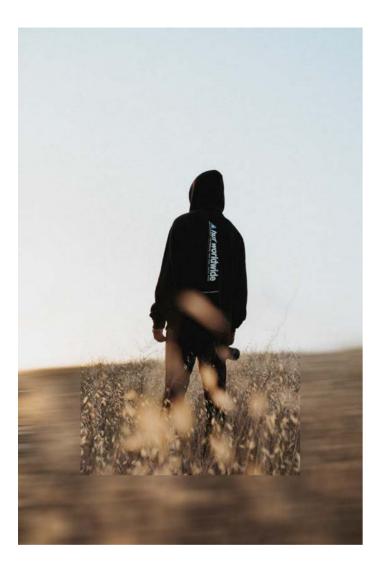


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#### A QUICK NOTE ON METHODS:

In a rapid and ever changing market landscape it is crucial for brands to understand how people's behaviour changes and influences established and emerging industry trends.

This report is largely based on our own research, developed by our research and analytics agency, Capture Intelligence, and built through analysing naturally occurring conversations about industry trends on social media. Simply put, we access data through social media listening platforms and then enhance that data with our proprietary intelligence suite.

To explain the process, we select the terms that are most closely related to the topic to be investigated. Subsequently, different text mining processes are carried out to segment both the topics and related terms used in the conversations. In this phase, we use R packages, developed internally, which are able to index social media to gather information on both digital reputation and brand positioning, along with user behaviour and product trends. For this report, we have highlighted trends and used social intelligence to provide some depth and show consumer conversation in the English and Hispanic markets.

Here we will strive to provide a better understanding of the way the consumer mindset has evolved now that it is faced with a world full of tensions between digitalisation, virtual experiences, and the need for more sustainable practices. Based on this, we will highlight some opportunities for brands to help them move forward with confidence.





[01]

# **Sustainability**

# The need for change is driving advocacy and higher expectations

- + Millennials and Gen Zers in particular are highly involved and demand change, especially from companies in the fashion industry; slow fashion trends are on the rise.
- + Awareness of Greenwashing has increased and consumers are more sceptical than ever; Greenhushing will be a trend in 2023, with more companies deciding not to publicise details of their climate targets in an attempt to avoid Greenwashing allegations.

[02]

# **Exploring the Metaverse**

# Interest and audience diversity has grown rapidly

- + The Metaverse is no longer just for gamers; celebrities, musicians, luxury brands and marginalised groups are all getting in on the fun.
- + This is a trend that will likely continue. As audiences are becoming more diverse, so are the platforms being used. Sandbox, Roblox and Decentraland are all looking to expand their offerings, and are prepared to cater to this new group of consumers.



[03]

# Digital savvybuyer

# Recession fears are influencing habits of consumption

- + As people prepare for a recession, they are becoming more cautious in their spending and are seeking out alternative options that help them make informed decisions.
- + They have started to take greater advantage of big sales, but also opt for instalment payments, showing joy when these ends are empowered through digital marketplaces.
- + The gaming industry is being particularly affected by consumerism demands. As gaming becomes a more expensive hobby, parents are already calling for stronger regulation regarding their children's spending habits.
- + Even dedicated gamers have expressed their anger towards the heavy-handed "pay-to-play" models.
- + Despite these objections, purchases are still growing, and with appropriate regulation, it seems consumers and companies alike are interested in exploring this market further.

[04]

# **Decentralised** communities

# People want a space for their common interests, goals, and passions

- + Decentralised communities foster camaraderie among their members, providing a supportive and inclusive environment for those seeking a sense of belonging.
- + Brands that leverage this can expand their reach to more targeted communities, for example through the use of micro influencers.

[05]

# **Generative Al**

# This technology will impact and disrupt nearly every industry

- + From use in big companies like Google and Microsoft, to calculating costs for the smallest businesses, to our homes, AI will have an impact on how we work, live and interact online.
- + The technology is set to evolve at a blistering pace, and we can already see drastic changes in its monetization and integration into widely-used products like Word, Powerpoint, or Outlook.
- + With the integration of AI into search engines and the prospect of using it in social media, it's a fact that it is reshaping and shifting the landscape, offering to these savvy consumers the information they need to expand their knowledge and create new decision-making habits, affecting the way brands need to be presented both online and offline to not be missed out.

Read the full report below to gain an in-depth analysis into the latest consumer trends, and a further deep-dive into the above insights.



Consumer Mindset Deep Dive SUSTAINABILITY



WHAT AND WHERE ARE PEOPLE TALKING ABOUT SUSTAINABILITY?



HISPANIC MARKET

3.5M mentions

"Sostenibilidad" or related

Websites 65%
Twitter 21%
Other platforms 14%

News websites 62% Twitter 28%

Other platforms 10%

**TOP 3#** 

#Environment 70.6K posts

#eco-friendly 50.5K posts
#climatechange 30.8K posts

#medioambiente 21.2K posts

#energía 9.2K #ahorro 8.3K

**TOP 3#** 

[01]

# Sustainability

Interest in sustainability increased by 27% YoY in the UK and US and 32% in the Hispanic market, with a digital presence of 6.1M mentions in total. From changing their weekend activities, their favourite restaurants, skincare products and go-to supermarkets, Millennials and Gen Z are showing a growing interest in reducing their environmental impact in any social action they do, this includes to avoid overconsumption, which was one of the most controversial topics of the whole year.



Consumers are more likely to support brands that invest in social issues they care about, there is growing awareness and concern about the need to protect the environment and natural resources for future generations.

#### **KEY TOPICS**

Concerns about climate change Sharing ideas and tips on how to be environmentally eco-friendly

# OVERCONSUMPTION: another variable in the equation

020

Higher concerns like overconsumption have a powerful impact on the way the younger generations consume, because it's not about consuming one brand or the other anymore, it's about deciding carefully what, how, and when to buy... And when not to.

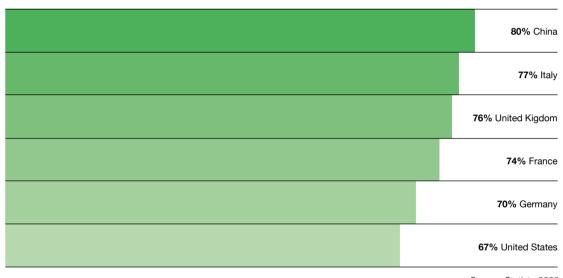
As a result, consumers are getting more used to renting things rather than acquiring them: it is common to see this with cars, bikes or rooms. However, we expect to see more day-to-day products turn their business models to meet consumers' expectations. It's a market space for brands to dig into the idea of offering rent options in different fields, or offering better options to battle the competition.

In response to the consumers' needs, brands not only show recycled materials in their offerings, but also talk about where the energy comes from. This is particularly relevant in the automotive sector, due to the carbon footprint of fossil fuels.

People want actions to help the planet, and they will favour sustainable strategies to help reduce the environmental impact.



Share of lifestyle consumers who care more about the sustainability of products in 2022 than they did a year ago in selected countries



Source: Statista 2022

021

Share of consumers more likely to buy from a brand with a clear commitment to sustainability in 2021, by region



Source: Statista 2022

## SUSTAINABILITY SENTIMENT AND CONVERSATION

## **English Market**

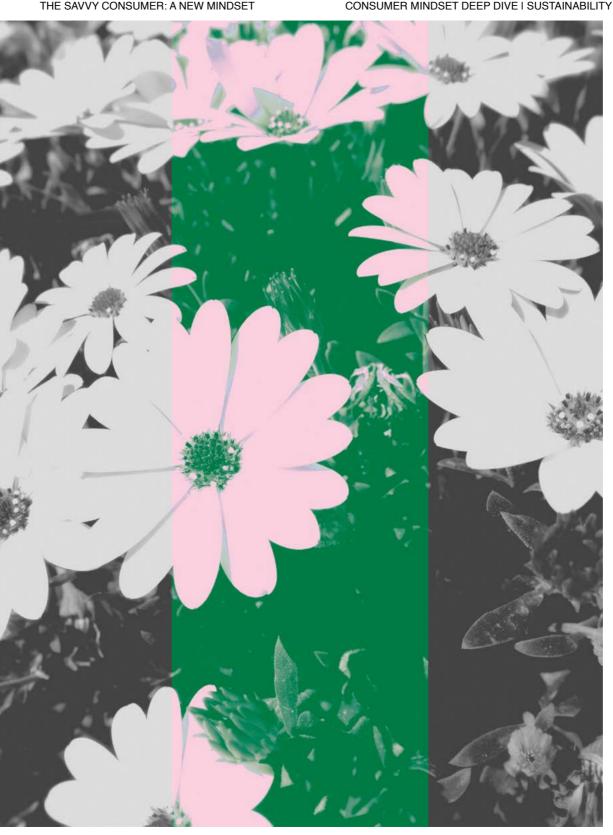
More interest in activism and private enterprises actions

- + Positive comments (+18%): eco-friendly and green projects shared by both individuals and companies.
- + Negative comments (3%): high levels of overconsumption and waste, climate change, the clearcutting of forests and the environmental impact of private companies.
- + 320K mentions of the Fashion Industry and its impact on the environment.
- + 12.8K mentions of criticism on "Fast Fashion", "Ultra Fast-Fashion" and "Greenwashing".

#### **Hispanic Market**

More interest in governmental actions and economic impact

- + Positive comments (34.4%): proposals for improvement to mitigate the economic and environmental problems; mostly by personal profiles, politicians, media and companies.
- + Negative comments (26.9%): inefficient actions by governments, large corporations and the world's wealthiest individuals, as they have a greater environmental impact.
- + 4.1K mentions of second-hand clothing, it is even expected to overtake fast fashion sales.
- + 24.5K mentions of slow fashion and sustainable fashion, in relation to less affordable prices and the low availability of a wide range of sizes.



#### **GREENWASHING VS GREENHUSING**

Increasing awareness of environmental and sustainability issues has encouraged companies to place more importance on visibly promoting their sustainability efforts.

This has led to widespread claims of 'Greenwashing', where companies make false or misleading statements about their environmental credentials, whether unintentionally or as a deliberate marketing strategy. "Greenwashing" was present in 18.1K posts (1.5%), growing over 17.4K% during the year in the English market, although it had almost no presence in the Hispanic one, because the focus of the Hispanic community was centred around the personal economic impact, more than demanding private enterprises to take action.

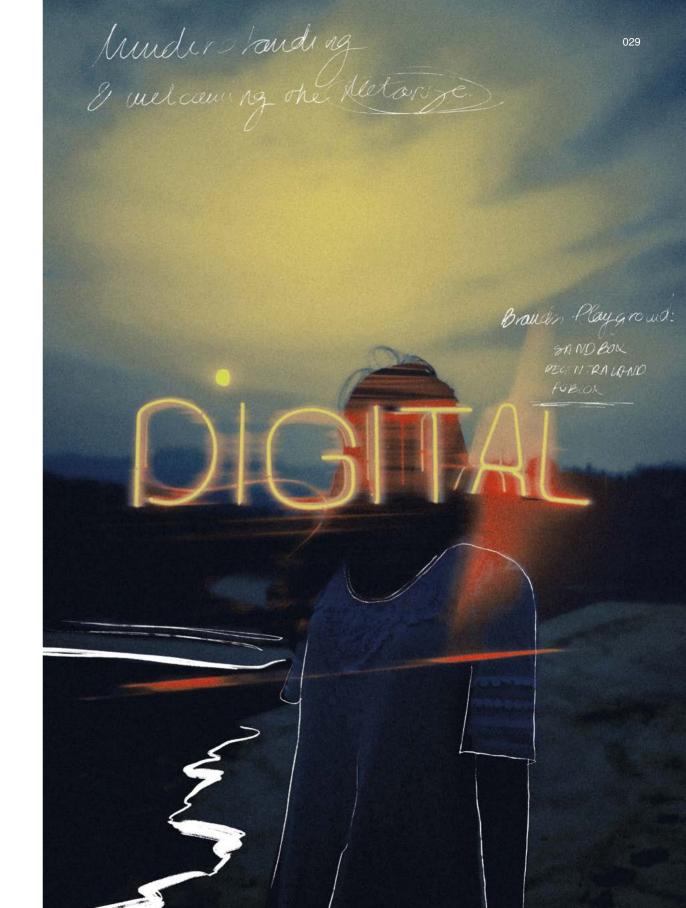
As a response to "Greenwashing", a new trend called "Greenhushing" has emerged, wherein companies do not disclose their environmental goals to avoid empowering misleading discussions.



# [LET'S PICTURE IT]

Fashion companies that are being backlash because of unethical production can find here a new business opportunity where they can offer discounts or support other fashion brands to avoid extra disposal of material, regaining their consumers' affection and increasing side-sales.

Consumer Mindset Deep Dive **EXPLORING THE METAVERSE** 



[overall]

UNDERSTANDING THE METAVERSE

ENGLISH MARKET
3.53M mentions

HISPANIC MARKET 176K mentions

Websites 32%

News websites 35%

Twitter 62%

Twitter 51%

Other platforms 6%

Other platforms 14%

[01]

# **Exploring the Metaverse**

In 2022, interest around the Metaverse generated a total of 3.53M English speaking mentions over the year (a 71% increase in the English market's conversations) and 176K in the Hispanic market. It has gained massive popularity, and not just within the gamers community – but among celebrities, musicians, luxury brands and marginalised groups.

At a glance, the social buzz being generated is mainly about real live events now taking place in a virtual reality: the creation of Metaversities, the launch of new virtual games, the construction of the Etihad stadium by Manchester City in collaboration with Sony, etc.



## **KEY TOPICS**

The creation of Metaversities

Virtual games

Virtual events: concerts, festivals and music events

Virtual stores

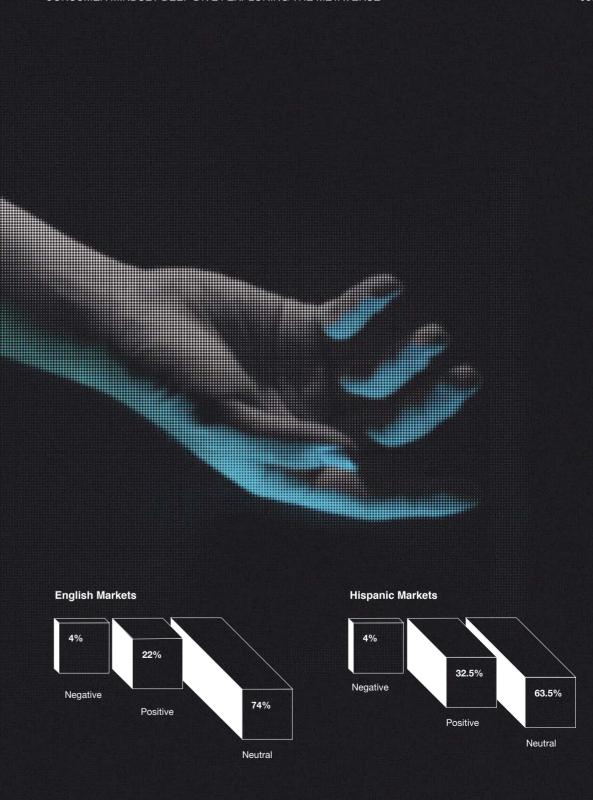
Cryptocurrency and NFTs

Fashion in the Metaverse

Travel and Medicine industries opportunities in the metaverse

# THE SENTIMENT: WELCOMING THE METAVERSE

Out of this conversation 22% of people in the English market felt positive about the Metaverse, which increases when looking at the 32.5% in the Hispanic market. This number will likely keep growing during the next year, indicating that people are finally migrating from one platform to another, and brands should pay attention so they won't miss out on any communication spaces and can get direct and early access to their most important consumers.





THE SAVVY CONSUMER: A NEW MINDSET

THE NEW PLAYGROUNDS FEEL LIKE A DIRECT CONNECTION BETWEEN USERS AND BRANDS

## **BRAND'S PLAYGROUND**

There are multiple platforms and spaces that allow brands to create environments to meet their audience; these new playgrounds feel like a direct connection between users and brands or brands' ambassadors, and the ones that develop a strategy in these early stages are the ones that will take the lead in the near future of metaverse marketing.



Platform	Level of Influence*	<b>Hot Topics</b>	Who's in?
Sandbox	+ 111k Mentions + 3% of Conversation	<ul><li>+ Virtual real estate</li><li>+ Assets</li><li>+ Avatars</li></ul>	<ul><li>+ Snoop Dog</li><li>+ Tony Hawk</li><li>+ Playboy</li></ul>
Decentraland	+ 98k Mentions + 2.7% of Conversation	<ul><li>+ Live events</li><li>+ Panel discussions</li><li>+ Concerts</li></ul>	+ Fashion Week + Pride Parade + CBS
Roblox	+ 49k Mentions + 1.4% of Conversation	+ Fashion + Music + Gaming + Podcasts	+ IHeartland + Spotify + Island + Walmart

<sup>\*</sup> All these mentions were in relation to the Metaverse

# [THE OPPORTUNITIES]



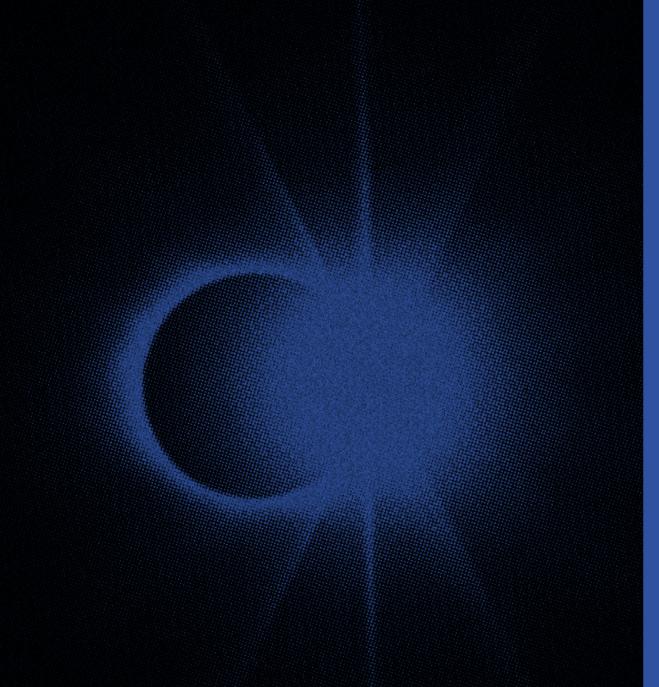


# OFFERING THE FULL EXPERIENCE

Virtual spaces require value to stand out, either from special events or unique goods. Brands need to offer an experience that rewards and welcomes consumers, not just an online store. The Metaverse is still in early stages, and there is an open chance for growth with the correct strategy.

## **LEADING THE WAY IN SAFETY**

The Metaverse still faces concerns about safety and regulation, with some communities feeling unsafe. Brands need to offer a safe, regulated space where the community can gather and interact without fear. To go the extra mile, brands can address concerns regarding its expense, impracticality, and potential for deep fakes, bullying, and violence.



THE SAVVY CONSUMER: A NEW MINDSET

# [LET'S PICTURE IT]

We don't all have to set up a digital shop, but we should not rule out planning for it; we are proof of how much the world can change in a couple of years.

However, the most relevant part of this is to know what kind of audience is interested in the Metaverse, NFT, virtual influencers and, by correlation, how we can reach them with our brands.

Consumer Mindset Deep Dive DIGITAL SAVVY-BUYER



**ENGLISH MARKET** 

22.4M mentions

Websites 69%

Facebook 5%

Other platforms 3%

Twitter 23%

HISPANIC MARKET
230K mentions

News websites 67%
Twitter 13%
Forums 11%
Other platforms 9%

[03]

# Digital savvy-buyer

During the year, people showed major concern about inflation (82% of e-commerce based discussion), recession (36%), and covid (25%), and **their consumption patterns are highly likely to reflect that.** This understanding is key to creating new strategies that are both empathetic and friendly to consumers.

Public concerns on inflation and the pressing cost-of-living crisis pushed consumers to cut their spending on non-essential goods, becoming more selective in what they spend their money on.

# SECOND-HAND, REFURBISHED AND, MOST IMPORTANT, ONLINE

- Groceries and technology industries were the leaders in online shopping in the UK and US, while the Hispanic market was dominated by excitement around gaming.
- + The Fashion industry, however, (4% of mentions in UK and US) was affected negatively, as consumers showed a tendency to buy second-hand clothes.
- + Refurbished electronics, second-hand techs, or fixing broken items also appeared as a way to save money and framed as cheaply tackling issues of sustainability.

# **Event-based insights**

- + Amazon Prime Day (1% share), Black Friday (2% share) and Cyber Monday (1% share) were the key e-commerce events to boost online shopping.
- + More than half the consumers in western countries report they will do their Black Friday shopping online.

#### **KEY TOPICS**

Inflation	82%
Recession	36%
Covid	25%

THE SAVVY CONSUMER: A NEW MINDSET

# [CASE STUDY]



# Gaming Industry



The number of gamers and mobile gamers have grown exponentially, expecting it to reach 2,323.9M users by 2027. More specifically, the in-game market is worth 69B\$ and expected to grow 23% by 2025, according to statista, but the rise of microtransactions has generated so much backlash that companies and brands have had to take specific actions to counter negative user sentiment.

Microtransactions are virtual in-game purchases that enable the gamer to acquire new skills or capabilities to achieve a higher level of performance.

- + Microtransactions or virtual in game purchases were presented in 60K post in the UK and the US, and 5.6K posts in the Hispanic market
- 38.5% of negative posts mentioned unlawful In-Game purchases, unwanted subscriptions and "predatory microtransactions" intended to lure minors.

In the advergaming scenario, considering that 25% of children between 8 to 15 claim that playing video games takes up the majority of their time on the weekends, surpassing watching TV/movies (18%), using social media (14%), and communicating with friends online (6%), the strong exposure they have to gaming advertising implies that there are better chances for them to ask their parents to buy them digital goods or special accessories, but also can be seen as a risk if the decision-makers does not feel fully comfortable and trust the brand's game.

# [THE OPPORTUNITIES]



# A new buyer persona: Digital and budget-conscious consumers

Budget-conscious consumers are willing to spend more on fewer products, choosing quality over quantity, prioritising longevity to remain sustainable. Keeping this in mind will be key when designing future products, even outside of the Fashion industry.

#### Social media and M-Commerce combined

During 2021 and 2022, retail e-commerce was expected to receive 72.9% of all its revenue generated through mobile commerce, growing 58.9% in relation to 2017. Social media fits in well with this handheld trend, and will likely prove a critical channel for brands looking to take advantage of this explosion of interest.

# The power of flexibility to boost sales

Due to inflation and economic crisis, consumers are spending more when they find big online sales and flexibility in payment methods such as the "Buy-now-pay-later" scheme (BNPL), "free-returns" or refunds, and "free delivery". Those companies that can get ahead of the game, and allow consumers to make the purchases they desire to, in the ways that make sense for them, will blow the competition away.

#### Be clear, be safe

In-game purchases are expected to continue to grow along with the gaming industry, but so too will the demand for regulation. Of the many reactions that we studied from gamers, parents and even ministers, a clear consensus arose; that "parental permission" features are necessary, as some in-game purchases, for instance "loot-boxes" can induce problems as serious as addiction to gambling. Brands need to find a balance between the financial interests of the business and those that motivate consumers.

Social commerce in China is estimated to be responsible for around 14.3% of all eCommerce in 2023, compared to just 4.9% in the U.S

Source BusinessWire





# [LET'S PICTURE IT]

Opening a new line of second-hand or refurbished products, explaining the quality/price/ duration ratio, communicating payment flexibility correctly, boosting social media purchases... These are actions that any brand should take to adapt to the needs of the consumers.

053



Consumer Mindset Deep Dive **DECENTRALISED COMMUNITIES**  [overall]

WHAT ARE CONSUMERS
LOOKING FOR IN
DECENTRALISED
COMMUNITIES?

# 11 BROTHER & SISTERHOOD

A peer-to-peer community with a strong sense of belonging that makes users feel at home, regardless of their physical location.

# 21 INDEPENDENCE & AUTONOMY

Members of these communities have the autonomy and responsibility to direct and organise the community they built or live in.

## 3I PARTNERSHIP & CO-CREATION

As a result of their natural affection for a common idea or topic, members have the potential to co-create newconcepts or products that can be monetized.

[04]

# **Decentralised** communities

#### THE RISE OF NICHE COMMUNITIES

Digital niche communities are created to help bring people together, and are composed of people that share similar interests, values and hobbies, and they coexist in these so called decentralised platforms. These small, self regulated communities are gold mines of potential superfans, but should need to be treated with respect and care.

## FACTS AND SENTIMENT: PEOPLE NEED A PLACE TO BELONG, AND BRANDS CAN BELONG THERE TOO

- + Positive sentiment led within niche communities (22% of the mentions in the English Market, 32.5% in the Hispanic one).
- + Negative comments (4% share in the English market, 3.7% in the Hispanic one) were driven by users condemning digital communities that are abusive, restrictive and violent.
- + 6.8K posts mentioned how big brands are using online niche communities to build up their brand recognition and awareness. (if you want to go deeper in this matter, we have another study of decentralised communities available as well).

#### **ENGLISH MARKETS**

Neutral I 74%

Positive I 22%

Negative I 4%

#### HISPANIC MARKETS

Neutral I 63.8%

Positive I 32.5%

Negative I 3.7%

# **DISCORD**

Originally created as an instant messaging platform for gamers, now it is used to create a variety of communities, connecting people with different interests and purposes, from business to music.

7.5K English mentions | 47K Spanish mentions

# **REDDIT**

Despite its popularity, Reddit is controversial as the anonymity of its users can lead to the creation of dangerous and toxic forums, encouraging perilous behaviours

6.4K English mentions I 50K Spanish mentions

# **TELEGRAM**

This encrypted messaging app is used mostly to promote courses or private learning sessions by users to join a smaller and a more intimate community.

3.9K English mentions | 242K Spanish mentions

# **TWITCH**

The video live streaming platform initially focused on gamers, now it is used by every one who wants to broadcast live their contents or ideas, sometimes helping people in real life, such as escaping from a war.

2.1K English mentions | +645K Spanish mentions





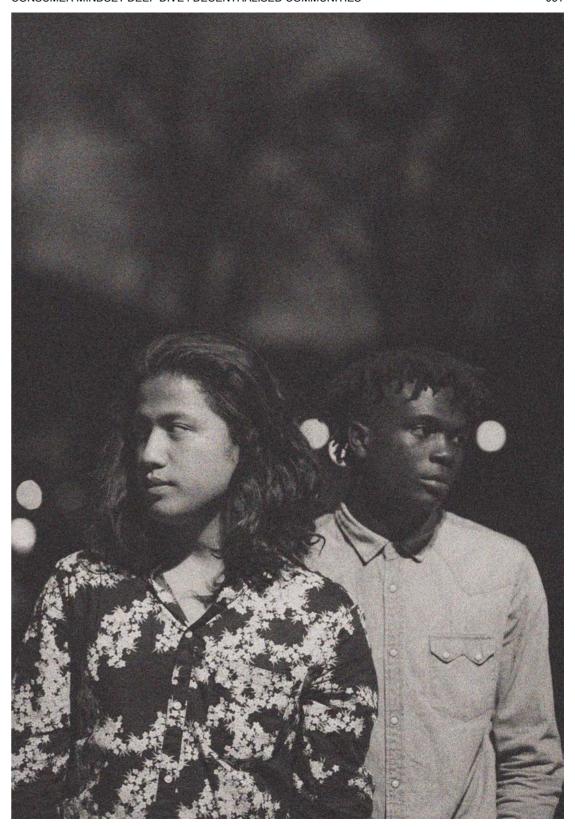
# [THE OPPORTUNITIES]

## Reach out to micro influencers

By being actively involved in events, paying attention to feedback, and having direct interactions with their target audience, micro influencers provide brands a bridge to the lucrative world of niche interest.

## There is a world outside META

Getting to know the needs of a niche community is key to know how to talk to them and what are their necessities. This can be done by participating in events on these platforms, listening to feedback from social media to see if there is a space for the brand to have its own presence there. Having a direct interaction with a targeted audience helps to cultivate customer loyalty.





# [LET'S PICTURE IT]

Opening a Discord channel to run surveys and get feedback, offering special discounts for participants and engaging with them, could be part of a strategy for a brand that identifies its niche community.

Consumer Mindset Deep Dive
GENERATIVE AI



# **Generative Al**

From ChatGPT to DALL-E and everything outside the OpenAl empire, there are many brands that are counting on Al in their marketing strategy, and we're seeing consumers also have a lot to say about it.

## THE SENTIMENT: WELCOME, AI

Conversations surrounding Al largely have a positive sentiment (41.5% in the Hispanic market), with the emotions most commonly elicited being surprise, optimism, gratitude, joy, and expectation. Compared to this there are really very few negative comments (4.5% in the Hispanic market), however, the main issues raised are the potential for job loss and concerns around data privacy.

## The Game Changer - ChatGPT by OpenAl

We see massive interest in ChatGPT in the UK and US, with 69K posts (32% of the entire Al-based conversation) dedicated to it, despite only being launched on the 30th of November, 2022.

- + In the UK and US, 18% of posts were tagged with a positive sentiment by people, with comments such as "the most incredible tech", "the best artificial intelligence chatbot" and "a useful tool to save time".
- + 12% of posts were negative, with the focus on how this tool could lead to job losses, replacing humans in the creative fields, and misinformation.





## THE FUTURE SEARCHING

#### Can the G-Giant fall against Al?

+ 12.2K posts (5.5% of volume) reference the debate of ChatGPT as a potential replacement for Google Search, with users making comparisons between the two apps and describing Google as "obsolete" and "stagnant".

Considering that, by December of 2022, Google held a 96.17% share of the worldwide mobile search engine market, and the company has dominated this specific field since its launch in 1997. This potential loss is a risk Google is not willing to take, easily shown through the launch of their own Cloud of Al toolset, to fight the hype around the other platforms.

This is a clear pattern for the future. If (or when) Al technology reaches a point where it can review real-time data and provide results in the matter of seconds. Gen-Zers and new generations will not hesitate too much before going where this dynamic is to optimise their purchases decisions.

#### TikTok as main source of information

The Reuters Institute's Digital News Report 2022, which samples 12 international markets, states that 39% of 18 to 24 year olds say that

social media is their primary source of news and, according to Forbes, Gen-Z chooses TikTok as their main source of information based on accessibility (37%), affordability (33%), and approachability (23%). If we cross data, we can conclude that there are almost 136 million users per year that will rely on TikTok more than on a media website.

#### Brands are determined to be Al

As we report in our latest industry survey, sent to over 50 marketers of top leading brands globally, Artificial intelligence is the second most relevant trend for brands and there is little doubt we will see innovations left and right.

Other apps to consider:

- + DALL-E and DALL-E2 (52K mentions in the English market)
- + WHISPER (915 mentions in the English market)



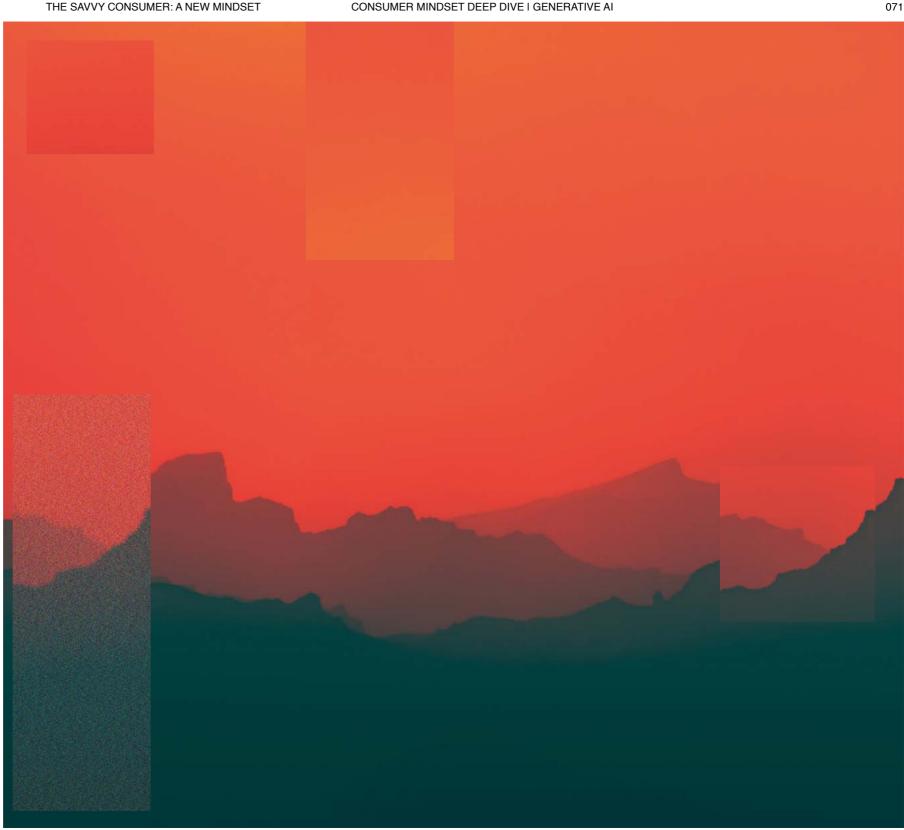
# [THE OPPORTUNITIES]

## Get to know Al

This new technology will be shaking lots of worlds in 2023: from the business of big tech companies like Google and Microsoft to people's ways of working and jobs. And the technology itself will also change and adapt: from its monetization to its inclusion in mass products such as Word, Powerpoint or Outlook. Getting to know them and their possible uses is absolutely key to not fall behind.

# Unleash your creativity

At Samy, we think that the new AI era that we are facing could be the Renaissance of the XXI Century. These tools will unleash the human potential of all of us and this may result in a never-seen-before explosion of creativity; every brand should be looking to push their work to the next level, and innovate through the new set of tools available to us.





# [LET'S PICTURE IT]

We can imagine a not-so-distant future where the consumer, instead of going to Google Flights, looks to another platform to find the best deal not just for flights, but for the entire travel package. With this in mind, for any industry related to travelling and tourism, understanding the possibilities behind the Al will be crucial to not miss out any market opportunity.

With over 400 employees and 15 offices in 15 countries in Europe, the US and Latin America, at Samy Alliance we operate in 55 markets for 100+ AAA customers, developing award winning end-to-end digital campaigns based on data, strategy and creativity.

At Samy Alliance, we have developed our technological suite, capable of indexing social networks to obtain information on both the digital reputation and the positioning of the brand and the user's pur-chasing behaviour and product trends.

We offer complete marketing and communication services including: Influencer Marketing, market research and intelligence, data and analytics, social media, digital content, creativity, communication, and public relations.

Samy Alliance was recently named by the Financial Times one of Europe's Top 1000 fastest-growing companies for the fourth consecutive year.

It has been proven the relevance of understanding consumers needs, wishes and desires, in order to take actions to reach and gain their trust. With our own tools, developed inhouse by our innovation team, we perform extra detailed social listening exercises to gather relevant information about customers' needs and use it to develop hyper-personalised strategies for each brand.

076

If you are ready to understand the mind of the consumer through their own words, please feel free to get in touch.



## MAKING BRANDS MOVE FORWARD

We do this by combining pioneering research and technology with strategy, creativity and performance to create solutions, messages and experiences that mean more.

We are a global ecosystem of specialised and integrated solutions founded on understanding the voice of the consumer and state-ofthe-art creativity



