

New Media Insights for Local Advertisers



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Social Commerce Is the New Era of Online Shopping

E-commerce has been a boon to brands, retailers and consumers, but it would be a mistake to think it was the be-all, end-all of online shopping. Savvy marketers and clever techies saw the future and created social commerce.

Instead of discovering and searching for products on various online sites and then visiting multiple brands and retailers' Websites or e-commerce sites to make purchases, social commerce allows consumers to complete the entire process on social media platforms.

Consumers spend less time and effort to make a purchase. Brands and retailers have more control of shoppers, reducing their journeys off the platform and creating stronger "closed-loop" engagements to build loyalty and repeat purchases.

Unsurprisingly, US social commerce sales increased 38.9% during 2020 and 35.8% during 2021, becoming a helpful tool for consumers stuck at home and working from home. According to eMarketer, social commerce will increase another 24.9% during 2022 to \$45.74 billion and is forecast to increase another 18.3% during 2025 to \$79.64 billion.

The Influencer Marketing Factory surveyed 1,000 consumers during mid-December 2021 and found 82% of respondents said they had discovered a product on social media and purchased it directly from their phone.

During the 2021 holiday shopping season, 76% of respondents said they purchased at least one item on social media, equally or exceeding 70% for all age groups, except for those 45–54, which was still a significant 57%.

Livestream shopping is part of the social commerce trend. According to The Influencer Marketing Factory survey, 57% of respondents had made a purchase during a live shopping event on Amazon Live, Instagram Live and similar platforms. It is clearly a favorite with Millennials.

Consumers Who Have Made a Purchase During a Livestream Shopping Event, by Age Group, December 2021

Age Group	Percent
Younger than 18	22%
18–24	40%
25–34	62%
35–44	77%
45–54	36%

The Influencer Marketing Factory, February 2022



There's No Avoiding AVOD's Growing Appeal

The latest streaming video report from Tubi and Fox, based on a December 2021 survey, revealed an interesting trend: As households add and pay for more subscription-based streaming services, the next service they add is more likely to be AVOD, or advertising-supported video on demand, also known as FAST, or free ad-supported television.

- 20% of households using 1–2 paid streaming services monthly also watch AVOD.
- 32% of households using 3 or more paid streaming services monthly also watch AVOD.
- 46% of households using 5 or more paid streaming services monthly also watch AVOD.

As streaming video services' subscriptions continue to increase, many households are attracted to AVODs, such as Tubi, Peacock, Pluto and others, to save money. Plus, studies have shown they don't view AVOD commercial breaks negatively because of their familiarity with them from linear TV.

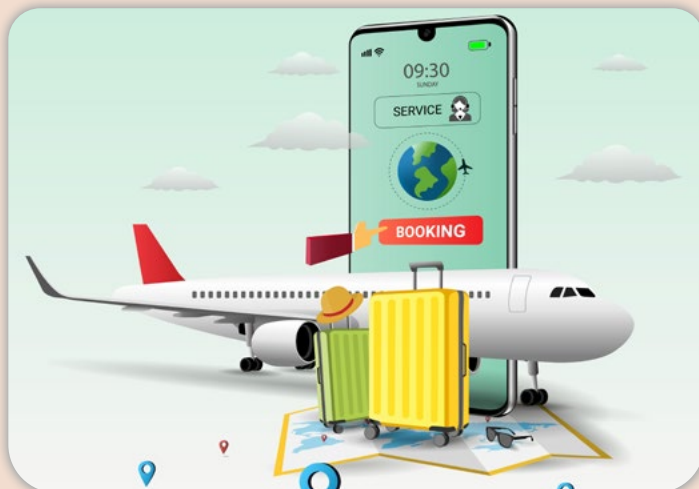
Brand and retail advertisers are attracted to AVOD services because they can reach a large audience similar to linear TV's biggest benefit as well as targeting niche audiences (younger adults and ethnic and multicultural audiences).



As Travel Rebounds, So Have Travel Apps

All indications are 2022 is likely to be the year with a huge spike in travel, as more people expect it to be safer. During the brief respite from the pandemic during summer 2021, more than 80% of Americans traveled. This resulted in a huge increase in the downloads of travel apps, totaling 40.0 million in July, compared to 29.6 million during April and 30.1 million during December.

Throughout 2021, riders' Uber and Lyft sessions in their Android apps progressively climbed from their "black holes" of sessions during April 2021. Uber increased from 69.3 million sessions to 211.8 million sessions during December while Lyft improved from 39.6 million to 118.0 million sessions.



Top 10 Travel Apps Downloaded In the US During 2021

Travel App	Travel App
#1: Google Maps	#6: Airbnb
#2: Uber	#7: Booking.com
#3: Lyft	#8: Google Earth
#4: Waze	#9: VRBO Vacation Rentals
#5: Hopper	#10: American Airlines

App Annie, January 2022

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InsightBrief:

Brick-and-Mortar Retail Sales Surpass E-commerce for the First Time

According to the US Department of Commerce's December 2021 Monthly Retail Trade Report, brick-and-mortar retail sales increased 18.7% during 2021, compared to 12.9% for e-commerce sales, marking the first time this has ever occurred. US retail sales totaled \$6.6 trillion, a 17.9% increase from 2020.

InsightBrief:

Marketers' Direct Response Channels Haven't Changed

Although many marketers view email as an "old" digital direct response channel, it is still first, at 60%, among the B2C marketers responding to a November 2021 survey from Wpromote and Ascend2. Google Ads were second at 55% and Facebook ads were third at 52%.



InsightBrief:

Online Media Ad Spending's Rapid Growth

Research from Winterberry Group revealed online media ad spending increased 36.0% during 2021 but is forecast to moderate that increase to +16.6% for 2022. CTV/Streaming had the largest increase during 2021 at 59.9%, but influencer is expected to increase the most during 2022 at 51.3%.



InsightBrief:

Web3 Advertising Is Coming!

Web 1.0 is best described as the read-only Web while Web 2.0 is the read-write Web and primarily driven by social media. Web3 will evolve from Web 2.0 to become the read-write-own Web, giving users complete control of their data and fostering more transparency and autonomy.

Sources: App Annie Website, 2/22; The Influencer Marketing Factory Website, 2/22 Fox Ad Solutions Website, 2/22; Forbes Website, 2/22; Marketing Charts Website, 2/22; Media Village Website, 2/22.

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