



ALABAMA
MEDIA GROUP

2021 *Digital Marketing Outlook*



As we compiled this whitepaper, we wanted to make sure you have all the knowledge and tools in your arsenal to be successful this year. We are in a unique circumstance compared to last year, which requires a careful look at how we can take what we learned and what happened in 2020 and apply it to 2021.

We talked with industry leaders and researched the top marketing channels to deliver a framework for a 2021 digital marketing outlook. We hope you find some helpful nuggets of information to push your digital marketing strategy forward.

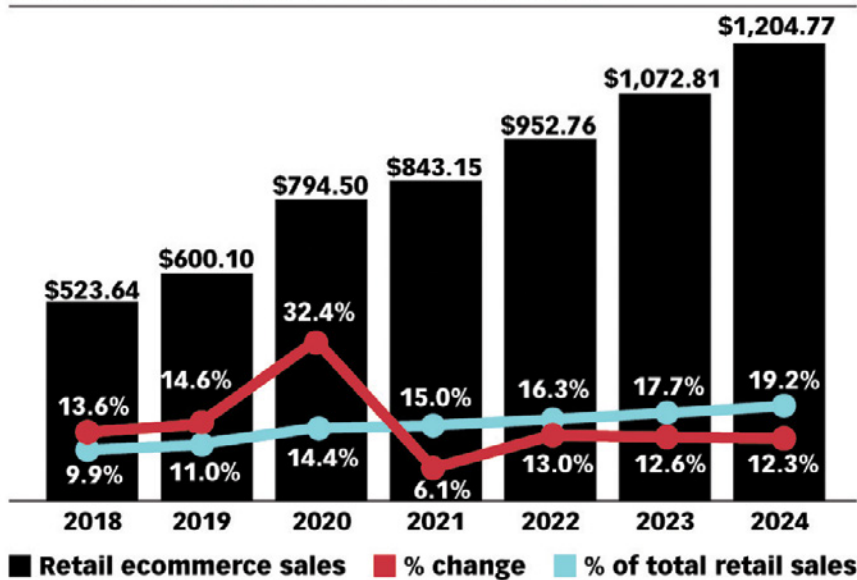


2020 – what the heck just happened?

What a year. It's safe to say we can all agree 2020 was the year that turned our world upside down.

With the deadly COVID-19 pandemic taking hold in March, people panicked and bought out stores' toilet paper and other common household items. As mask mandates became commonplace for retail stores, 'retail rage' rose among those who don't agree with mask wearing, causing store employees to take caution while doing their jobs. The Center for Disease Control & Prevention (CDC) has even issued guidelines for preventing workplace violence amid the pandemic.

US Retail Ecommerce Sales, 2018-2024
billions, % change, and % of total retail sales



Note: includes products or services ordered using the internet, regardless of the method of payment or fulfillment; excludes travel and event tickets, payments such as bill pay, taxes or money transfers, food services and drinking place sales, gambling and other vice goods sales
Source: eMarketer, Oct 2020

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www.eMarketer.com

As more people stayed home than ever before, e-commerce exploded, with online sales reaching a level not previously expected until 2022. As of October 2020, U.S. ecommerce growth jumped to more than 30% or \$794.5 billion. According to IBM's 2020 U.S. Retail Index report, the pandemic has accelerated the shift to digital shopping by roughly five years.


What does this mean for traditional retailers? If you think spending in this category might have decreased due to the pandemic, you'd be right. According to a June 2020 eMarketer report, brick-and-mortar retail sales will fall 14.0% to \$4.184 trillion in 2020, and it will take up to five years for offline sales to return to



pre-pandemic levels. So, the pandemic effectively accelerated e-commerce by five years and pushed brick-and-mortar retailers five years behind.

The retail industry proved itself to be resilient and innovative last year with the emergence (sometimes resurgence) of various retail technology. Here are **a few technologies** we saw a boost in thanks to COVID-19:

1. **QR Codes:** We remember being introduced to these some ten years ago, and there was quite honestly little use for them. Fast forward to 2020 when the use of QR-based software blew up – most commonly used in restaurants to access contactless, virtual dining menus. We are also seeing their use in pharmacies like **CVS**, who has implemented PayPal QR code technology, as well as certain **hotels** who are using it for guests to communicate with the front desk, order room service, check in, demonstrate in-room features and appliances, and more.
2. **Buy Online, Pickup in Store (BOPIS):** this omnichannel strategy promotes minimal contact, convenience and safety among customers and employees. This trend was already in development before COVID-19, with 86% of retailers saying they thought BOPIS was the future of retail in a survey conducted **last year**. Check out Dick's Sporting Goods' **success story** of implementing BOPIS in the pandemic.
3. **Scan & Go Self-Checkout:** this technology has sparked a renewed interest amid the pandemic. It appeals not only to those who want to avoid touching anything, but also those who don't want to congregate in a line.
4. **Augmented Reality (AR):** this has been a big buzzword for quite some time now, but as COVID-19 has supercharged all things virtual, AR has definitely caught more eyes in the past year. With 'try-before-you-buy' experiences ranging from previewing furniture and products in your home (IKEA) to virtually trying on luxury fashion (Gucci), AR has quickly become **an essential technology** for retailers who are aiming to connect with



their consumers virtually. Check out Kendra Scott's [success story](#) of introducing AR technology during the pandemic.

Technologies That Increased in Popularity Due to COVID-19

QR Codes



Buy Online, Pickup in Store

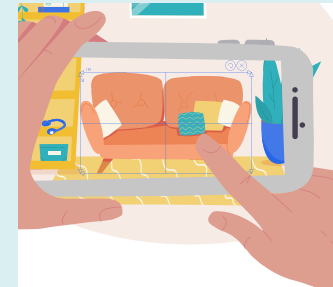


Scan & Go Self-Checkout



NO CHECKOUT STORE

Augmented Reality



With the plethora of buying options that became more common in the pandemic – delivery, e-commerce, curbside pickup, buy online and pick up in store – retailers must continue to cater to various shopping styles as consumer behavior has most certainly become more fragmented due to the pandemic.

As we note in our [Opening up Alabama](#) ebook, the economy may never return to a pre-coronavirus normal, and that's ok. Retailers should use a **multichannel** approach go deeper with product demonstrations, how-to videos, and interactive content – making the buying process as virtual as possible. Inviting and sharing customer generated content is a part of that too. Customers will gravitate to stores that create community around their brands and listen to their clients.



Marketing Channels – What Happened, What’s Next



Social Media

Social media usage soared in 2020 - engagement has increased by 61% compared to normal usage rates. This should come as no surprise as more people are staying home and may have more free time to browse social media. Given people spending more time on social platforms, we have also seen an increase in social advertising spend - Social media budgets accounted for almost one-quarter of total US marketing budgets during Q2 of 2020, up from 13% last winter. During the COVID-19 pandemic, marketers are increasingly making customer retention a priority via social media. This will continue well into 2021.



In 2020 we saw social media’s misinformation battle rear its ugly head. We saw the effects misinformation on social media could have during the 2016 election, but with COVID-19, Black Lives Matter and a presidential election all taking place in 2020, the spread of misinformation on social platforms became ubiquitous.



What are social platforms doing about this, if anything? Many believe major social media sites should take responsibility for harmful information published on their respective platforms. And, some have.

As early as February 2020, YouTube outlined updated policies to bar

content that is edited or doctored with the

intent to mislead YouTube users and “may pose a serious risk of egregious harm” ahead of the presidential election. Most recently, the Google-owned platform said it will expand its medical misinformation policy to include Covid-19 vaccine information that contradicts health authorities. YouTube even has a page dedicated to how it aims to combat misinformation on its platform.

Twitter has similarly made efforts to tackle misinformation on its platform with warning labels on tweets that contain “synthetic or manipulated media that are likely to cause harm.” Tweets with these labels aren’t easy to spread as users aren’t allowed to reply to them or retweet without adding comment. Additionally, tweets with this warning label are not recommended by Twitter’s algorithms, meaning users won’t see them in their main timelines. Like YouTube, Twitter also has information on its blog about tackling information and how the warning labels work.





What about Facebook? Two years after admitting under political pressure that **Facebook** must do more to prevent disinformation campaigns on its platform, founder Mark Zuckerberg **said that the company** 'shouldn't be the arbiter of truth of everything that people say online.' One month later, a movement to 'hit pause on hate' with a Facebook ad boycott gained speed. Major advertisers like The North Face, Unilever, **Verizon**, Sony, Microsoft **among others** joined the boycott of pausing their advertising spend on Facebook in July. In response to this, Zuckerberg said "Of course we care, but we're also not going to set our content policies because of advertisers." The social giant has most recently come out with policies to take on **COVID-19 vaccine misinformation** as well as limit **voter misinformation** amid the presidential election. You can find Facebook's policy on misinformation **here**.



Content Marketing & Search

Because content marketing and search go hand-in-hand, we are lumping them together. As people are spending more time online this year, it's safe to assume they are consuming more digital content than before. This highlights the need for a robust content and search marketing strategy that aligns with your target audience's needs.

What does this mean for digital marketers in 2021? Especially on Facebook, there are all kinds of customizations advertisers can make when it comes to ad placement. To elevate brand safety, here are some recommended measures to take:

- First consider who your customers are and what content they might consider appropriate. You should also consider what won't be conducive to your brand, such as having advertising revenue attributed to your competitors' apps and such.
- Create a block list. You can upload a file of URLs that include apps and pages within the audience network, in-stream videos and instant articles where you don't want your ads to appear.
- Too many pages to block? Create an allow list that outlines which content and/or publishers are approved (by you) for your ads to run alongside.



Developing high-quality content that's aligned with your customer personas and intent has never been more important if you want to show up prominently in search results related to your business.

User experience (UX) will need to become a priority in 2021 if not already, as Google has unveiled updates to its rankings algorithm. The new **Web Vitals** uses quality signals triggered by various user experience factors such as page load speed, interactivity and stability of content as it loads.

People are now searching in a more conversational way, and semantic search is becoming more prevalent. Semantic search refers to how search engines use all the data at hand to determine the context, intent, and meaning they need to serve up the most relevant and complete content possible rather than zeroing in on top-of-the-funnel and long-tail keywords.



It's important to contemplate the intent behind the user's search. People are searching with **four different core 'intents'** – to get information, make a purchase, shop and compare products and to get to a certain website. Develop content that speaks to these.

Do you have a Google my Business account? Do you



keep it updated? Google My Business optimization factors heavily into local search experiences. **Engagement and activity** on a GMB listing are strong ranking signals for Google, so the more complete and optimized your listing, the more likely your business is to show up in local searches. Google my Business has been extremely helpful during COVID-19 – allowing users to keep up with updated store hours. If yours isn't updated and someone comes to your business thinking you're open when you actually aren't, they won't be happy.



What does this mean for digital marketers in 2021? Here are some actions to take to stay on top of search:

- ◆ Check your site's UX: Google has a [tool](#) that will rank your pages based on UX.
- ◆ Understand your audience's intent and optimize your content for both relevance to the consumer and lifetime value for your business.
- ◆ Make it a point to update your Google My Business account on a regular basis.



Digital Display

According to data from eMarketer, display is driving digital advertising's growth during this year's recession. Within display, increased investments are projected to be heavily concentrated on mobile, video and programmatic ads in 2021.

We are in the midst of a data privacy revolution. With recent government regulation on how companies collect and use consumer data and numerous company customer data breaches, it's clear that consumers' online privacy should be protected. Google's answer to creating a more private web? To eliminate the use of third-party cookies from its Chrome browser by 2022. (Apple has announced a similar policy, and Firefox already blocks cookies on its browser)



But what in the world will happen to digital display advertising? Two words: Contextual advertising - the natural successor to cookies that will allow digital advertisers to target at scale without breaching audience privacy.

What is it? Instead of targeting an audience behaviorally with cookies (tracking users' online behavior via clicks, views etc.), contextual advertising places the most appropriate ads within the right context. For example, it would make

sense to run a suitcase ad on cntraveler.com. This is done through contextual targeting within an ad network that segments ads based on parameters like keyword or website topic.

How effective is contextual advertising? A new study from GumGum found that its contextual intelligence tool is **more effective** and less expensive compared to behavioral, with the cost-per-click (CPC) being **48%** lower than behaviorally-targeted ads.



What does this mean for digital marketers in 2021? Over the next year it will be important for advertisers to start testing contextually-targeted display ads while cookies are still available. This way, you can compare the two in real time and be ahead of the curve BEFORE the cookie crumbles.



Retailers that will foster the most growth this year will be the ones that can stay on top of consumer behavior and sentiment while giving them the information they need to feel comfortable shopping with you – both physically and virtually. A multichannel marketing approach can help you do just that. You might've heard of the phrase 'Content is King' which is true, but how good is the content if no one consumes it?

All digital channels work together to drive business to you. Building your brand through digital display and promoting posts through social media for example is a surefire way to get your content noticed. Email open rates increase when recipients have also been hit with digital display ads and social posts. The dynamic flexibility within digital marketing allows for a playground of sorts for marketers to experiment and explore what works for them, no matter how big or small the budget. All in all, driving a thoughtful, multifaceted branding strategy will increase awareness and consideration for your business while funneling prospects through the customer journey.





The 2021 Innovation You Must Adopt: Empathy.

When we asked various marketers about themes for 2021, similar words were spoken: perseverance, flexibility, innovation, adaptability, empathy. Empathy is the ingredient every marketing campaign needs to connect with consumers. There has never been a stronger call for a people-first approach to marketing. When you are writing a post, creating an email, or creating your next ad campaign — you need to put yourself in your customers' shoes. Think like they think and look at your marketing from their perspective. When you do, you'll see your business the way they see it, and it will help you build stronger, more authentic bonds with them.

Prioritizing connection over conversion and demonstrating empathy not only in marketing messages but also extending it to ensure customers are reached when and where they are in life and the buying journey is crucial in resonating with your audience and will ultimately benefit your business' bottom line.

Empathy in the workplace is just as important as employees seek support during these trying times. A great example of this is Patagonia continuing regular pay for all its employees when all operations were closed due to COVID-19. It all boils down to fulfilling the personal





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connection we as humans crave – 2021 might just be the year of connection we didn't know we needed.

Alabama Media Group is here to help you in this time of need. We'll work with you to create the right plan for your businesses at every stage of the pandemic. Tap into our experts now. Consultations are no-strings-attached and absolutely free of charge. While we're dreaming of a time when we can be back with you face-to-face, in the interim we're available through live streams, Zoom meetings and conference calls. Alabama Media Group is a digitally focused news and information company. As both a digital marketing agency and a publisher, we drive daily conversations and engage millions through stories that are crafted to inform, entertain, or inspire, stories that connect our communities to the world around them.