
TOP MARKETING INITIATIVES TO DRIVE PROFITABLE GROWTH

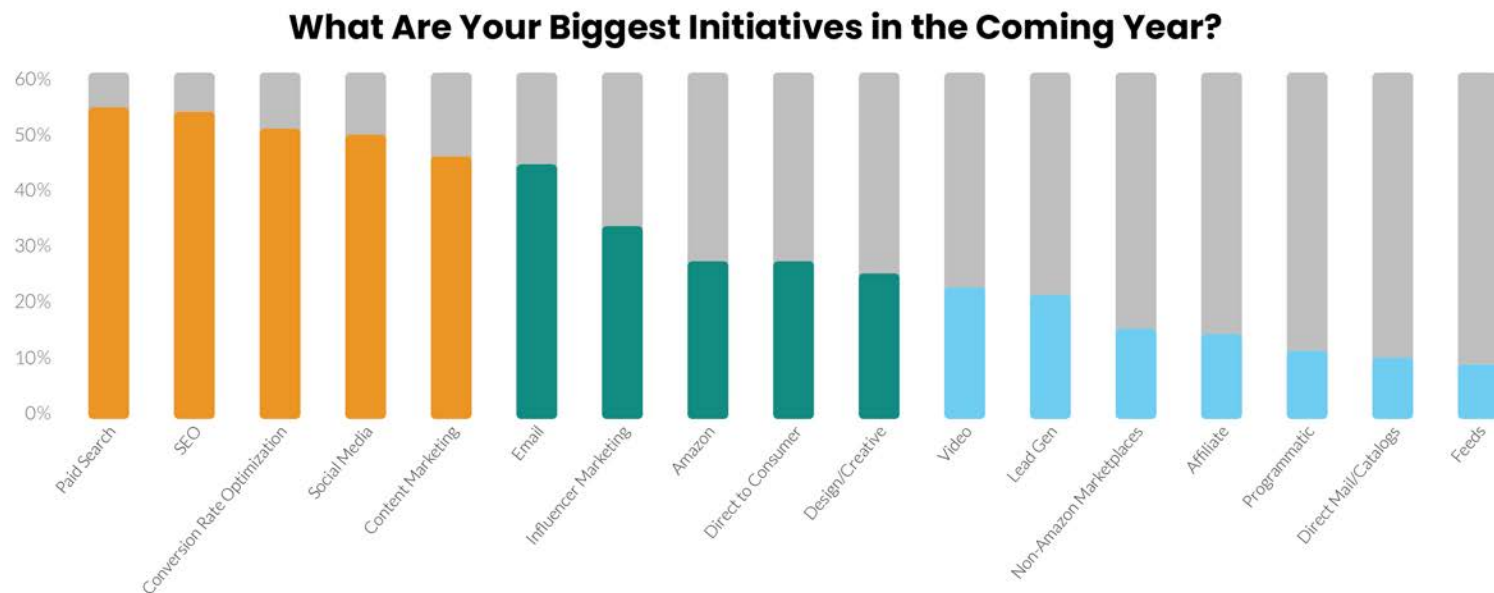


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Executive Summary



Whether you've been in ecommerce for two years or 20 years, you've witnessed major transformations in the industry. As digital marketing trends and initiatives continue to evolve, outranking and outsmarting your competition will become even more of a challenge.

To help you navigate the landscape with ease and confidence, we conducted a survey of over 170 digital marketing professionals about their current top ecommerce priorities. In this report, we reveal the top five initiatives that brands are focused on right now, with cross-examined insights and expert tips to help you grow profitably. You'll uncover:

- A close-up look at the top initiatives with **insightful graphs, charts, and other data visualizations**
- Analysis of how priorities vary between **industries, job roles, and revenue** to give you the best insights specific to your business
- Digital predictions for what brands and retailers in the ecommerce age can expect in 2022 and beyond

Use these insights to discover untapped revenue growth opportunities for your brand.



Paid Search Advertising

Paid search advertising is the top initiative for digital marketing professionals, with 55.2% naming it as a priority for their brand. Paid advertising (also referred to as paid search or paid search advertising) includes text ads on search engines like Google and Microsoft Bing as well as paid video ads on YouTube.

More than 3 in every 5 marketing managers say paid search advertising is a big initiative for their brand. In 2022, around \$39 will be spent on search advertising per internet user¹.

Google is by far the leading traditional search engine for paid advertising, with 85.6% of the desktop market share as of January 2022². Microsoft Bing comes in at 7.6%, followed by Yahoo! at 2.9%. Google dominates even more on mobile, with 93.3% of the mobile search engine market share³.

Google also has the biggest ad revenue share compared to Amazon and Facebook, garnering 28.6% of total ad spend in 2021 compared to 11.6% and 23.8% respectively⁴. The landscape is changing, though. Google's share of the market has been steadily shrinking since 2019 when it had 31.6%, while Amazon has grown since then from 7.8%. Amazon's domination of the ecommerce marketplace will continue to eat at Google's share, and by 2023, Google ad revenue will make up 26.4% of the market with Amazon at 14.6%.

Search ad spending makes up 41% of all digital ad spending⁵.

1 <https://www.statista.com/outlook/dmo/digital-advertising/search-advertising/worldwide>

2 <https://www.statista.com/statistics/216573/worldwide-market-share-of-search-engines/>

3 <https://www.statista.com/statistics/511358/market-share-mobile-search-usa/>

4 <https://www.emarketer.com/content/google-facebook-amazon-account-over-70-of-us-digital-ad-spending>

5 <https://www.emarketer.com/content/search-marketing-2020> 5

Some of the Google Ad types that provide value to brands and retailers include:

- **Discovery Ads:** A mobile-focused ad type that leverages user intent data like search history, app downloads, location, and more to automatically target shoppers on Google's Discover feed, Gmail, and YouTube.
- **Shopping Ads:** Product-centric, image-focused ads that appear at the top of organic search results pages personalized Google Shopping feeds, enabling shoppers to purchase products directly from Google.
- **Display Ads:** Different from search ads, these are visual ads that showcase your product to users who may not be familiar with it yet, focusing on top-of-funnel brand awareness.

Since May 2018, a key component of paid advertising has been Google Smart Shopping, which uses AI and automation to display your brand's ads to relevant customers across Google platforms to help increase your return on ad spend and maximize your conversion value. But in 2022, brands advertising on Smart Shopping will be switched to Performance Max. The process will begin in April 2022 and all campaigns will be switched over by September 2022⁶.

Brands that switch to Performance Max see an average 12% increase in conversion value at the same or higher ROAS. Performance Max offers new automation and inventory insights on top of a foundation of Smart Shopping and Local campaigns, including the ability to access all of Google's ad inventory across channels from one campaign.

Using an omnichannel approach to create a cohesive customer journey will be critical to profitable success. Using automation and AI as the foundation of your strategy will help save time and drive conversions to grow your brand's revenue. According to our research, 33.7% of marketing decision-makers feel that automation and AI are top trends for 2022.



⁶ <https://blog.google/products/ads-commerce/upgrade-to-performance-max/>

28% of marketers use automation in their paid advertising efforts⁷.

Digital search ad spending has increased significantly over the course of the pandemic as consumers spend more time online. After growing just 5.9% from 2019 to 2020 to pass \$58 billion, US search ad spending grew 46% in 2021 to reach \$84.7 billion - and in 2022, it's expected to grow 12.4% to reach a record \$95.2 billion⁸. By 2024, digital search ad spending will approach \$100 billion.

Paid search advertising has always been a competitive landscape. If your brand has the budget, you can bid strategically on keywords to dominate your product market to reach users who are interested in your brand and even appear before your competitors. In 2021, it became even more competitive as cost per click (CPC) skyrocketed for the second year in a row. Google Ads CPCs grew 15-25% in 2021 and are expected to rise 20-40% in 2022⁹.

The amount of CPC growth varies by industry. In 2021, CPCs for search ads ranged from \$1.40 to \$8.67 across different categories, with legal services (\$8.67), dental services (\$6.49), and home & home improvement (\$5.75) ranking as the most expensive categories. Sports & recreation (\$1.73), arts & entertainment (\$1.60), and travel (\$1.40) were the least expensive.

As of Q3 2021, the beauty industry was the most impacted with a 41% year-over-year rise in CPCs, followed by home & garden at 33%, apparel at 24%, and electronics at 21%¹⁰.

The growth in CPCs could explain why paid search is less of a focus for brands that make less than \$10 million in annual revenue. Conversely, it's the top initiative for brands with \$100M-\$1B in annual revenue.

⁷ <https://www.statista.com/statistics/1269813/marketing-channels-automation/>

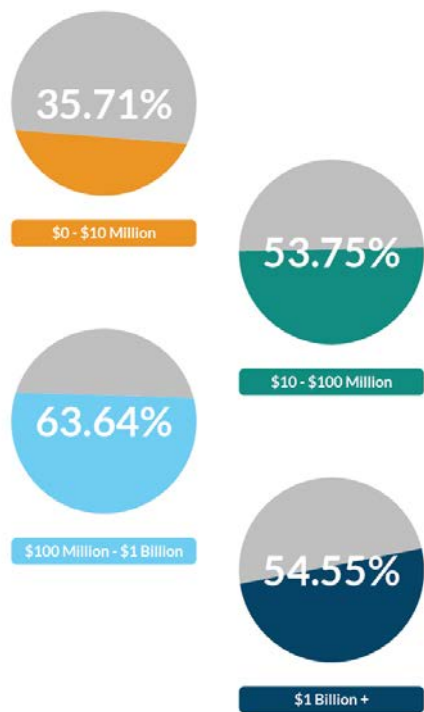
⁸ <https://www.statista.com/statistics/266249/advertising-revenue-of-google/>

⁹ <https://www.wordstream.com/blog/ws/2016/02/29/google-adwords-industry-benchmarks>

¹⁰ <https://www.emarketer.com/content/how-google-search-ad-prices-have-risen-across-retail-categories>



Paid Search as a Big Initiative in 2022 (Based on Annual Revenue)



Mobile accounts for over two thirds of total paid search ad clicks¹¹. As of 2020, mobile paid search ad spend was less than social media ad spend by about \$700 million, coming in at \$32.6 billion compared to \$33.3 billion¹². By 2025, mobile paid search ad spend is expected to be \$51.7 billion, with social media moving to rank second at \$48.2 billion.

By 2026, mobile search ad spend will total \$160.25 billion to make up 58.8% of all paid advertising spending.

It's safe to say that the marketing world has shifted to a mobile-first mindset, but desktop still reigns for Microsoft Bing. As of Q4 2021, 70% of Google search ad clicks come from mobile compared to 26% for Bing¹³.

At the beginning of the pandemic, paid search ad spend declined significantly as brands and retailers reduced their budgets in light of all the uncertainty. Paid advertising spend on Google was up 14% year-over-year in February 2020, but in March 2020, that dropped to just 4% growth¹⁴. Ad spend stabilized again by March 2021 to 14% YoY growth. Google paid search ad spend grew just 7.7% YoY in Q1 2020, followed by 21.7% YoY growth in Q1 2021.



PAID SEARCH EXPERTISE JUST FOR YOU

ROI Revolution's digital marketing experts have been delivering successful paid search ad strategies for over 20 years. In fact, PPC advertising was the first service we offered alongside the launch of Google AdWords! Now, in addition to multiple other services, we manage over 400 paid search accounts and help our clients grow paid advertising revenue by 60%+ on average within one year. Want to see what we can do for your brand? **Connect with our team today at ROIRevolution.com/PPCInitiatives to uncover new revenue-driving paid search opportunities.**

11 <https://www.statista.com/statistics/250951/us-mobile-device-share-paid-search-clicks/>
12 <https://www.statista.com/forecasts/258488/mobile-marketing-sales-impact-in-the-us-by-type>

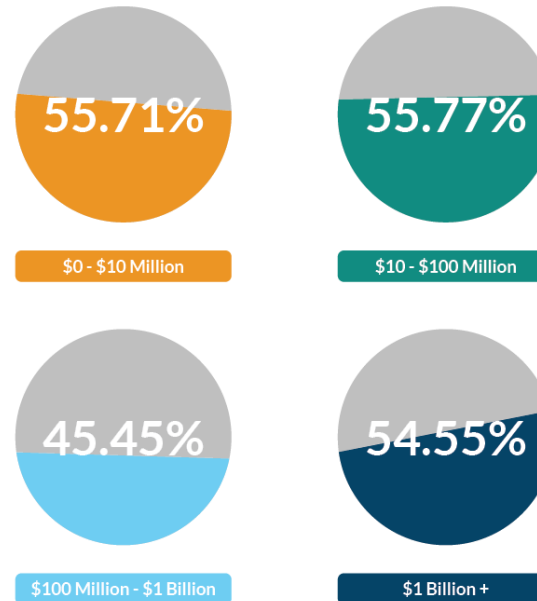
13 <https://www.statista.com/statistics/223308/trend-in-impressions-on-google-and-bing-in-the-us/>
14 <https://www.statista.com/statistics/258224/paid-search-ad-spending-usa/>

Search Engine Optimization

The second biggest priority for online brands is organic advertising, or search engine optimization (SEO), with 54% marketers naming it as a current top initiative for their brand. With the rise in CPCs across industries, optimizing your organic presence can be a key way to boost clicks for your brand without breaking your budget.

But SEO isn't only for low-budget brands. Showing up before your competitors in a search is a huge priority for any brand that wants profitable growth. As a cost-effective way to grow your brand, search engine optimization is a key initiative for many businesses. It's the most important initiative for brands making \$10-\$100 million in annual revenue. Even 54.6% of brands making over \$1 billion in annual revenue say SEO is a top initiative for their brand, tying in second place with paid search as the most important trend for these high-grossing businesses.

SEO as a Big Initiative in 2022 (Based on Annual Revenue)



In January 2022, Google launched a Shops section in mobile organic search results that shows up to 10 retailers based on their organic rankings¹⁵. Ecommerce is a growing part of Google's strategy, and with this added emphasis on driving sales through organic search rankings, brands can't afford to ignore search engine optimization. It's no wonder that more than 50% of marketing decision-makers say both paid search and SEO are top initiatives for their brand.

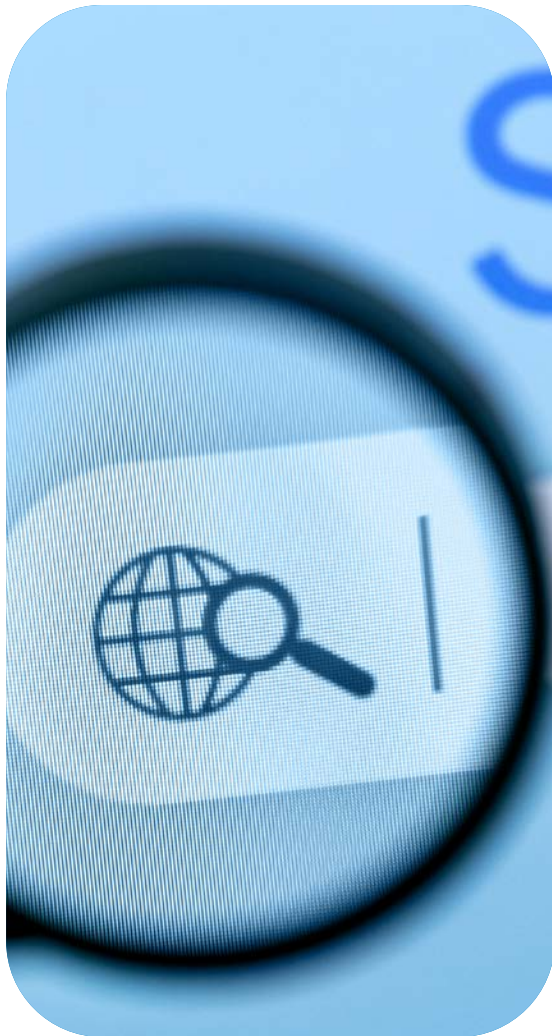
Organic traffic alone rarely rises to the levels of traffic achieved through paid plus organic efforts. Search engine optimization and paid search advertising is a $1 + 1 = 3$ relationship.



WEBINAR REPLAY

At ROI, we call SEO and paid search the digital search duopoly. This powerhouse duo gives your brand the ability to dominate the first page of search results and supercharge your presence on Google, Microsoft Bing, and YouTube. In this webinar replay, discover insights to drive more qualified traffic to your website by optimizing your paid and organic presence. Visit ROIRevolution.com/InitiativesDuopoly to watch the video.

¹⁵ <https://www.mediawire.in/blog/seo/google-introduces-a-new-shops-sections-in-mobile-search-results-80544114.html>



Search engine optimization is also a key initiative among job roles, with doers, managers, and decision-makers naming it as a top priority for 2022. More than half of digital marketing decision-makers say that SEO is a big initiative for their brand.

Quick stats:

- Search engines are the most common brand discovery channel, with 32% of internet users saying they find new brands or products this way.
- Social networks are the top way Gen Z finds new products, but search engines are still the top way for all other age demographics.
- 72% of online marketers say content creation is their most effective SEO tactic

Google dominates the overall search engine market by far, with 86.2% of the market share compared to Bing at 7.2% and Yahoo! at 2.3%¹⁶.

Mobile's share of organic search engine visits has been steadily increasing since 2013, when it made up just 27% of search visits¹⁷. As of Q4 2021, mobile makes up 63% of all US search engine visits. Comparatively, mobile organic search engine visits made up just 56% of all visits in Q1 2020. The pandemic pushed people online more, and mobile usage is a key part of that.

¹⁶ <https://www.statista.com/statistics/216573/worldwide-market-share-of-search-engines/>

¹⁷ <https://www.statista.com/statistics/297137/mobile-share-of-us-organic-search-engine-visits/>

Google doesn't release much about the exacts of how they rank content, but SEO professionals say that the most important factors for SEO search rankings are on-page elements (e.g. meta descriptions), organic user behavior, and depth and accuracy of content¹⁸. The top activity that SEO professionals spend most of their time on is keyword research, with 36.3% saying they spend most of their time on it, followed by on-page factors (33.4%), analytics (30.9%), and technical SEO (25.7%)¹⁹.

Google frequently releases algorithm updates that impact how web pages rank on search engine results pages (SERPs). In 2021, those updates were more extreme than usual. Search engine rank volatility was 68% higher on desktop and 84% higher on mobile year-over-year²⁰. 50% of the days in 2021 had high levels of rank volatility on mobile compared to 27.2% in 2020. On desktop, 44.6% of the days in 2021 were highly volatile compared to 26.5% in 2020.

It's important to keep in mind that SEO is a long-term play, not a game of quick wins. It can be an elusive game of testing the waters and trying experiments to see what works and what doesn't.

Ranking first on the first page of Google search results has a huge impact on your conversion rate. The first result on a Google SERP has a click-through rate (CTR) of 31.7%, giving it the highest CTR in all of organic search²¹. Comparatively, the top 10% of companies have a conversion rate of 11.5%²². If you limit your title tags to 15-40 characters, you'll also have an 8.6% higher CTR.

Backlinks are a key way to get your content to the top placement on the first SERP. The first result on a Google SERP has 3.8x more backlinks on average than the rest of the content on page one²³.

The coronavirus pandemic also contributed to challenges in the search engine optimization world in 2021. 27.9% of SEO professionals say pandemic-related issues were a challenge for them as of June 2021²⁴. The top obstacle for SEO in 2021 was budget cuts, with 37.6% of SEO professionals naming it as a challenge, followed by strategy issues at 34.8% and a lack of resources at 32.9%. 27% name alignment with other departments as an issue.



ROI Tip

Carolyn Wilborn
Senior SEO Content Manager

"There's no 'set it and forget it' with SEO - search engines are always evolving in their attempt to deliver what they believe are the best results for a searcher's query, and that means that websites need to evolve too. Shady practices that put you on top of the results today are unlikely to work tomorrow. Focusing on SEO best practice fundamentals balanced with ongoing education and testing can help prepare your site to weather the changes always on the horizon."

18 <https://www.statista.com/statistics/633151/effective-seo-tactics/>

19 <https://www.searchenginejournal.com/state-of-seo/>

20 <https://www.seroundtable.com/google-search-algorithm-updates-more-extreme-32277.html>

21 <https://backlinko.com/google-ctr-stats>

22 <https://www.wordstream.com/blog/ws/2014/03/17/what-is-a-good-conversion-rate>

23 <https://backlinko.com/search-engine-ranking>

24 <https://www.statista.com/statistics/1274478/seo-challenges/>



Conversion Rate Optimization

Your paid search advertising and organic search engine optimization efforts help lead shoppers to your website. But if your website isn't optimized for conversions, even the biggest boost in traffic from paid ads and SEO won't touch your bottom line.

The valuable time that your company spends creating ads means nothing if customers don't click them, and those clicks mean nothing if the customer doesn't convert once they get to your site. The purpose of all digital marketing boils down to getting more sales - in other words, generating conversions. Optimizing your ads and your website to increase conversions is *everything*.

51.7% of digital marketing professionals say conversion rate optimization is a big initiative for their brand.

It's no wonder that conversion rate optimization is tied with paid search as the top priority among digital marketing decision-makers. It's also the top initiative for home goods brands.

Tracking the right key performance indicators (KPIs) is crucial in digital marketing. Being able to prove that the budget your business is putting toward generating more revenue is actually contributing to generating more revenue is easier said than done. For data-driven marketers, conversion rate is the top metric to track²⁵. 37.7% of digital marketing professionals say they use conversion rate metrics as a KPI, followed by return on investment at 17.9% and customer lifetime value at 11.6%.

²⁵ <https://www.emarketer.com/content/data-marketers-conversion-rates>

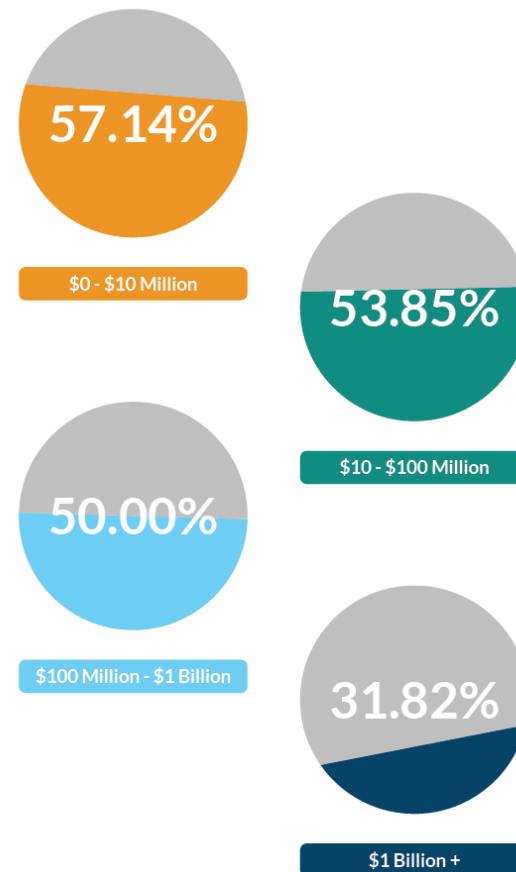
You can optimize your brand's presence for conversions across your entire digital marketing strategy, including:

- Your website's checkout experience (e.g. button text, colors, and copy)
- Landing page copy on your website (e.g. complimentary vs. fear-based language)
- Ad copy on Amazon, paid search, social media, or anywhere else you advertise
- Content and images in promotional emails and newsletters that you send to your customer database

While mobile reigns in terms of traffic and impressions, when it comes to conversion rates, desktop is king. As of Q3 2021, the average conversion rate of online shoppers on desktop is 3.7% compared to just 2.2% for mobile²⁶. Tablets have a conversion rate of 3.3%.

Conversion rate optimization varies in importance to a business depending on its annual revenue. As a company generates more sales and drives more conversions, conversion rate optimization steadily becomes a lower priority. It's a top initiative for more than 50% of brands with under \$1 billion in annual revenue compared to just 31.9% of brands making over \$1 billion.

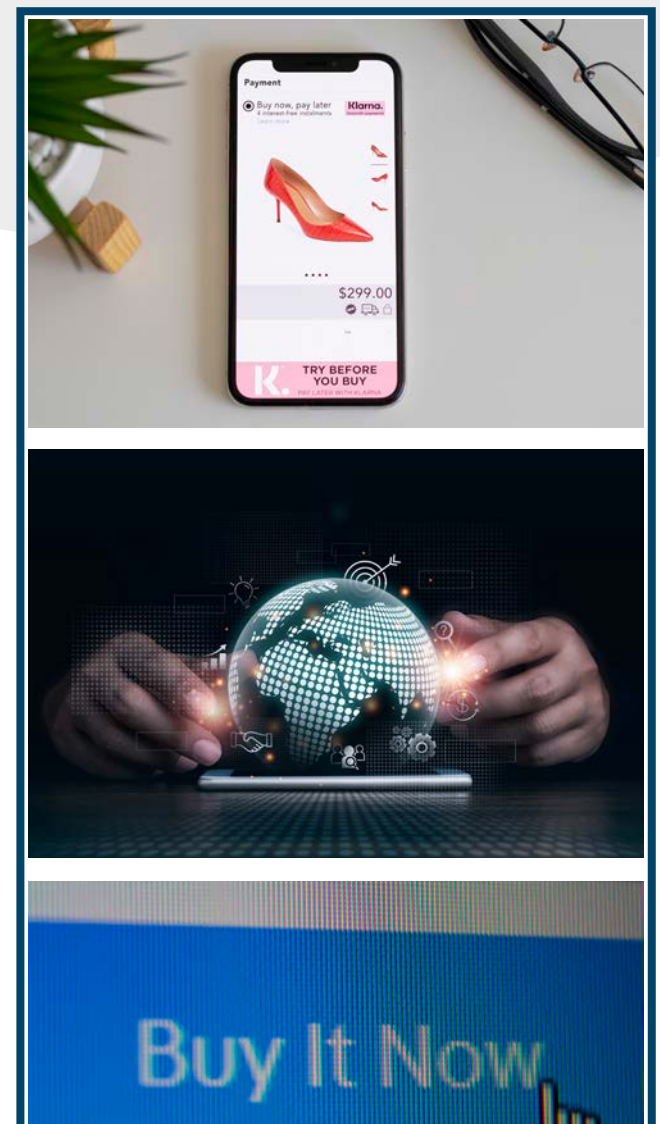
Conversion Rate Optimization as an Initiative in 2022 (Based on Annual Revenue)



²⁶ <https://www.statista.com/statistics/234884/us-online-shopper-conversion-rate-by-device/>

Whether you're optimizing for clicks, sales, impressions, or another factor, your conversion rate optimization strategy should aim to improve your customer experience and reduce friction to make it as simple as possible for a user to perform the action you want. Amazon was able to improve customer experience by more than 25% by adding a "Buy now with 1-Click" button instead of only offering an "Add to cart" option²⁷. The 1-Click option removes the shopping cart altogether and enables shoppers to make purchases without having to re-enter their payment and shipping information, eliminating significant friction to make it even quicker and easier for customers to make a purchase.

A/B testing (also known as split testing) is a key component of conversion rate optimization. With A/B testing, brands can run a randomized experiment to show two different versions of a campaign to their target audience and determine which resonates the most. Some common factors that are used in A/B tests are landing page copy, email subject line, or button color.



A/B tests are a key way to determine how you can drive more conversions from your website, emails, and other marketing efforts. Companies that split test all of their marketing emails see 37% higher returns than companies that don't²⁸. In fact, growing your email CTR by just 0.5% can result in as much as 25% revenue growth. The most commonly tested items in emails are subject lines, images, and content.

A few other ways you can optimize your conversion rates include:

- Remove the navigation bar from your landing page to encourage users to click where you actually want them to
- Display customized, personalized CTAs based on a specific user's demographics and lead status
- Ensure your website's page speed is fast enough (ideally loading within two seconds) to prevent interested users from bouncing

The key to A/B testing is understanding that you'll likely get unexpected results. That's why it's so important to perform. Making assumptions about what you think will perform best - or worse, what resonates with you as opposed to your target audience - is a recipe for disaster.

Brands that nurture a culture of experimentation through split testing will lead the pack. If you're running A/B tests on your campaigns, you have the opportunity to build your company's culture of experimentation. You can be the champion who helps your company embrace testing and make major gains both short-term and long-term.

Conversion rate optimization is a major industry-spanning concern. Acquiring traffic is always important for continued growth - but your traffic is worthless if it never converts. Good content and a great user experience are the ingredients to increased conversions.



CASE STUDY

On average, only 12-15% of A/B tests have a winning result. But at ROI, we have an A/B test win rate of 42%! We helped one home goods brand increase their conversion rates by 34% after performing successful A/B tests on their mobile site. [Read the case study at ROIRevolution.com/InitiativesCRO](https://www.ROIRevolution.com/InitiativesCRO) to learn more.

Social Media

Social media has been a key component of most digital marketing strategies for over a decade now, and it certainly isn't going away any time soon. 50% of digital marketing professionals say that social media is a big initiative for their brand. With emerging social media platforms ranking as the third most popular trend for digital marketers, this will be a huge year for social media.

Social media is the biggest priority for digital marketing doers, with more than 70% naming it as a top initiative compared to less than 50% of managers and decision-makers. Social media work usually falls on lower-level contributors in a company, but it's a major potential driver of revenue and awareness. Business executives should be sure to give adequate attention to their company's social media budget and the profitable return that a social media strategy can bring.

Q2 2020 was the highest time period on record globally for social media usage. Growth has leveled out now, but usage still remains much higher than expected pre-pandemic. North

47% of marketers use automation for their brand's social media management.

American internet users spent around 2 hours and 11 minutes per day on social media in Q3 2021 compared to 2 hours and 2 minutes in Q3 2019²⁹. US social media users spend on average 7 more minutes per day on social media than they did in 2019.

Gen Z users spend the most time on social media at around 3 hours per day. Since Q2 2019, Gen Z has visited Instagram more than Facebook. Still, most Gen Z social media users visit Facebook every month. In general, Gen Z is the top age demographic for most social platforms, including Instagram, Twitter, TikTok, Snapchat, Pinterest, and Reddit. Millennials outnumber all other age groups on Facebook and LinkedIn, though Gen X isn't far behind them.



Facebook is still the most popular social network worldwide by user count, coming in at 2.1 billion active monthly users compared to Instagram at 1.3 billion and TikTok at 755 million. 26% of social media users say Facebook is their favorite service, and it's the most popular social media platform for Baby Boomers.

However, as the pandemic wanes and people start to spend more time outdoors, social media usage may decline. 9% of users are more likely to spend less time on social media in 2022 than in 2020.

Many internet users are thinking more about how they use social media. More than 1 in every 4 consumers worry they spend too much time on social media, including 37% of Gen Z. Consumers are also changing the way they use social media as authenticity becomes more of a trend. 30.3% of social media users say they care less about impressing others on social media than they used to, and 24.5% say they're more open online about how they're feeling. Brands can reach more consumers (especially Gen Z and Millennials) by developing a social media presence that both showcases your brand's authenticity and encourages your customers to be authentic themselves.

Social media has a wide variety of valuable purposes for consumers, making it a key channel for brand discovery and awareness marketing. 77% of internet users use social media to search for more information on brands. 27.8% use it to see what's trending and 26.8% use it to find inspiration.



Social Commerce

An emerging trend in social media right now is social commerce, which refers to the ability to purchase items directly through platforms like Instagram, Pinterest, and Facebook. Snapchat and TikTok are also expanding their social commerce offerings. And they're smart to do so - by 2025, social commerce will account for 16.7% of all ecommerce spending³⁰. Around 4 in every 5 US social media users have been driven by social media to make at least one purchase.

US social commerce buyers are expected to grow 6.1% in 2022 to reach 96.1 million shoppers³¹. That number will climb to 101.1 million in 2023.

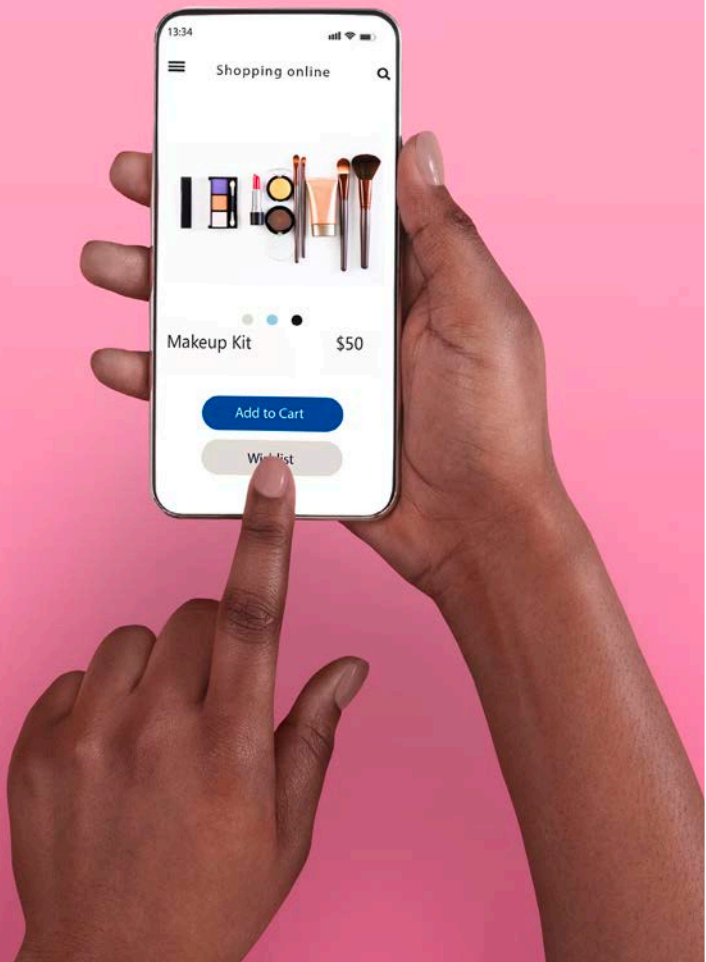
The popularity of social commerce has been rising steadily since 2017, when there were just 45.8 million social commerce buyers. 2020 was the biggest year of growth yet, with more than a 25% increase in social commerce users as the pandemic pushed shoppers toward ecommerce. According to an October 2021 survey, 44% of users who made a purchase on social media in the past month did so directly on the platform³².

Social commerce will grow 3x faster than traditional ecommerce between now and 2025.

³⁰ <https://go.bizrateinsights.com/social-commerce-the-complete-guide>

³¹ <https://www.emarketer.com/content/social-commerce-2021>

³² <https://www.emarketer.com/content/social-commerce-usage-2021>





Facebook is the most popular platform for social commerce, followed by Instagram and YouTube. One out of every three adult social media users have made a purchase on Facebook. Though LinkedIn and Reddit ranked as some of the fastest growing social media platforms in 2021, they have yet to incorporate social commerce abilities.

As such a new and emerging trend, social commerce takes time and resources to implement. 50% of brands with \$1B+ in annual revenue see social commerce as a top trend for 2022, compared to just 34.3% of brands under \$10M. Social commerce also requires brands to have a significant amount of inventory since it reaches such a large amount of shoppers, which is easier for big brands than small brands. But pandemic-fueled supply chain strain has made inventory an issue for many brands in 2022. For brands that are worried about shipping and fulfillment, carrying out new marketing strategies can be difficult if you aren't sure you'll have a product in stock to sell.

Over the past three years, many of the top social media platforms have introduced social commerce solutions:

- **Instagram Shopping:** Enables brands to seamlessly highlight products in a highly visual way and compels customers to make a purchase upon discovery with Product Tags, Collections, Product Detail Pages, and the Shop tab
- **Facebook Shops:** Integrates with Instagram Shopping to share your product catalog, promote brand discovery, and provide fast and secure checkout
- **Snapchat:** Incorporates augmented reality and filters to engage and inspire users with immersive ads that allow in-app purchases
- **TikTok Shopping:** Enables users and brands to add a Shop tab to their profile that syncs with their store's website and displays a product catalog

Out of the digital marketers who named social commerce as a top-of-mind trend, 58.8% are concerned about shipping and fulfillment (compared to 36.8% of our total respondents). If your brand is implementing a social commerce strategy this year, balancing the right amount of advertising with the amount of inventory that you have to sell will be crucial.

Social commerce is effective, but it can be even more effective depending on your industry. For the apparel & accessories industry, social commerce is the top trend for 2022. But just 23.5% of materials & supplies brands name it as a top-of-mind trend. According to eMarketer, the biggest industry for social commerce is apparel & accessories, with electronics and home goods also ranking as key categories.



ROI Tip

Mike Ewasyshyn

Director of Digital Advisory & Programmatic

"The recent wave of changes to tracking and measurement has left many social media channels scrambling to find new ways to drive directly attributable revenue. In addition, recent data has shown how younger generations trust brand messaging from influencers and user-generated content more than messaging delivered directly from brands. These changes have combined to pave the way for greater adoption of social commerce by big tech and will likely drive significant changes in the way we view and use social channels for purchasing in the future."



Social commerce can make it easier for brands to track conversions because the entire path to purchase happens on one platform. Many brands are turning to social commerce as a solution to alleviate cookie-based attribution confusion by engaging and converting consumers on a single channel and device.

Influencer Marketing

Influencer marketing is one of the most lucrative ways for brands to reach key audiences on social media. In 2021, 23% of global social media users said they follow influencers or other experts on social media, a 6% year-over-year increase. The ability to follow celebrities or influencers is now a key reason to use social media for nearly 1 in every 5 internet users.

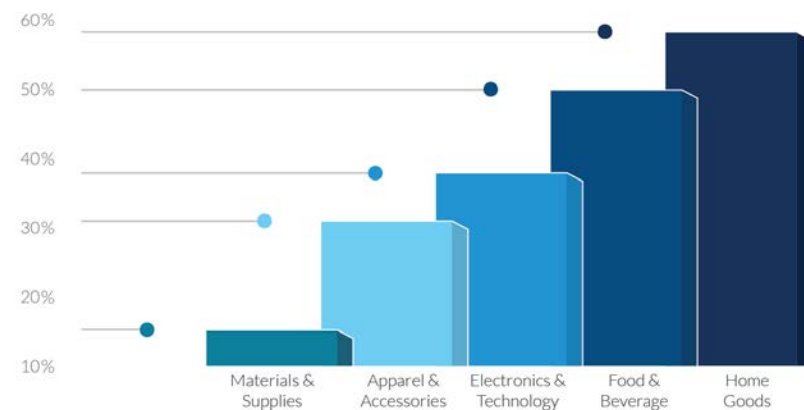
28% of internet users find out about new brands or products via social media ads, with 15% discovering brands via celebrities or other well-known individuals.

Influencer marketing is a top initiative for 35.1% of the brands we surveyed, making it a higher priority than Amazon, lead generation, or design and creative.

Since influencer marketing is a doer-driven initiative, it makes sense that 44.4% of marketers in that job role identify it as a top initiative for them. For managers and decision-makers, that number is less than 1 in 3. Social media is the top initiative for digital marketing doers, with more than 7 in 10 naming it as a priority.

Out of all the industries we surveyed, influencer marketing is the biggest priority for home goods brands. The home goods market is expected to be valued at \$188.1 billion in 2022, a nearly \$20 billion increase over 2019. With the market expected to be valued at \$202 billion by 2024, home goods brands should consider exploring unique and creative strategies like influencer marketing to stand out amidst all the competition.

Influencer Marketing as a Top Trend in 2022
(Based on Industry)





Augmented & Virtual Reality

From the Metaverse to new online shopping capabilities to video games, augmented reality (AR) and virtual reality (VR) are beginning to take shape in the digital marketing landscape. In fact, 36.7% of social media users say they pay more attention to advertising that incorporates augmented reality.

AR and VR are top-of-mind trends for just 6.9% of our respondents - but out of the digital marketers who say augmented or virtual reality are top-of-mind for their brand, 58.3% also say social media is a major initiative. VR/AR will have 165.6 million monthly users in 2022 compared to just 115.9 million in 2019, an increase of nearly 50 million consumers³³.

Around 1 in every 3 social media users say AR is helpful for trying on products they otherwise wouldn't during the pandemic. 49.3% of social media users say augmented reality makes the shopping experience easier, with that number highest for TikTok at 56%. 43% of Instagram users say AR makes the shopping experience easier.

Since the onset of the pandemic, AR has made it easier for customers to test out how a product will work for them without having to visit a physical location. Some examples include Sephora's Virtual Artist technology that allows customers to try on make-up products by uploading a selfie and Warby Parker's virtual try-on feature that enables shoppers to see how eyeglasses will look on them.

Augmented reality could be a key differentiator for home goods brands. Retailers like IKEA, Home Depot, and Wayfair have introduced AR and VR capabilities to allow shoppers to see how products will look inside their home. Pinterest introduced its Try On for Home Decor tool in February 2022, which uses its AR-powered Pinterest Lens technology to give users the ability to upload a photo of a room and stage how furniture will look in it. The Pinterest Lens camera also enables users to try on beauty products. Pinterest users are 5x more likely to purchase a pinned product with the Try-On feature than other pins³⁴.

³³ <https://www.emarketer.com/content/us-virtual-augmented-reality-users-2021>

³⁴ <https://www.retaildive.com/news/pinterest-adds-augmented-reality-feature-for-home-decor/618088/>



iOS 14.5 Impacts

Apple released its iOS 14.5 update in April 2021, transforming how brands advertise through social media. With the update, iPhone app users are required to opt in to sharing their unique Identifier for Advertisers (IDFA), a random identifier assigned to each iOS user that allows advertisers to deliver personalized ads in addition to providing tracking and attribution capabilities.

Similar to a third-party cookie, a user's IDFA is attached to their mobile device and gives advertisers valuable data for tracking the customer journey, providing relevant ads, measuring campaign performance and more. Apps are required to display an App Tracking Transparency (ATT) prompt that asks the user to give the app permission to use their IDFA.

Prior to iOS 14.5, approximately 70% of iPhone users shared their IDFA with apps³⁵. Initial predictions put ATT prompt adoption at just 10%. Marketers were gravely concerned

when the update started to roll out, with just 5% of iPhone users in the US and 13% globally opting into sharing their data as of May 2021³⁶. But as of December 2021, 37% of iPhone users have opted in to the ATT prompt³⁷.

Still, iOS 14.5 introduced major obstacles for brands advertising on social media, with around half as many consumers now sharing their IDFA than before the update. Many brands have shifted their budget elsewhere - or, at the very least, aren't contributing any additional budget to social media ads.

In February 2021, around two months before the update occurred, Apple had 43.84% of the marketing budget share compared to Android at 56.16%³⁸. In June 2021, two months after the update started to roll out, iOS ad spend was less than half it was in February, with Apple's share at 29.71% and Android at 70.29%.

³⁵ <https://www.fool.com/investing/2021/01/04/apple-privacy-drops-bomb-facebook-trade-desk/>
³⁶ <https://www.cnet.com/news/app-tracking-has-only-5-opt-in-rate-since-ios-14-5-update-analyst-says/>

³⁷ <https://www.emarketer.com/content/shakeout-apple-privacy-update>

³⁸ <https://www.emarketer.com/content/ios-ad-spend-drops-app-tracking-transparency-takes-off>

Content Marketing

How Marketing Professionals Stay Up-to-Date



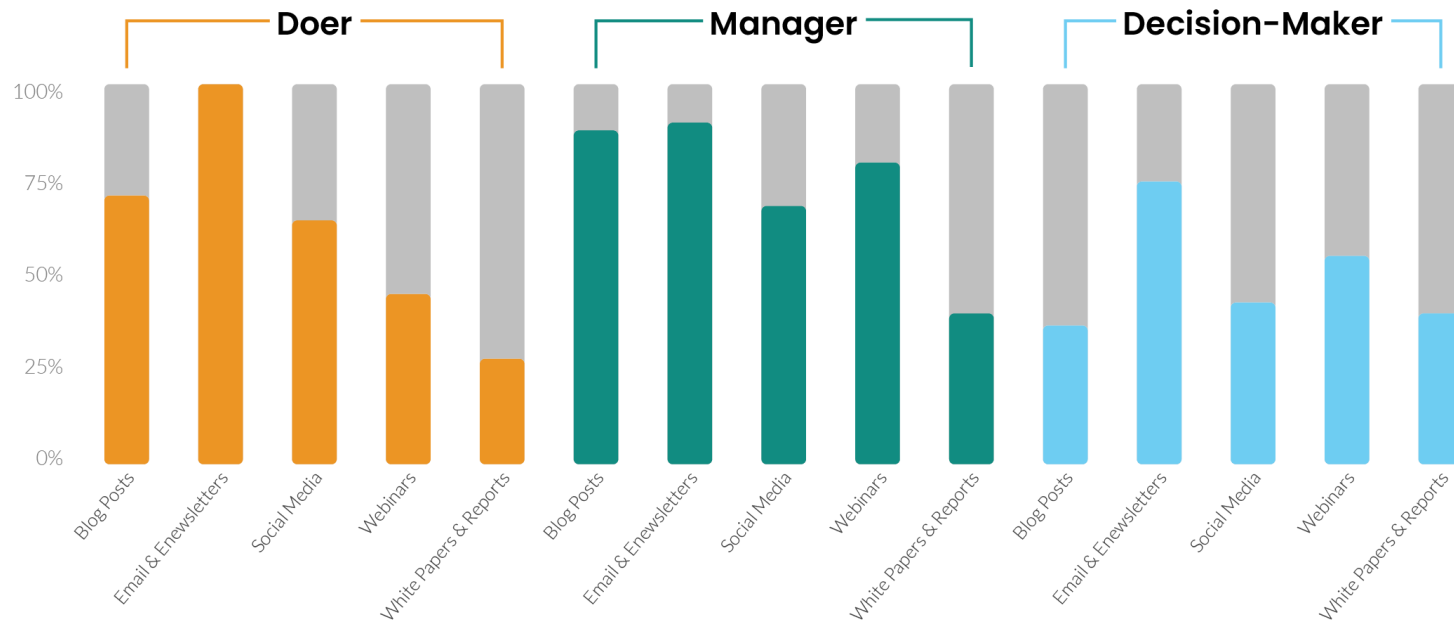
Between SEO, content marketing, email marketing, and conversion rate optimization, one thing remains clear: Content is still king. And optimizing your content is paramount to your brand's success.

Content is an appealing option to marketers not just to generate awareness with your target audience but also to drive traffic to your site at a low cost. In fact, content marketing costs 62% less than traditional marketing methods, yet it generates three times more leads³⁹.

23% of marketers use automation for content management.

When it comes to content, knowing your audience is crucial. We noticed some significant variations in interest in different content types among different job roles. For example, 81.4% of marketing managers stay up-to-date via blog posts compared to just 41.6% of decision-makers. On top of that, only 7.9% of decision-makers stay up-to-date via video and streaming compared to 37% of doers.

Content Type Preferences (Based on Job Role)



It's worth noting, however, that email is the top preferred content type among all of our respondents. 80.5% of marketing professionals say they stay up-to-date on industry information via email and newsletters, with blogs and social media a distant second at 56.3% each.

It seemed like for a bit during the pandemic people went through webinar fatigue, but that trend seems to have subsided. More than 50% of those surveyed get their information and news through webinars.

The print format remains a low priority for most brands. While still having a strong foothold with catalog companies, direct mail has lost its luster with the majority of marketers and advertisers surveyed. Only 9.2% of our respondents say they use print or direct mail to stay up-to-date with industry news and trends, compared to 80.5% for email and newsletters.



Email Marketing

Email is far and away the top content type preferred by our respondents, with more than 4 in 5 professional marketers saying they stay up-to-date on industry trends and news through email and newsletters.

Email marketing is one of the most profitable channels for marketers, enabling brands to reach the more than 4 billion consumers around the globe who use email⁴⁰. After generating \$8.5 billion in revenue in 2021, email marketing is expected to reach \$9.62 billion in 2022 and grow to \$10.9 billion in 2023⁴¹.

By 2027, email marketing is expected to generate \$17.9 billion in revenue globally - more than double what it was in 2020.

But with email such an appealing initiative for many brands, competition will be fierce. In fact, more than 333 billion emails will be sent and received each day in 2022⁴². By 2025, that number will reach 376.4 billion. Standing out with emails that are visually appealing, are personalized and tailored to the reader, and function exactly as intended is more critical than ever.

Automation platforms like Marketo and HubSpot offer solutions that make it easy to create personalized emails and automate sophisticated campaigns so that you can impress your target audience and mitigate technical issues. And they're growing in popularity. Between 2022 and 2027, email marketing software revenue is expected to grow by \$1 billion - more than double what it was in 2020⁴³.

⁴⁰ <https://www.statista.com/statistics/255080/number-of-e-mail-users-worldwide/>

⁴¹ <https://www.statista.com/statistics/812060/email-marketing-revenue-worldwide/>

⁴² <https://www.statista.com/statistics/456500/daily-number-of-e-mails-worldwide/>

⁴³ <https://www.statista.com/statistics/1230872/email-marketing-software-market-worldwide/>

65% of marketers use automation in email marketing, making it the most automated marketing channel.

Email automation platforms can also offer valuable insights into deliverability, which is a key aspect of email marketing. No matter how perfect and personalized your email is, if it doesn't land in your customer's inbox, it's useless. 11% of emails sent never reach the recipient's inbox⁴⁴.

After taking second place in 2017, Gmail has surpassed iPhone as the email client with the most share of opens, accounting for 36.5% of email opens compared to 33% respectively in 2021⁴⁵. Outlook makes up 5.9% of email opens, with Android at 2.2%.

Make sure you're relying on the right data to track the success of your email campaigns. If you're focused only on opens or clicks, you're chasing vanity metrics. You need to focus on engagement metrics like website or product page visits, registrations, content downloads, or purchases as your metrics for success (or failure) of your email campaigns.

⁴⁴ <https://www.emailtooltester.com/en/email-deliverability-test/>

⁴⁵ <https://www.statista.com/statistics/265816/most-used-e-mail-service-by-market-share/>



Blog Posts

Businesses that have a blog drive twice as much email traffic as those that don't. Blogs are also a key way to generate more website visits. Companies that have a blog get 97% more links to their website than companies that don't, making them a great driver of brand awareness.

Blog traffic is largely driven by organic searches and email marketing. In fact, blog visitors from organic initiatives are much more likely to convert than traffic from outbound efforts like email marketing. Leads that come to a blog organically have a 14.6% close rate, compared to 1.7% for outbound leads. Blog visitors that come in from an organic search have a much higher intent than users who receive an email that you send.

Do keep in mind, though, that for the marketing budget you're saving with organic content initiatives, a valuable blog strategy requires your team to spend time strategizing, writing, and optimizing content. Articles that are 2,000 words or longer are much more likely to have strong results, and the average blog post takes 3.5 hours to write⁴⁶. On top of that, articles of 3,000+ words get twice the amount of page views and 24% more shares.

Knowing your audience and being able to tailor your messaging to them with the type of content they prefer will be key to converting browsers into buyers, and buyers into long-term brand advocates. Blog posts resonate with 74.1% of marketing doers compared to just 41.6% of decision-makers. White papers, on the other hand, resonate with 43.8% of decision-makers compared to just 25.6% of doers.

Social media is a key channel to showcase your content, with 96% of bloggers saying they promote their posts on social channels. The most effective social media platform to drive engagement with content is LinkedIn.

Highly relevant, strategic, and well-written content can drive immense interest and awareness to your brand - but if you don't share it, you're missing out on valuable traffic. 94% of blogs use social media as part of their promotion strategy, and 29.8% of consumers use social media to find content⁴⁷. That number has grown tremendously in the past year, with the amount of North American social media users who say they use social media content to find content up 12% YoY as of Q3 2021.

⁴⁶ <https://optimmonster.com/blogging-statistics/>

⁴⁷ <https://www.semrush.com/blog/blogging-stats/>

White Papers & Reports

The magic of content is that it can be reshaped and repurposed across different formats and channels. Content that a writer spends a lot of time creating can have exponential value if it's spread across multiple formats and reorganized in efficient ways to cater to different audiences, then promoted across various channels.

For example, a long white paper can be split into multiple blog posts that contain less information to entice users to download the full report. That content can also be used to write scripts for webinars, podcasts, or videos. You can then share this content in your email and social media marketing in a personalized way.

White papers are much more likely to resonate with managers and decision-makers than doers. 25.6% of marketing doers say they stay up-to-date via white papers and reports, compared to around 43% of managers and decision-makers. Conversely, social media is much more likely to resonate with doers, with 66.7% saying they stay up-to-date via social media compared to 44.9% of decision-makers.



Tying It All Together

Take a deep breath, digital marketing leader. The rollercoaster of ecommerce transformations that you've experienced over the past several years doesn't have to be feared. With the insights you've just gleaned, it's time to walk into the ecommerce world with confidence that you're taking the right steps for your brand.

Paid search and SEO are the top two initiatives for digital marketing professionals, with the two going hand-in-hand to create a powerful digital search duopoly where brands dominate the first page of search results. Conversion rate optimization is a clear next step, with the importance of getting a customer to not just click your ad but actually convert the most crucial.

Social media is a big priority for 50% of brands, with emerging social media platforms and social commerce ranking as top-of-

mind trends. Content continues its reign as king, coming in as the fifth biggest initiative for marketers.

For brands that sell through ecommerce, testing new strategies to align with the initiatives that industry-leading brands are prioritizing the most will be crucial to profitable growth.

In this report, you explored the top five initiatives on the minds of 170+ digital marketing professionals to uncover opportunities for your brand to grow profitably, with cross-examined analysis based on industry, job role, and company annual revenue.

We hope this inside look at the data about 2022's biggest digital marketing initiatives, priorities, and concerns helps you make this the best year yet for your brand.



At ROI Revolution, our proven digital marketing experts with over 20 years of online advertising experience are ready to accelerate your brand's growth in 2022 and beyond. Whether you're looking for attribution solutions, strategies for growth on emerging social platforms, or any other type of expertise to drive more revenue for your business, we're here to act as an extension of your team to surpass your goals. **Get in touch with one of our experts today at ROIRevolution.com/InitiativesContactUs** to get an insightful analysis of how we can help your brand grow beyond your expectations.

Additional Resources

2022 State of Digital Marketing Report *White Paper*



Dive even deeper into the data you uncovered today with these more in-depth insights and charts into the trends separated by industry, job role, and annual company revenue.

Download at:

roirevolution.com/InitiativesStateofDigital

Ecommerce Marketing Trends Report *White Paper*



Learn about the 5 trends that marketers say are top-of-mind for their brand in 2022, with data visualizations, expert analysis, and quotes from industry thought leaders to give you a clear picture of the state of ecommerce today.

Download at:

roirevolution.com/InitiativesTrends





ROI's proven digital experts have been amplifying brand growth since the dawn of digital. We have a reputation for helping brands identify untapped potential through custom multi-channel strategies. Our best-in-class teams and technology empower hundreds of brands to drive billions in annual revenue.

No matter the obstacles and opportunities your brand faces, we're here to act as a trusted extension of your team. We don't have a "set it and forget it" approach to account management. We drive profitable revenue and new customer acquisition at scale through consistent communication and ongoing campaign optimization.

- Full-funnel advertising strategies to supercharge profitable customer acquisition on Amazon, Google, Facebook, & more.
- ROI's RevolutionSuite, combining the hybrid intelligence of smart technology & human logic to accelerate your return on investment.
- Optimization of your website to boost conversion rates, optimize content strategy, & grow your organic search presence.
- Strategic partnerships with Google, Microsoft, Facebook, Instagram, Pinterest, Amazon, Snapchat, Feedonomics, & more.

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