World Wide Fund for Nature, for example, worked the symbols into a Twitter fundraising campaign that encouraged consumers who routinely use emoji of endangered animals to donate to its conservation efforts. In the case of Domino's Emoji Ordering, consumers can bypass the traditional ordering process by tweeting a pizza slice emoji to the restaurant chain. Domino's zeroed in on the emoji that embodies its brand and made it pertinent to the customer-product experience.

WHERE DID THE TREND START?
Emoji keyboards were introduced in 2011, but the arsenal of useable emoji has been growing ever since.

WHAT'S THE POTENTIAL?
Emoji have the power to become an internationally accepted and used language for brand communication.

WHAT SHOULD BRANDS DO NEXT?
Truly understand emoji and evaluate the suitability of their use for the brand before applying it selectively.

HOW SHOULD BRANDS DO THIS?
· Study consumer use of emoji through qualitative research and social listening. Understand the meaning and context of each emoji before using the new language, and don't risk alienating consumers by being 'showy' or by trying too hard.
· Incorporate appropriate usage of existing emoji in your campaigns. Brands do not need to create their own emoji keyboard to get people talking.
· Interact with consumers through emoji on social media to encourage them to participate. Asking consumers to post with emoji can result in conversations that have the potential to go viral.

THE MESSAGE IS THE MEDIUM

BRANDS USE INSTANT MESSAGING TO ENGAGE CONSUMERS

We believe 2016 will see instant messaging becoming an increasingly important social platform because of the move to more personalised social interactions, especially among the younger generations. Instant messaging apps are set to become the platform of choice, presenting new marketing opportunities for brands.

The likes of Facebook and Twitter are losing their appeal with Generation Z, as they are now focusing on building personal relationships with selected groups of friends and family rather than broadcasting their lives to anyone on their social networks. Instant messaging offers them the chance to be part of a select group and to share real-time conversations and photos with friends on their mobile. These users send more than 3,200 messages per month (source: VentureBeat).

Instant messaging is a more closed medium, so it is essential to share more limited content that is genuinely relevant and valuable. For brands, it is about delivering experiences that are more personalised, interactive and have a higher chance of converting a transaction.

Instant messaging apps have been around for a while, but to see the true global potential of instant messaging, we need to look to China. China's WeChat is an indication to the West of where messaging apps could be heading, pointing to new possibilities for m-commerce and showing the potential of being both a platform and a mobile portal. The West is only starting to catch up, with Facebook Messenger and Snapchat Instant messaging now offering an m-commerce platform. Besides its communication features, WeChat offers a wide range of services, such as hailing a taxi, ordering food, buying movie tickets, playing casual games, checking in for a flight, sending money to friends and many more… all in a single, integrated app.

WeChat has cleverly combined several useful features, building its ecosystem block by block while maintaining communication at the heart of it all. M-commerce on instant messaging requires brands to adopt a personal and rewarding approach. Burberry in China has successfully integrated a truly memorable personalised experience across the consumer journey on WeChat. For example, to drive conversion, its followers were able to view The London Fashion Week AW14 Womenswear show and personalise digital versions of pieces from the catwalk, which could be shared, and recipients were able to unlock exclusive audio content. Instant messaging as the future m-commerce platform enables brands to profitably serve their customers in a personal way and to design brand experiences that make them feel valued.

Your personal playlist

DOWNLOAD TRACK

Rate us!

WATCH FILM

WHERE DID THE TREND START?

Though instant messaging has been around for years, consumers are starting to prefer this more personal medium over social networks. This personal medium is an opportunity for brands to engage consumers, like in China, where instant messaging service WeChat pioneered mobile commerce through its platform.

WHAT'S THE POTENTIAL?

Messaging services around the world could become fully fledged m-commerce platforms.

WHAT SHOULD BRANDS DO NEXT?

Identify the role for instant messaging within the marketing strategy and activate this in line with your brand's social media strategy.

HOW SHOULD BRANDS DO THIS?

· Study the media behaviours of your consumer segments in order to identify which groups are most susceptible to this type of communication.
· Focus on creating messages that can be understood within seconds and avoid messaging that is too focused on selling. As branded private messages run a higher risk of feeling one-way, there is a greater creative challenge to make the content effective.
· Develop a collaborative relationship with your consumer base (for example with Snapchatters) to jointly produce fun content.

5

HUMANISING M-COMMERCE

PERSONAL SHOPPING GOES MAINSTREAM

Consumers are becoming increasingly dissatisfied with automated recommendation services, and are coming to expect personalisation with a human touch. ZenithOptimedia expects concierge-like services to spread beyond fashion and upscale retail to new categories in 2016, democratising the personal shopping experience.

Smart recommendation and personalisation tools have helped fuel the rise of e-commerce by providing consumers with new utility and convenience. But online retail has made the overall shopping experience less personal, because consumers are spending less time interacting with real people.

And this personal touch is something consumers are starting to miss: 73% of consumers prefer to speak to a contact centre before actually making their purchase (source: ResponseTap). Amid rising privacy concerns – 33% of consumers were more concerned about their online privacy in 2015 than in 2014 (source: TRUSTe) – receiving a recommendation from a fellow human being, instead of a behavioural algorithm, helps to 're-humanise' the consumer's shopping experience.

The fashion category has already proved that convenience with a human touch can still be affordable. UK high-street brands such as Miss Selfridge, Top Shop, Dorothy Perkins and John Lewis have introduced personal styling appointments in store, free of charge. These VIP-style appointments give consumers the undivided attention of a personal shopper for 30 minutes, to aid them in their consideration stage. Consumers expect more than just a recommendation based on their previous purchases and searches, and value the opinions of experts who can provide them with new and original insights.

Other services like The Chapar – which sends you a box of garments put together based on a personal telephone consultation – exemplify how brands can offer services that are bespoke, personal and empathetic, while still giving the consumer a hassle-free experience.

So far, the fashion category has pioneered the introduction of personal shopping services, but other fields are experimenting too: paint brand Dulux has launched an interior design service that allows customers to redesign their home room by room for a reasonable £75. We believe that in 2016 more brands will offer similar services in other categories, such as accessories, electronics, personal care, furniture, and high-end food, and even offer seasonal advice such as personalised gift shopping for the festive season.

WHERE DID THE TREND START?
Due to the rise of less personal e-commerce experiences, consumers are seeking human interaction when they buy.

WHAT'S THE POTENTIAL?
Personal shopper and consultation services could become part of the staple offered by brands, and take customer service to a whole new level.

WHAT SHOULD BRANDS DO NEXT?
Investigate how your brand could offer a form of personalised consultation service to assist in the consideration phase. Endeavour to offer this service for free, as an extension of your brand experience.

HOW SHOULD BRANDS DO THIS?
· Investigate the barriers your target audience faces in the consideration phase, and how personal shopping or consultation could help to overcome these. Consider the benefits of in-store appointments, and telephone or video consultations. How can these services minimise hassle and make consumers' lives easier?
· Evaluate the cost of offering such a service and set a price. Consider offering a premium version of a free service (John Lewis does this).

6

THE MOBILE WALLET

RISE OF A NEW MARKETING PLATFORM

The mobile wallet – technology enabling consumers to pay with their mobile phones – will emerge as a new marketing platform in 2016. As the first generation of digital natives comes of age, and more payment technologies and apps come on to the market, the mobile wallet is evolving into an integrated marketing platform offering a range of services to consumers that extend beyond payments.

Generation Z – those born after 1995 – are digital natives, and spend almost 10% of their income online (source: BI Intelligence), nearly twice as much as older millennials. 58% of them prefer using the mobile internet to watching TV (source: Ericsson). As they mature into independent adults, making financial transactions with the device most central to their lives – the smartphone – will be a logical progression for them.

A host of mobile wallets launched in late 2014 and 2015 – such as Apple Pay, Samsung Pay and Android Pay – and the number of merchants accepting these services has grown rapidly. Over 700,000 now accept Apple Pay, and over 30 million accept Samsung Pay. As the previous generation of devices that are incompatible with mobile payments reach the end of their lifecycle, many consumers will replace them with new, compatible devices this year.

China's advanced mobile payments sector foreshadows what is in store for other countries. The mobile wallet in China is evolving into an integrated offering of services related to payment, such as loyalty programmes, leaving tips, making donations, sharing bills, and redeeming coupons. Alipay – arguably the world's most widely used mobile wallet – allows users to share bills easily, and incorporates a virtual metro pass useable in 35 different cities. Some services, such as the restaurant review and reservations site dianping.com, accept payments through instant messaging service WeChat, which can also be used to book and pay for taxis via the Didi Taxi app.

As payment and other utilities converge into single hubs, mobile wallets will also evolve into potent marketing platforms for brands. Alipay, for instance, already lets brands reach consumers through banner ads, but future mobile wallets will offer more sophisticated opportunities to engage consumers through relevant content, and enhance their entire shopping and consumer experience wherever they are.
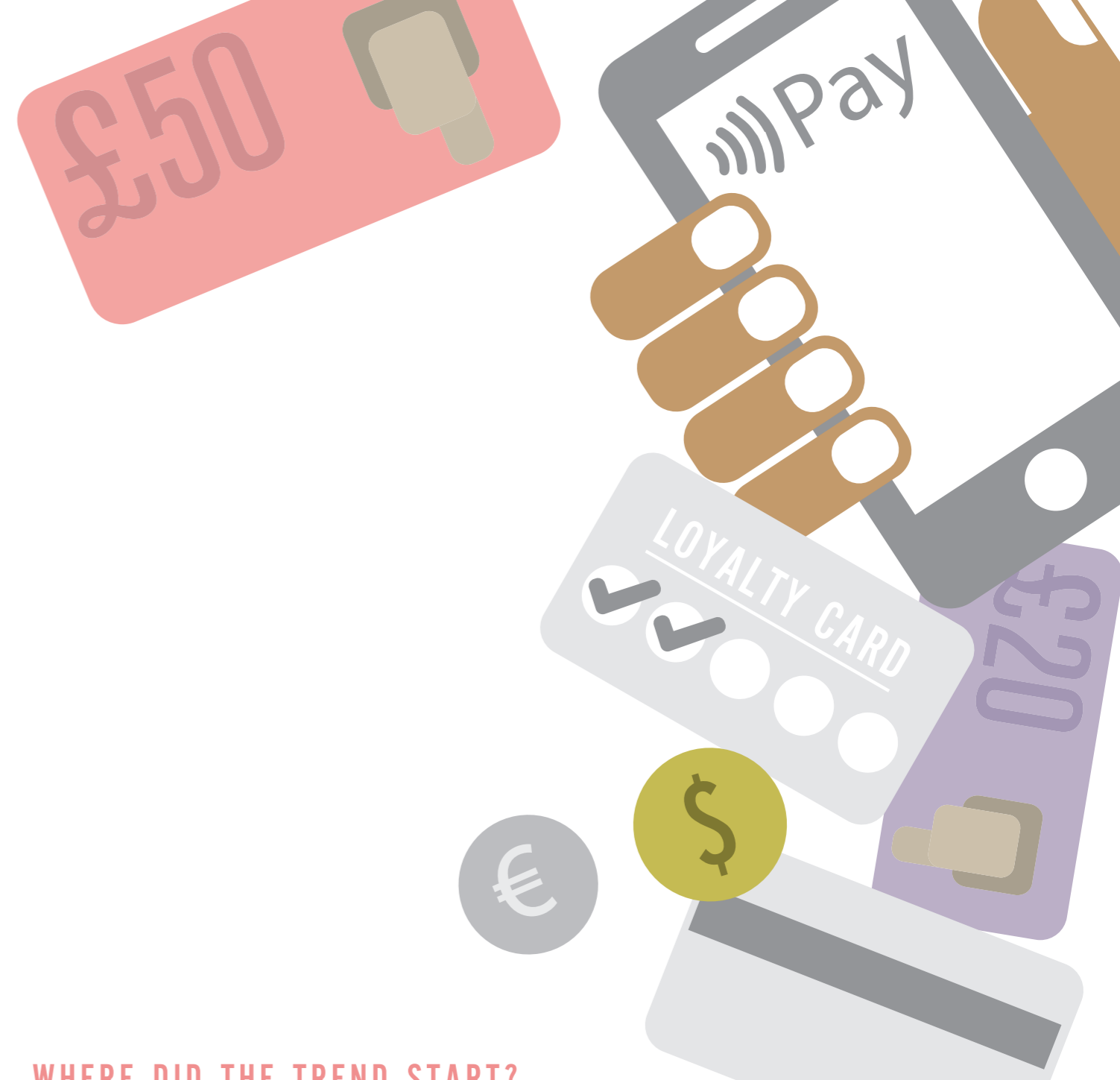
WHERE DID THE TREND START?

Google Wallet was introduced back in 2011, but deployment of the technology has been protracted. The introduction of new mobile payment services in 2015 is paving the way for the mobile wallet to establish itself.

WHAT'S THE POTENTIAL?

Mobile wallets could become integrated marketing and service hubs, offering much more than just payment services and could revolutionise the way we advertise, browse, and pay.

WHAT SHOULD BRANDS DO NEXT?

Evaluate how your brand can use mobile wallets to create better shopping experiences for consumers.

HOW SHOULD BRANDS DO THIS?

- Identify which mobile wallet system(s) to work with. Find out which systems are used most by your target audience.
- Identify what other services your brand could offer through the mobile wallet, ranging from loyalty programmes to adjacent services like travel and m-commerce.
- Test mobile wallet campaigns now, and prepare contextually relevant offerings to engage consumers on mobile wallet apps.

3 IS A MAGIC NUMBER

3D PRINTING GOES MAINSTREAM

ZenithOptimedia believes that 3D printing will revolutionise consumer journeys over the next two years, by becoming a faster, cost effective method of manufacturing for commercial and even home use, and by providing consumers with new options to customise products based on their own data. The 3D printing market is expected to quadruple by 2020 (source: Forbes), which means 2016 is the year for brands to prepare for the changes to come.

This year, new CLIP technology was demonstrated to print objects a revolutionary 100 times faster than conventional methods. Oak Ridge National Laboratory and Cincinnati Incorporated – a machine tool manufacturer – are developing a new system that will print larger objects 200 to 500 times faster.

But 3D printers are also becoming cheaper, with consumer devices available for as little as US$500. China is leading the consumer market, with annual growth of 173%. These printers are limited in quality and variety of printing materials, but they do mean that the technology is now within reach of the majority of consumers.

Though home printing may not become prevalent in the immediate future, a dramatic decline in the price/quality ratio for mid to high-end printers means that SMEs will soon be able to use them for manufacturing. Consumers are more likely to gain temporary access to 3D printers than own them outright. Bram de Zwart's 3D Hubs initiative will give more than 1 billion people across the world access to a 3D printer within 10 miles of their home. So even if consumer 3D printing does not become mainstream for some years to come, consumers will be exposed to this mobile manufacturing technology much more frequently.

With mobile devices capturing more data than ever, there are also new opportunities to use personal data to manufacture individually tailored products. Healthcare is pioneering this field through 3D-printed prosthetics, and more commercial initiatives are emerging. The start-up Sols Systems has created an app that allows people to make a video of their feet, which is then used to produce a perfectly fitting sole, while Adidas has started to create custom running shoes, allowing anyone to walk into a store and have their custom fit printed for them on the spot.

WHERE DID THE TREND START?

3D printing has existed since 1984, but only now are printers becoming significantly better, faster and cheaper.

WHAT'S THE POTENTIAL?

This technology could revolutionise manufacturing supply chains and even allow us to download and print objects at home in the next few years. This will give a much more mobile and personal nature to manufacturing.

WHAT SHOULD BRANDS DO NEXT?

· Investigate how the use of 3D printing could optimise your brand's manufacturing process and supply chain to deliver faster, cheaper and customisable products.

· Ensure proper protection of the 3D printing digital assets you distribute, as your property needs to be secured in any transaction.

HOW SHOULD BRANDS DO THIS?

· Assess what type of 3D printing (technique, materials and machine used) could be suitable for the production of your goods.
· Investigate whether 3D printing could fulfil another role for your business, such as the production of promotional materials.
· Study the possibility of using customer data to inform 3D printed designs that are automatically customised

8

NEW BRAND SPACES

RETAIL EXPERIENCES FOR THE MOBILE CONSUMER

More brands are making use of temporary physical spaces which offer consumers rich retail experiences. These spaces allow consumers to interact physically with online brands, and because they are transient, encourage consumers to visit them now rather than risk missing an exclusive experience.

Mobile consumers can now shop seamlessly anytime and anywhere, but what online shopping rarely gives them is serendipity. A temporary and flexible space feels more spontaneous and authentic than an online store, and can create a physical counterpoint to a consumer's mobile experience.

Multiplex is a 20,000 square foot multi-sensory pop-up department store in London, featuring fashion, fragrance, furniture and technology departments, and providing experiences as well as products. This unique and temporary venture provides a surprising contrast with the bustling shops around it, inviting customers to reflect and experience brand stories more deeply.

Manhattan-based 'STORY' has also adopted this flexible approach to space. It completely reinvents itself every four to eight weeks as a new 'edition' of the store, focusing on a new theme or issue, like an edition of a magazine. It is a space where brands can experiment within the framework of their brand stories, and interact with consumers through editorialised shopping experiences. The stories are ephemeral; each one is different and offers something new, triggering interest and anticipation from consumers.

Spaces like STORY and Multiplex provide platforms for smaller online brands to create a temporary physical presence and interact with consumers directly. They make e-commerce tangible, and can also make physical experiences more mobile – they can take place in regular stores, small kiosks or even in vehicles that move around the urban space. Larger brands too are making use of ephemeral spaces to tell particular stories to consumers, such as the celebration of Air Max day in a shoe-box shaped store in Los Angeles, offering consumers a unique Nike experience.

As experiences become ever more important to retail, consumers make less distinction between online and offline shopping; brands need to treat shopping as a single experience with a connected mobile consumer at its centre.
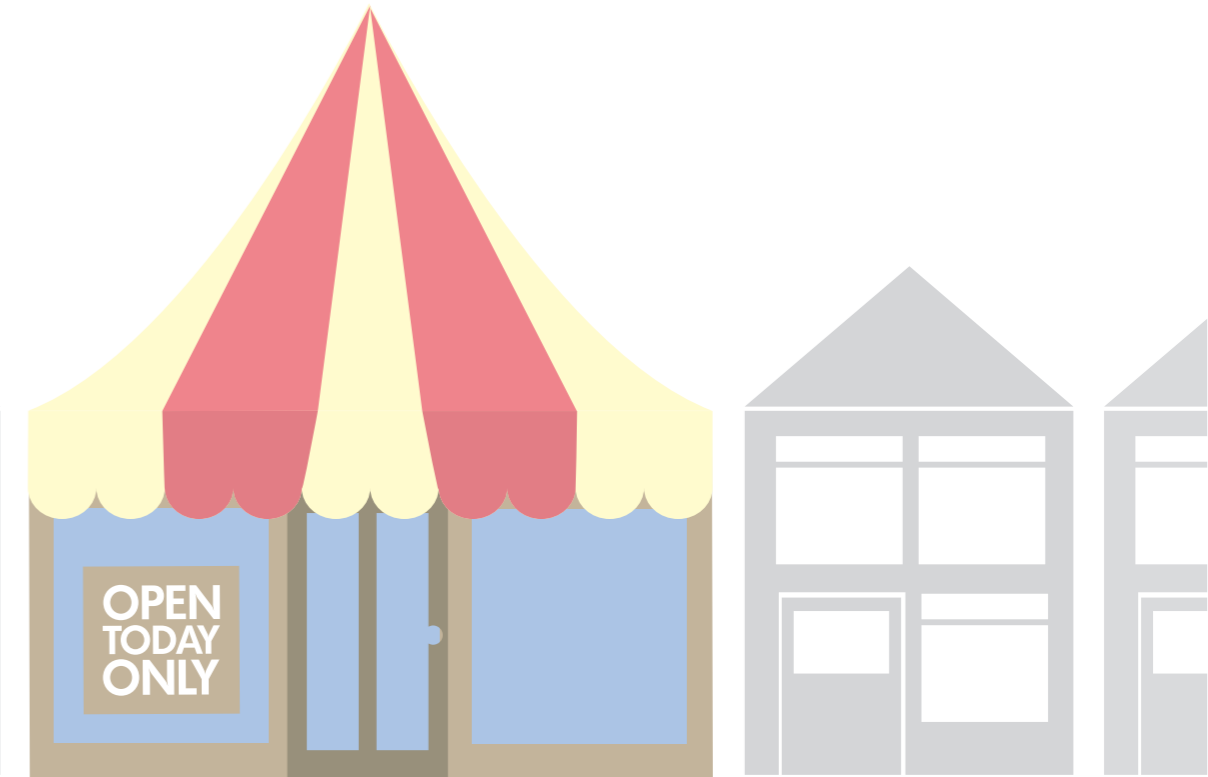
WHERE DID THE TREND START?

Brands have been creating transient retail experiences since the late 90s, but it is a more recent desire for serendipity which has led more initiatives to experiment with space and time.

WHAT'S THE POTENTIAL?

Ephemeral retail could become a full extension of mobile commerce, whereby digital and physical fuse together.

WHAT SHOULD BRANDS DO NEXT?

Explore opportunities for your brand to create ephemeral spatial experiences that link up the consumer journey from mobile to the high street.

HOW SHOULD BRANDS DO THIS?

· Investigate trendy or upcoming neighbourhoods, venues and activities that attract your target audience.
· Be daring in your choices to reinvent space. Consider integrating commerce with entertainment, food, multisensory experiences and virtual reality.
· Be sure to use mobile to drive consumers to the space, and let them interact with it through their handsets, using technologies such as geolocation, beacons and virtual reality tech for mobile.

9

SERVICING THE M-SHOPPER

DELIVERIES GO ROUND-THE-CLOCK

Online shoppers are demanding faster and more convenient delivery. ZenithOptimedia believes that new technology and the rise of the sharing economy will allow brands to dispatch deliveries swiftly while fitting in with the consumer's busy schedule.

Amazon has met the demand for speed and convenience with services like Amazon Prime, which offers next-day or even same-day delivery, and the Amazon Dash button that allows rapid reordering of certain products. Amazon Prime Air's famous drone-delivery programme has caught a lot of attention, with the prospect of small parcels being delivered from the sky right to your doorstep in the near future.

Norwegian start-up Nimber is a service that matches travellers with parcels that need to be delivered through a location-based algorithm, similar to the Russian crowdshipping platform Tuda? Tuda! Other services like Shutl offer local deliveries within 90 minutes in an Uber-like fashion.

And new technologies are currently in development that could expedite deliveries even more efficiently. In the UK, for instance, Mole Solutions is planning a network of freight pipelines that would send small train-like capsules underground. Transwheel and Starship Technologies are developing energy efficient, non-flying delivery drones.

Brands also need to work around consumers' schedules more effectively. They should manage expectations about when deliveries will take place and then deliver punctually. Delivery services like On The Dot do exactly that, with a courier service that guarantees delivery within a one-hour window of the consumer's choice.

Click-and-collect services are also becoming more common, such as Doddle, which has delivery points near railway stations and workplaces. Some initiatives like Pelipod circumvent the physical handover altogether, by creating a large and secure delivery container that can only be opened by the recipient, and can therefore be left unattended in front of the desired address.

In the future, the mobile shopper will further shape the nature of retail, as the ubiquity of connected devices will make shopping data more abundant. This is paving the way for anticipatory retail, when brands will send you products even before you have ordered them. Online retailers like Amazon are already preparing for this future.
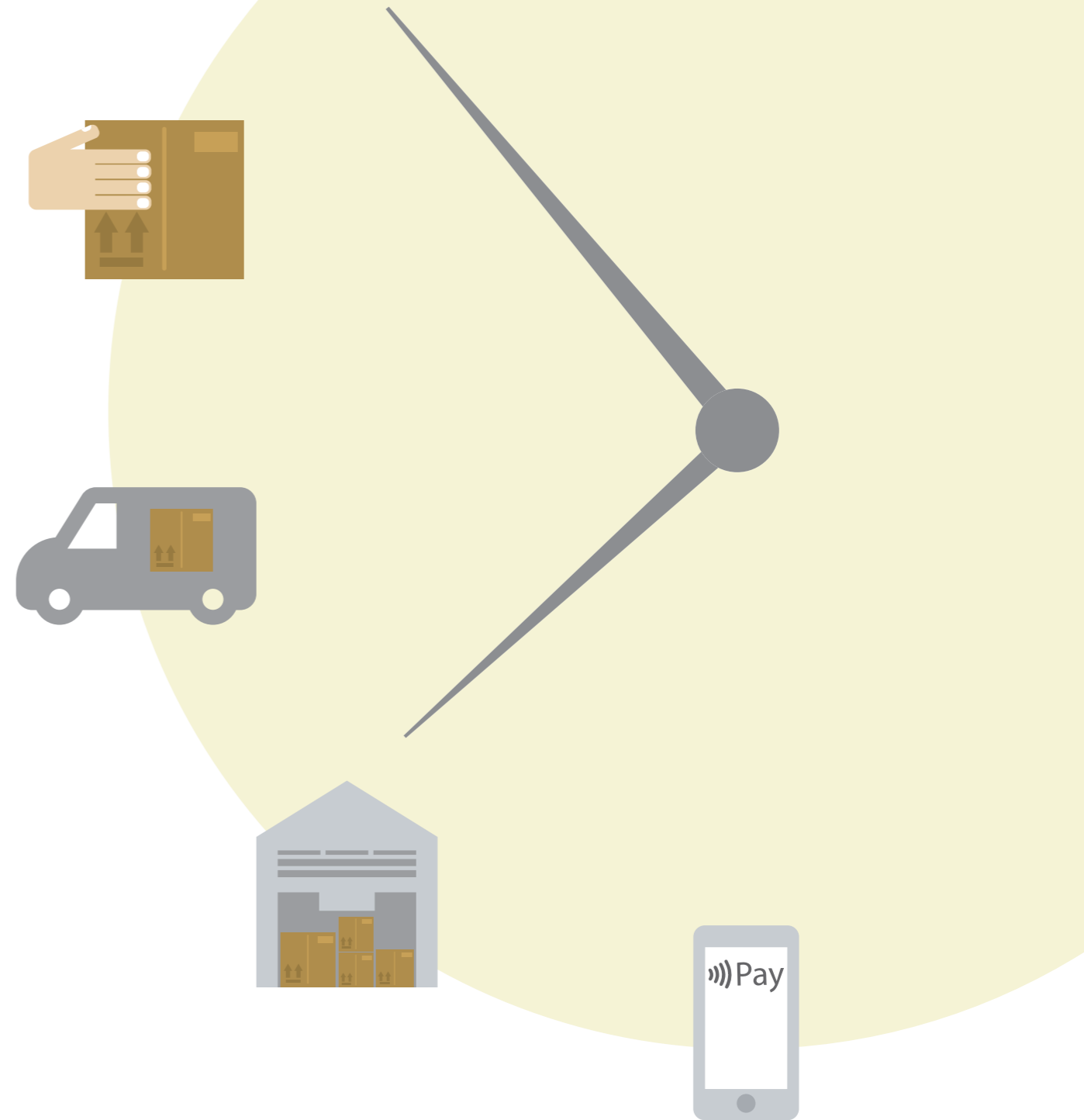
WHERE DID THE TREND START?

Ever since the rise of e-commerce, delivery services have been essential, but mobile consumers are now having higher expectations.

WHAT'S THE POTENTIAL?

New technologies and sharing economy initiatives could improve delivery services such that consumers could literally shop and receive their purchase anywhere and anytime.

WHAT SHOULD BRANDS DO NEXT?

Provide better, faster and cheaper delivery for consumers in order to optimise their digital shopping experience

HOW SHOULD BRANDS DO THIS?

- Strive to offer next or same day delivery as a standard service, not a premium
- Manage customers' expectations of delivery by setting clear timing slots and delivering on time
- Collaborate creatively with retail and delivery services and sharing economy initiatives to deliver your goods to customers promptly

10

MOBILE REALITY

AUGMENTED EXPERIENCES ON THE MOVE

ZenithOptimedia believes that in 2016 virtual and augmented reality will become a mainstream consumer experience thanks to the launch of new consumer headsets and the rise of mobile virtual reality experiences. Virtual reality will leave its geeky, gamer-centric image behind, to find a wider range of applications in amusement, entertainment and commerce. Virtual reality experiences will have a strong impact on the consideration phase of consumers' journeys, enabling them to better visualise what they are about to purchase.

The VR headset market is due to grow quickly in 2016, with the commercial launch of devices like the Oculus Rift, Sony PlayStation VR and Samsung Gear VR. Global VR headset shipments are forecast to grow by 99% a year for the next five years (BI Intelligence).

But VR will be far more than wearing a headset: as more smartphones are built with virtual reality in mind, consumers' mobile devices will become the main driver of VR experiences. VR is already becoming an entirely new way for consumers to experience video on their smartphones. For instance, ZenithOptimedia ran the very first 360 degree video ad on Facebook in the UK for Nescafé, allowing users to move their handsets around looking at different scenes as if in a room. YouTube now also supports VR video, opening up a whole new platform for this immersive medium. VR on mobile will also add new dimensions to m-commerce, as virtual showrooms help consumers to shop online. Though VR will not replace the need for tangible interaction with some products, it will still accelerate consumer journeys through consideration.

VR is also finding new application in 'visual commerce', offering customers in-store experiences that completely immerse them in virtual environments. Lowe's Holoroom, for instance, allows consumers to customise their new kitchen and experience it instantly with a VR headset.

Ultimately it is through mobile devices that VR will become an integrated part of consumers' daily lives. It will allow consumers to experience virtual environments anywhere, presenting opportunities and challenges for brands to create relevant content, including more interesting, immersive advertising that consumers will actually want to see.

WHERE DID THE TREND START?

Virtual reality technologies have largely been developed for gaming purposes, but the introduction of new headsets and mobile VR technologies will open up new commercial and entertainment opportunities.

WHAT'S THE POTENTIAL?

New mobile VR technologies will revolutionise the way consumers view content, and therefore have a big impact on how marketers interact with consumers.

WHAT SHOULD BRANDS DO NEXT?

Integrate virtual reality into your brand's experience and marketing strategy, both online and in store (where relevant) in order to create more realistic and engaging experiences that help the consumer through their consideration phase.

WHAT SHOULD BRANDS DO NEXT?

- Assess what in-store virtual reality experiences could add real value for your customers. What purpose could they serve? (Entertainment, product visualisation, promotion etc)
- Produce virtual reality content and advertising for mobile, to create a more immersive brand experience for consumers on the go. Strive to make this content link up with the in-store experience to create a consistent consumer journey.
- Make use of existing platforms such as YouTube to create and post immersive videos to engage consumers, and invite them to create their own VR content.

KEY TAKE-OUTS

NEXT STEPS FOR BRANDS

ZenithOptimedia's 2016 Top Ten Emerging Trends report aims to prepare brands for the mobile future. Millennials and Generation Z organise their lives from their smartphones, so brands need a mobile-first approach to communicate with them. This needs to be undertaken with care and respect, because smartphones are so personal to their users. The trends highlighted in this report show how evolving mobile behaviour and emerging technologies are empowering marketing, sales, service and design teams to connect with customers across the consumer journey, and serve them profitably through more efficient business processes.

Based on the 2016 trends, we have identified 5 key action points for brands to organise themselves for the move to mobile:

1. Devise a structure and process for the move to mobile
Investigate how technology can bridge any gaps in the business, and develop new products, drive innovations and setup new business models that will help to engage the mobile consumer.

2. Develop a strong eco-system strategy
Ensure your organisation's digital transformation provides a seamless brand experience across the customer journey. Rethink how to recruit and retain profitable consumers within your digital eco-system. This requires understanding customers' needs at each stage of the consumer journey, and the types of brand experiences that will drive conversations and transactions in an easy and convenient way.

3. Identify relevant partners to support end-to-end engagement across the consumer journey.
Collaborate with tech partners who can provide both front and back-end support to create and sustain consumer engagement. Identify the partners that best complement your current technology stack. Define clear roles for each of your partners and integrate all supporting technologies to strive for complete seamlessness.

4. Test and learn
Prioritise which technologies should be adopted first, and on what scale. Test and learn as you go, and leverage customer loyalty to generate user-experience feedback that will help fine-tune your offering.

5. Be agile and fluid
Adopt a flexible mindset to echo the agile and dynamic nature of the digital native generations. Be quick but thoughtful in embracing and implementing new technologies, but remain authentic to your identity.

It is going to be an exciting journey ahead for companies embracing the opportunities created by mobile technology. We hope our 2016 Top Ten Emerging Trends report gives you insights into new business models, seamless experiences, and new ways to engage with these dynamic and mobile consumers.

ABOUT ZENITHOPTIMEDIA

ZenithOptimedia - www.zenithoptimedia.com - is a leading global media services network with over 7,500 people working in 262 offices across 74 countries. We are part of Publicis Groupe [Euronext Paris FR0000130577, CAC 40], the world's third largest communications group, and the world's second largest media agency group. As the first agency to apply a rigorous and objective approach to improving the effectiveness of marketing spend, ZenithOptimedia delivers to clients the best possible return on their communications investment. This philosophy is supported by a unique approach to strategy development and implementation across the full spectrum of paid, owned and earned contact points – the Live ROI planning process. The ZenithOptimedia Group of companies equips our clients with a full range of integrated skills across communications planning, value optimisation, performance media and content creation. Our key clients include Aviva, Clarins, Coty, Kering, Lactalis, L'Oréal, LVMH, Nestlé, Oracle, RB, Richemont Groupe, SCA, Sanofi, Toyota and 21st Century Fox.