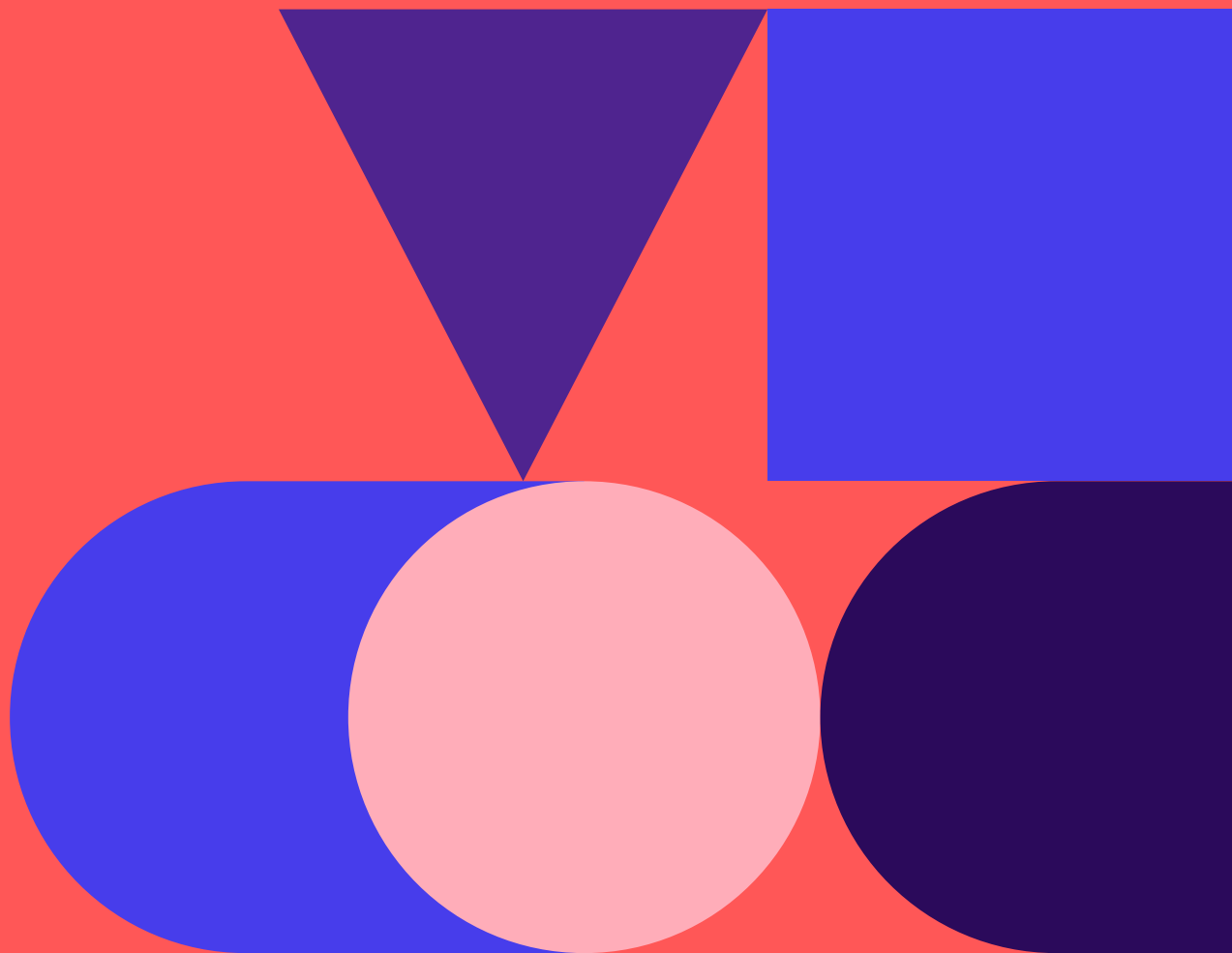


Essential retail trends and insights for 2022 and beyond

Moving through challenging times
towards a thriving future





Embracing change and adapting to frequently shifting 'new normals' has become the necessary artform to master in these testing times.

2020 and 2021 will be a period we look back on with mixed emotions. Never in our lifetimes has the world changed so drastically, seemingly overnight and with so much uncertainty ahead. The COVID-19 crisis has impacted every part of our lives, bringing with it new and unforeseen problems, while at the same time magnifying the world's most pressing issues.

As well as taking stock of our values as individuals, the pandemic has forced global brands to question their role in the world, and the power they have to make a meaningful difference.

As we begin to pick up the pieces, we shouldn't miss our chance to build on the positive outcomes that have emerged off the back of so much disruption.

We delve into three of the year's most influential changes in retail marketing — Are they here to stay? What opportunities do they present? And what are the key take-outs for 2022 and beyond?

Enjoy.

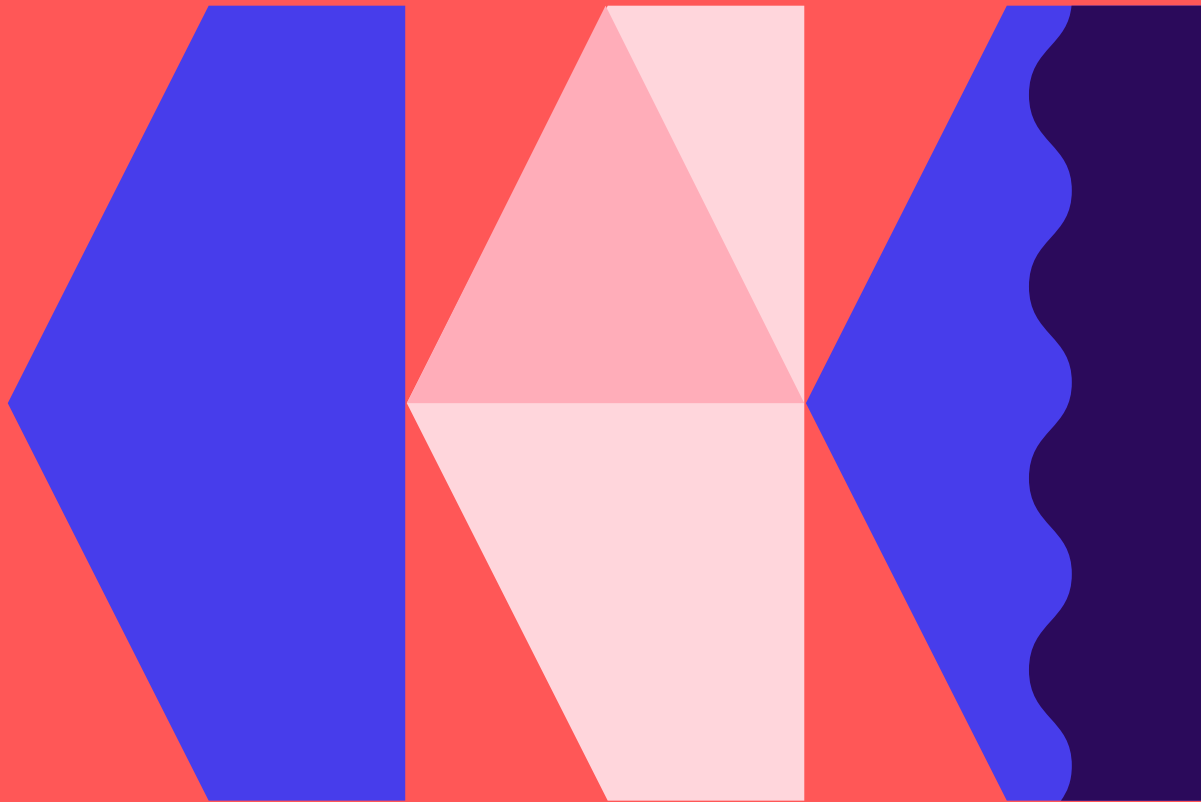


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#1

Digital transformation has accelerated





COVID-19 has forced big improvements in online shopping

The immediate closure of brick-and-mortar shops during lockdown expedited an already growing shift towards digital-first retail. Restrictions have meant that even those who weren't already regular online shoppers have come to rely on e-commerce for the brands and products they love.

Retailers have had to act fast to improve their online offering to meet sky-rocketing demand and the ever-increasing expectations of shoppers. The pandemic wasn't the only reason for this major shift (retailers have been building on their online shopping experiences for a long time), but it will certainly have pushed plans over the line.

As even more consumers move online, brick and mortar retailers are now finding themselves in direct competition with the likes of Amazon. We've explored how they've managed to stand-out among the e-commerce crowd.

Putting digital first

Although grocery stores were able to retain some footfall during periods of lockdown, they still experienced an enormous spike in online orders. In the first few months of the pandemic, iconic UK supermarket Marks & Spencer took 'Sparks', their card-based loyalty scheme that rewarded customers with points for every purchase, and relaunched it as an in-app service.

As well as being a timely reaction, going digital-first gave them the opportunity to eliminate customer pain-points, personalise every customer journey, and show shoppers tangible and immediate value with instant rewards straight to their phones.



Sparks is a vital part of how we communicate with over 7 million of our most engaged M&S shoppers, and we have designed this relaunch around them... It will feel instantly rewarding, and customers can be confident that good things will happen every time they shop with us.

Jeremy Pee
Chief Digital and Data Officer, Marks & Spencer



An online presence is more than a web-store

The number of customers buying directly from brands via influencers has dramatically increased within the last year. Live shopping was already huge in China back in 2019, and after Kim Kardashian partnered with one of the country's most prolific influencers - and reportedly selling 15,000 bottles of perfume in a matter of minutes - it's beginning to take hold across the globe. Amazon, Facebook, Instagram and Google are already developing their platforms to help shoppers to buy in-the-moment.

Mobile-first and 'social media commerce' is another medium of online shopping that consumers have embraced while confined to their homes. It has allowed them to easily find relevant products and shop when, where and how they want.

92%

of retailers said that their preferred platform for social commerce was **Instagram**

(77% opted for Facebook, 57% Twitter and 47% Pinterest)



*Source: Stackla

2020 saw:

- **TikTok partner with Shopify** to help their merchants reach younger audiences highly-engaged with the app's creative possibilities.
- **Snapchat release their beta Brand Profiles feature**, which includes 'Native Stores'. This will let Snapchatters browse and purchase items without being redirected away from the app.
- **Facebook introduce Shops to their family of platforms** - a mobile-first shopping feature for both Facebook and Instagram that allows businesses to add custom fonts, colours, banners and featured product collections to their social media storefront. They can also connect with customers through WhatsApp, Messenger and Instagram Direct to answer questions, offer support and more.

Mobile commerce is set to control **73% of the global e-commerce market share by 2021**, up from 59% back in 2017



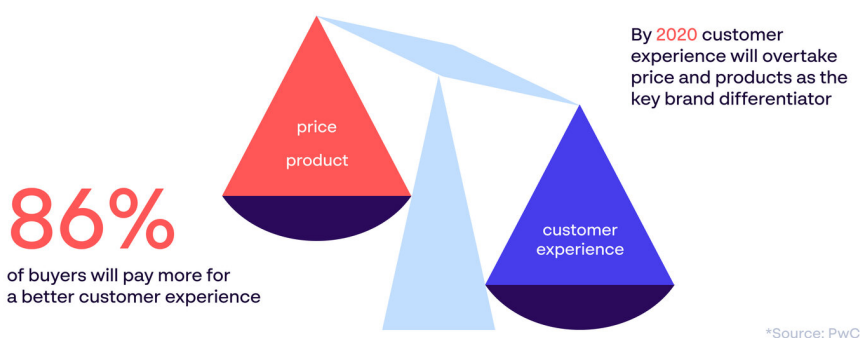
*Source: Buildfire



Competing in e-commerce through customer experience

Recreating the trust and personalisation of the tactile shopping experience has been one of the biggest challenges for many retailers throughout the last 12 months, especially when competing with well-established e-commerce sites. However, the statistics show that great customer experience can beat low prices and free shipping.

Customers highly value great customer experiences



Being able to maintain consistency across multiple devices and online channels with personalised content at every touchpoint will be a standard expectation. Throughout 2020, leading retail brands looked into their processes to offer a seamless, online shopping experience crafted for individual customers.

A great example of a brand getting this right is beauty-products retailer, Sephora.

The brand's mobile app helps customers find nearby stores, check the availability of products, and book makeovers and fashion consultations. It also includes a virtual sampling feature that gives users the chance to test products using their phone cameras and receive recommendations based on their personal beauty traits.

Customer data collected through the app means that Sephora can personalise communications sent out across every medium, and provide a more bespoke experience in-store.



Key take-outs for 2022:

Blur the lines between in-store and online

Lockdown left us all missing a little face-to-face interaction. Especially from friends and family, but also from staff in our local shops and supermarkets. Retailers who have found customer-focused ways to digitise the retail experience have not only succeeded in bringing the little things we miss about shopping in-store to a contactless e-commerce environment, but also added extra layers of convenience and personalisation. One successful example of this is live shopping, where shoppers can get assistance from store personnel via video streaming to find the product they are looking for and to more easily see what it actually looks like.

Leading with digital

Consumers are expecting better digital experiences, and the capability is already here. Creating streamlined digital-first experiences will help keep customer engagement high both online and in-store.

Giving customers more ways to shop

Brands need to reach out to customers across a range of digital platforms to help them shop when, where and how they want. New native shopping features on social media platforms will help retailers get better at interacting with consumers via the channels they use every day.

Competing with customer experience

Great shopping experiences beat low prices. Many retailers that were hit hardest by global store closures have worked on bringing their exceptional service online — and they're cutting through the noise because of it.

#2

Communication is key





The right response to COVID-19

With new rules, confusing instructions and false information throughout the pandemic, effective communication from retailers has become a greater responsibility.

Customers have been watching closely at how brands have responded to the COVID-19 crisis; the measures they have or haven't implemented, how they treated staff and how much thought they have put into the safety measures they enforce.

Making shoppers feel safe

People have reacted in their own ways to the pandemic. Pictures of 'panic-buying' and empty supermarket shelves hit the headlines back in March 2020, whilst some were too frightened or unable to leave their homes.

Retailers' ability to communicate new measures such as one-way systems, maximum items per person and reduced customer numbers in-store, made all the difference for customer safety and helped to build brand reputation.

Two key focus areas for getting this right have been:

- **Clarity**

Catching the attention of busy shoppers is a difficult task at the best of times. Concise wording, colour coding and simple visuals have been most effective in ensuring that customers understand exactly what they need to do.

- **Consistency**

One of the biggest challenges in communicating new regulations was that people seemed to interpret the rules differently. To ensure that staff and customer safety is not undermined, retailers needed to roll-out their comms assets consistently in every single one of their stores.



Keeping customers updated

From the beginning of the COVID-19 crisis, consumers turned to brands for additional information on how their shopping experiences will change. It suddenly became a top priority for retailers to keep their customers informed on how they were addressing the current challenges via email, social media and on their websites.

Consumers appreciated retailers being candid and transparent about things like longer queues, disruptions to supply chains, delivery times and out-of-stock items. However, it has also been important to deliver on promises regarding staff and customer safety with reassurance, solutions and decisive action.



63% of people believed that their country would not make it through the COVID-19 crisis without brands playing a critical role in addressing current challenges



55% perceived that brands were responding more quickly and effectively to the pandemic than their government was



86% of consumers viewed their brands as an essential safety net, ready to step up to assist anyone not helped by a government's response to the virus

*Source: Forbes

Communicating throughout the pandemic has been about more than just spelling-out the necessary rules and regulations. As brands start to become a trusted source of important information, effective communication is even more pivotal in building lasting customer relationships.

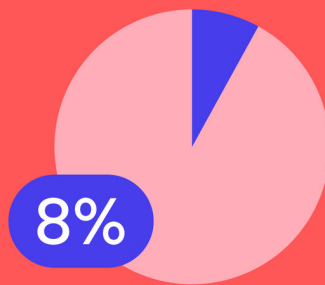
Showing some empathy

Staying contextually relevant in your marketing is always a must. But, for obvious reasons, tonally sensitive communications have been especially important during the pandemic. There has been a fine line between cutting through COVID-fatigue and acknowledging the catastrophic effect that the virus is having on our lives.

Whilst it's not good to be seen capitalising on the pandemic, consumers are still accepting of advertising that draws on the effects of COVID-19.



Just 8% of consumers expected brands to cut advertising because of the pandemic

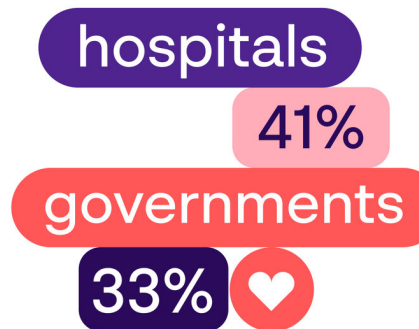


*Source: Forbes

Many retail brands found ways to become part of the solution by partnering with NGOs, donating to hospitals and providing help to those most affected. These initiatives would then become the focus of their marketing comms.

In an interview with Forbes, Dr David Nabarro, Special Envoy for COVID-19 for the World Health Organization (WHO) said, "Brands must strive to be authentic, accountable, and audacious in their communications. They should lead where they can and work together with NGOs and governments, recognising that they have the capacity to jointly enact solutions."

Supporting hospitals (41%) and being helpful to governments (35%) is an expectation of a significant minority of consumers



*Source: Kantar COVID-19 Barometer

A brand's focus should be on authenticity and empathy — that means truly understanding how audiences act and think in order to accurately reflect the environment they're living in.



Key take-outs for 2022:

Retail brands will be remembered for doing the right thing

With more channels of communication comes greater responsibility. For retail brands especially, communicating effectively has been instrumental in curbing the spread of the virus. Investing in a streamlined asset creation tool like BAM (Brand Activation Management) by Papirfly™ will help you react to demands in real-time with studio-quality digital, print, social and video marketing materials.

Take on more responsibility

With more channels of communication comes greater responsibility. For retail brands especially, communicating effectively has been instrumental in curbing the spread of the virus. Investing in a streamlined asset creation tool like Papirfly's brand management platform will help you react to demands in real-time with studio-quality digital, print, social and video marketing materials.

Become a trusted source

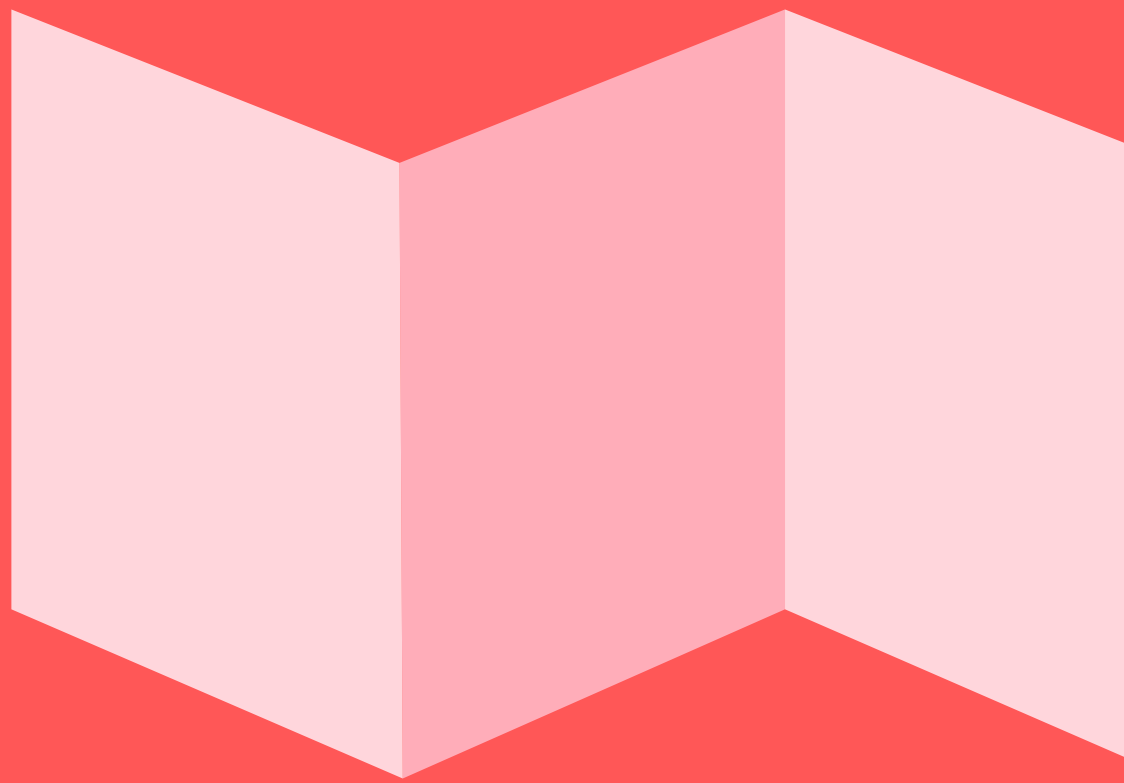
There have been mixed opinions about how new rules have been implemented and increasing distrust of statistics in the mainstream media. This has caused more people to look towards the brands that they engage with day-to-day for reliable, up-to-date information.

Be there for your customers when it counts

The COVID-19 crisis has been an opportunity to reflect on what it means to be in business during such a tumultuous time. It's important to decide what values you should be communicating and how you can action them as a brand.

#3

Conscious consumerism continues to grow





Is it time to rethink your brand's purpose?

Ethical shopping has been a trend to watch for the last few years, so what's different this time?

When products and services were suddenly split into essential and non-essential categories, people took a step back to think about what they do and don't need in their lives. We are seeing more shoppers proactively looking into what brands stand for and the way they conduct themselves - calling-out any false claims of 'doing good'.

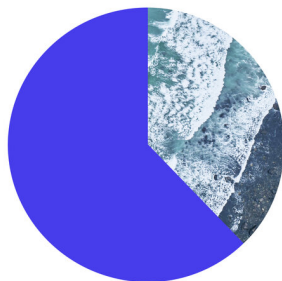
The increased push towards ethical shopping habits has highlighted the importance for brands to speak in an honest voice and act in a transparent way.

Shopping sustainably

In just the first few weeks of lockdown, pollution levels dropped to the lowest they've been for years. In some areas it was reported that the sky was visibly clearer, birds audibly louder and wildlife was spotted roaming in built-up areas due to the lack of human activity. This enforced the already growing conversation around how what we buy impacts the environment.

45%

of consumers say they're making more sustainable choices when shopping and will likely to continue to do so



*Source: Demand Metric



People are far more aware of the environmental and social impact of their buying habits. More than ever, they are proactively changing the way they shop in favour of products and brands that align with their values.



*Source: IBM

Where retail brands couldn't offer completely sustainable or environmentally friendly products, they have been able to evaluate where they can reduce waste, plastic packaging and carbon emissions by optimising their distribution chains and delivery methods.

Buying locally



Conversation around shopping locally increased in mentioned volume by 440% between December 2019 and March 2020

*Source: Brandwatch

*To conduct their research, Brandwatch searched for English-language mentions of these kinds of shopping in March 2020

The shift towards buying local might have had something to do with fewer people travelling into cities and strict restrictions keeping consumers away from shopping centres in some countries. However, the resurgence of shopping closer to home has been about more than just convenience during lockdown.

Navigating the pandemic has brought people together in a number of ways (except physically). It has heightened the sense of community spirit in purpose-driven shoppers and given global brands with local stores the chance to build closer relationships with their customers.



Focussing on a clear and relevant local value proposition is increasingly important to challenge offers from nearby competitors. Giving smaller stores and franchises the autonomy to apply their personal insights on consumer behaviour is a key consideration.

By applying local variations on wider brand offers, as well as adapted messaging – relevant to local news and events, for instance – there is potential to generate a deeper sense of customer loyalty and trust. In turn, this can lead to customers increasing their spending with that brand – locally and beyond.

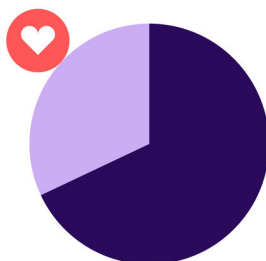
In a similar vein, the availability and range of certain products and services that a company offers can differ greatly in each location. Brands offering a clear picture of what precisely is available within the community they serve communicates the value of the product or service – and ultimately, the value of the brand.

Chain retailers realigned their focus from the name on their stores, to supporting the community that they are a part of.

68%

of customers want to see brands **give back to and support local communities**

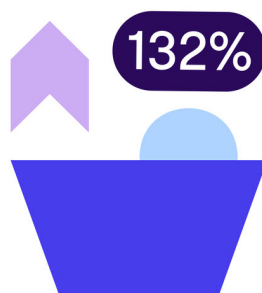
*Source: Demand Metric



Making more ethical purchases

Purchases made for ethical reasons in March 2020 were up 132% compared to December 2019

†Source: Brandwatch



There were many ways in which retail brands came under scrutiny in 2020. Most notably, how they looked after their staff, where they sourced their ingredients/products and how well they adapted their delivery methods to meet safety measures.



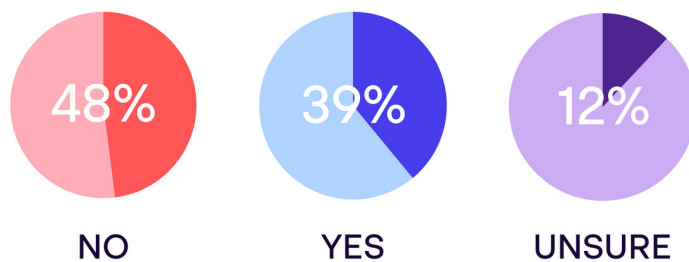
This trend has prevented big retail brands from being caught-up in price and discount wars, and drawn them towards thinking about how they can better align their values and conduct with what matters most to their customers.

Are there any brands you used to purchase but now consciously avoid?

Why:



Used to purchase but now actively avoid



*Source: The Marketina Store



Key take-outs for 2022:

It's time to take a step back and focus on the things that matter

As consumers re-evaluate what they want in their lives, brands must re-evaluate their purpose. The devastating effects of the pandemic are being felt in almost every way you could possibly imagine, and retail brands are uniquely positioned to help make their customers' lives a little easier at such a difficult time.

Be proactive

COVID-19 has not halted the conversation around shopping habits and the environment. If anything, it has given people a chance to truly appreciate how delicate it really is. Brands being clear on what they are doing to cut emissions and becoming more environmentally friendly will be an important factor going forward.

Become part of your communities

More customers are shopping closer to home to support their local businesses. Whilst this may seem like a move away from global retail brands, the figures suggest that it's more about the importance of community. To build on trust and facilitate more personal customer relationships, brands need to feel just as at home supporting local initiatives as they do rolling-out nationwide marketing campaigns.

Promote positive values

At the beginning of lockdown, consumer's needs, buying habits and attitudes changed very quickly. This highlighted that retail brands will need to be hyper-aware of the cultural and social landscape and promote positive values at every point in their customer journey.

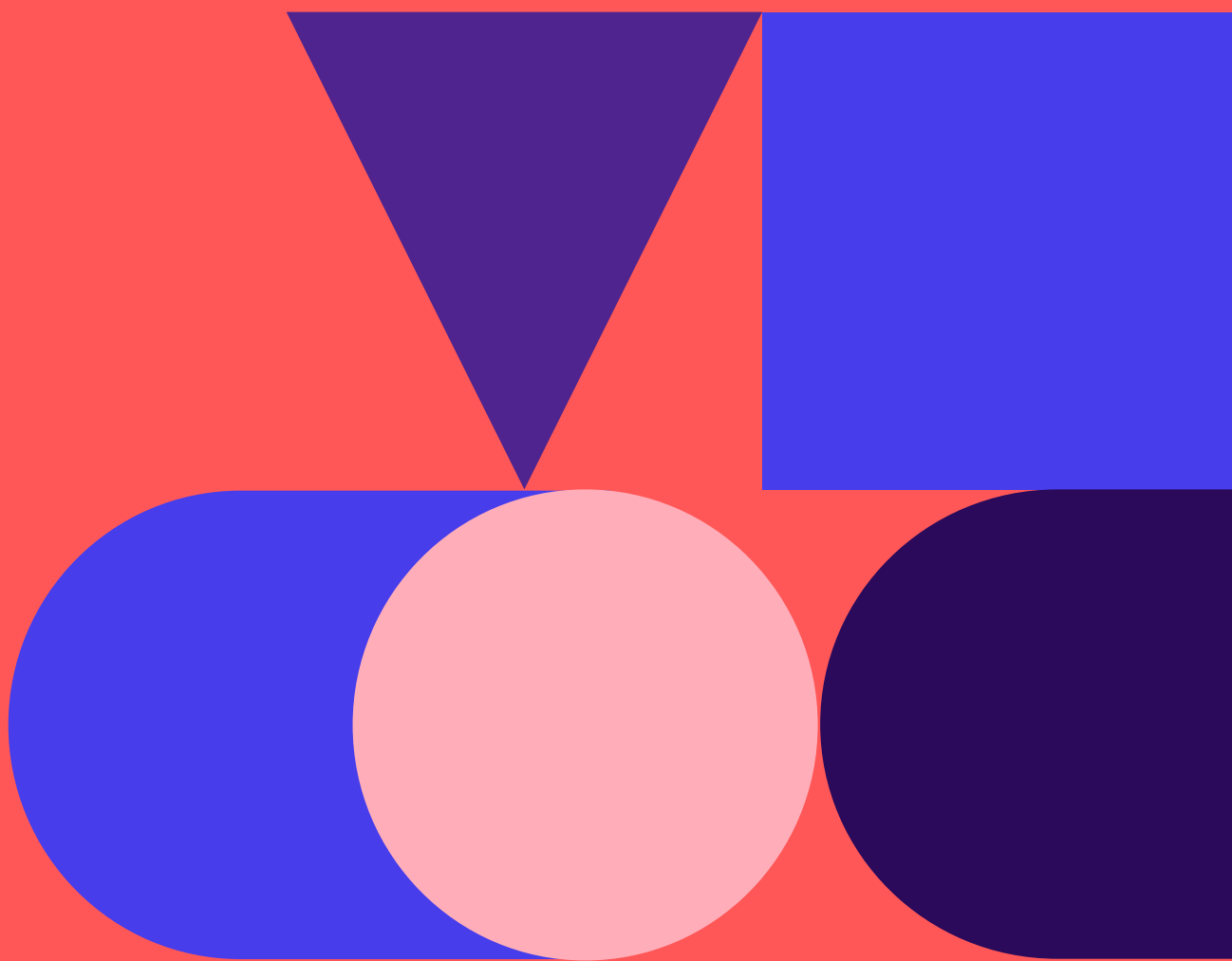
Everything you need is already here

The ways we have reacted to the events of 2020 and 2021 have driven through major developments for retail marketing that were just out of view in 2019.

The future presents us with a new and uncharted landscape with new challenges, opportunities and consumer attitudes to contend with.

As some version of normality resumes, retail marketers can be ready to hit the ground running by empowering their teams with the tools they need for the future.

Unleash your brand with Papirfly









How does Papirfly empower your people?

We believe every enterprise should be able to provide tools to teams, so that the brand can be delivered to customers exactly as it was intended to be experienced.




At Papirfly, for over 20 years we've been driving innovation in brand management software to support brands in delivering consistent, multichannel experiences for their customers.

We empower people to unleash their brand.

How teams work today:

-  Customers are experiencing inconsistent and diluted branding across touchpoints
-  Stressed teams aren't getting the marketing materials they need or quickly enough
-  Too much already-limited budget is being spent duplicating work and on multiple tech solutions
-  Assets are not centralised or trackable resulting in loss of data to analyse budget spend

We know what brands need:

-  Global brand governance now and for the future with guaranteed consistency at every touchpoint
-  Faster go-to-market, creating assets in-house with the flexibility for on-brand, hyper-local messaging
-  Increased ROI, saving money on every asset produced, creating space for teams to focus on strategy

We give you the tools to:

- Do more for less
- Produce all assets in house
- Create with no previous design skills
- Achieve 100% brand consistency
- Reach all markets, in any language
- See a complete bird's-eye view of your branding and marketing efforts

Discover our all-in-one brand management platform



Trusted by the world's most recognisable brands

 **1M+**
regular Papirfly users

 **600+**
brands using Papirfly worldwide



Build your on-brand culture with Papirfly

Our brand management platform enables complete brand adoption, and the creation of unlimited on-brand assets with our suite of enterprise-grade products-building brand equity and long-term customer loyalty.

Point

Educate & Control

Support global teams to understand your brand, through clear guidelines, official assets, core values, and more from online access point. Go local with unique hubs with local languages and nuances.

Place

Manage & Share

Centralise all assets with a dedicated DAM solution, categorising content for global and local usage in onsecure place for all approved material. Ensure every location has assets that serve their unique audience nuances.

Produce

Create & Activate

Guarantee 100% brand consistency with design templates aligned to brand guidelines and produce infinite studio-quality digital, print and video assets. Empower everyone to personalise to their audience using localised images, video and text options.

Plan

Plan & Collaborate

Achieve your bird's-eye view of all campaigns and activities, displaying status, budgets, contacts, and official design templates for use. Ensure every location utilises workflows that drives campaign responsivity.

Prove

Measure & Optimise

Analyse marketing activity via your dashboard, delivering reports and data across your business. Ensure local sites get feedback on best-performing content across the business, and give them data to let them know when their efforts are driving brand strategy success.

Plus

Integrations

Papirfly works seamlessly with your agency tech stack – removing hacks and workarounds, improving productivity and organisational efficiency across the business.

FORRESTER®



212% ROI



80% reduced effort in asset creation



Enhanced content quality and improved business outcomes

"It's become super crucial for us with more than 50,000 users at the brand portal, both internal employees and external agencies. We are working with a huge number of downloads of all of the assets."

Interviewee from pharmaceutical

Source: A commissioned TEI study conducted by Forrester Consulting on behalf of Papirfly



Global brands trust Papirfly



Mercedes-Benz



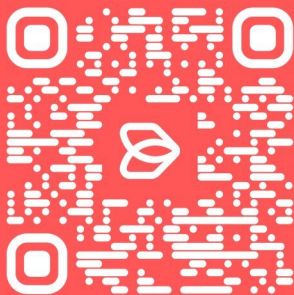
"Life without Papirfly would be stressful. It would be slow, time consuming, and costly. Papirfly has enabled us to have a system in place where we can create assets that we need very quickly. We can go to market much faster, we can react to our business and our clients a lot quicker, and it is also extremely cost effective."

Jo Bedford
Global Recruitment Branding Manager, IBM



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