

RED SKY PREDICTIONS 2022

10 Predictions for Communicators
on the Cutting Edge





Authors:

JAMES WRIGHT

Global CEO, Red Havas; Global Chairman, Havas PR Global Collective

LINDA DESCANO, CFA®

EVP and Head, Corporate Communications and Executive Visibility, Red Havas U.S.

DAVITHA TILLER

EVP, Social & Integration, Red Havas U.S.

LESLEY SILLAMAN

EVP, Global, Red Havas U.S.

PATTIE SULLIVAN

SVP, B2B Practice Head, Red Havas U.S.

AMY TAKIS

SVP, Red Havas Health

MELISSA RIEGER

SVP and Health & Wellness Practice Head, Red Havas U.S.

STEVE FONTANOT

Managing Director, Red Havas AU

ELLEN MALLERNEE BARNES

VP of Content, Red Havas U.S.

RED SKY PREDICTIONS 2022

In **last year's Red Sky Predictions**, the word “pandemic” appeared 18 times and “COVID” 14 times. Here, you'll find both words in use a combined five times. Now that the pandemic is fast on its way to becoming an endemic, we talk about it less. Whether we like it or not, it's become part of us. It's understood. Like commenting to someone that it's raining or that the current month is February. Having moved through the stages of grief, we've largely landed at acceptance with our personal circumstances.

In marketing and public relations, the changes are not yet so ingrained. Rather, we're still deep in the process of reimagining how to do our jobs when so many of the tools in our toolbox have been removed indefinitely. Without the ability to take media contacts out for a hot cup of coffee, host buzzy influencer events, unfurl the red carpet for clients' annual conferences, or brainstorm in person with our colleagues, we've found new (and often better) ways to make an impact.

Many of our “new” tools are as old as time. We called on empathy, trust and transparency, adaptability and resilience. As a global agency network, we returned to our humanity and helped our clients identify and express the humanity behind their brands, both in words and actions. When a series of unfortunate global events fundamentally altered stakeholders' expectations of corporations, companies began to see their purpose with fresh eyes — not from their own narrow perspective but with all of society in mind. Now, corporate purpose is nothing if it's not creating shared value.

Change is the theme of this report each year. Our team of expert communicators convene to observe what's changing, why, what it means for the future and how we can make the most of it in our work. This year, we're sharing 10 predictions for how our path and our purpose in the field of communications will continue to unfold in ever more meaningful ways. We all know what's spurred the biggest of these changes (it doesn't bear repeating). Now it's time to move forward.

A low-angle photograph of a modern building with a dark facade and large glass windows. The upper portion of the building is covered in a dense, multi-layered green wall with various plants and flowers. The sky is a clear, bright blue.

1

CORPORATE PURPOSE
OR BUST

Last year, corporate purpose was redefined and moved quite urgently to the top of the list of every major brand's priorities. Now that organizations are aiming to meet heightened expectations from internal audiences, media, customers and society, 2022 will be the year the promise of corporate purpose must be delivered on with clear and measurable action. Businesses that recognize this will be most likely to succeed; those that don't will face the costs.

Backlash from shareholders and stakeholders is bringing deeper and farther-reaching consequences than in the past. When Fox News touted inflammatory and false comments and stories, advertisers boycotted and numerous high-profile presenters resigned. Facebook, meanwhile, went so far as to rebrand to "Meta" to mark a new start amid a raft of grievances from employees, government, business and society for a failure to tackle what is put onto its platforms.

In 2021, Red Havas released our "**From Pledges to Progress**" white paper, looking at the ways expectations from stakeholders, both internal and external, have changed. Simply making pledges to be better no longer cuts it with consumers and employees. Achieving genuine progress is the bare minimum now, while going beyond is rewarded with consumer pride and loyalty. Standing on the sidelines on critical social issues like equality and justice is no longer acceptable; taking a position and making it known and felt by stakeholders is the gold standard.

The 2021 **Havas Meaningful Brands Study**, which has been tracking brands for 12 years and surveys close to 400,000 people around the world, identified a marked shift in how consumers view the role of businesses. We increasingly want, prefer and expect the brands we buy from to be driven by a purpose. Moreover, we think brands must act now for the good of society and the planet. And we'll reward them handsomely for doing so; more than half of us say we are willing to pay more for a brand that takes a stand.

The same goes for employees. A **study by Deloitte** found that two out of three millennials primarily choose an employer because they want to work for brands that help make the world, their community and their industry a better place. With employee activism going mainstream in nearly every industry, the traditional pyramid of authority has been further flipped on its head.

PREDICTION

Embrace the continued shifts in the substance, style and tonality of brand communications. They'll allow deep connections to form with consumers and employees on the very topics we once might not have touched with a ten-foot pole — e.g., diversity, equity and inclusion, climate action, and mental health. Corporate pledges will be expected to become progress in action.



2

PERSONNEL GETS PERSONAL

Gone are the days of blasting out a half-baked email to employees about X, Y or Z. Communications with employees must be highly intentional. They have to be inclusive, values-based and capable of driving engagement. And that engagement needs to be measurable and result in improvements in morale that can be felt companywide.

In 2021, our **Rise of the Empowered Employee** prediction spoke to the fact that employees have recognized the power of their voice — internally and externally — resulting in a rebalancing of the employment contract in a time of higher public expectations and scrutiny of corporate behavior. We've seen this play out in various ways: Employees continue to push their employers to use their scale, reach, resources and knowledge to address large societal issues around DE&I and social justice, wages, working conditions and benefits.

Now that employees are leveraging their newfound influence, they're reshaping the world of work to drive greater meaning, relevancy and value to them. For example, workers today want more control over when and where they work. A **Citrix study** found that 76% of workers believe that employees will be more likely to prioritize family and personal interests over proximity to work and will pursue jobs in locations where they can focus on both — even if it means taking a pay cut.

The focus on lifestyle means employees also expect better support around their physical health, mental health, financial health and caregiving needs. And the past two years provided the ultimate stress-test. According to a **2021 report from Mercer**, 45% of employees who feel they received good support from their employers during the pandemic are less likely to leave their companies.

Employees' list of requests doesn't end there. Expectations around "what you can do for me" now include employers helping employees develop new skills and continue to grow. Case in point: On LinkedIn Learning, **the number of learners** more than doubled from 2019 to 2020, and hours per learner jumped by 58%.

In this environment, companies that want to retain their best-and-brightest and be the go-to brand for talent on the move need to seize the moment to showcase their employer brand and value proposition.

PREDICTION

To gain an edge in the talent competition, employers will embrace employee-centric brand positioning that outlines how a career with their company can suit an employee's whole life. Moreover, the employee experience has to match the promise of that messaging by supporting employees' full, authentic selves and adapting to their changing individual and personal needs.

A close-up photograph of a young Black man lying down, wearing large black over-ear headphones. He has his eyes closed and a wide, joyful smile, showing his teeth. He is holding a yellow smartphone in his hands, which are slightly out of focus. He is wearing a light grey tank top. The background consists of a light green pillow and a grey textured surface.

3

SOCIAL AUDIO MAKES
MAINSTREAM WAVES

In early 2021, the launch of and buzz around the Clubhouse app ignited “social audio” as an emerging content format. While Clubhouse’s future is in question as its novelty and 15 seconds of fame time out, it has helped power social audio to move out of the siloed app environment to take a more mainstream stance on platforms with far larger built-in audiences.

See the launch of Twitter’s Voice Tweets and Facebook’s “Audio” hub. The latter contains podcasts as well as new audio formats called Live Audio Rooms and Soundbites. Twitter also announced a broader rollout of its “Spaces” tab, which will help users more easily discover audio rooms in progress. Spotify has launched several live audio tools, including social audio app Greenroom, and LinkedIn has **launched its own audio chatroom**.

Additionally, as the appeal of social audio expands, we will see new branded content and promotional ad functionalities form around it. The name of the game is for these platforms to win at attracting big names from the creator economy.

In 2022, more public figures, creators and brands will embrace social audio as a means to connect with their audiences in new (and more profitable) ways. For example, Twitter has enabled creators to monetize live audio with Ticketed Spaces. Look, too, for new industries to wade into the social audio territory in earnest. For example, **beauty brands** such as Nars and Guerlain have hosted

beauty influencers on Clubhouse to chat about top make up trends, while execs at logistics company Maersk also took to the platform for a series of “Tech Talks” to discuss global logistics and digital transformation. The National Football League and the National Hockey League both hosted Clubhouse events last year, tied to the NFL Draft and Stanley Cup Final, respectively. And both the NFL and the National Basketball Association made social audio part of their partnership agreements with Twitter, via Twitter Spaces.

Will social audio stand the test of time? We’ll have to keep listening.

Turnt up

Speaking of audio, music and film clips will play an increasingly important role in content across short video platforms such as TikTok, Snap and IG Reels. In November, Snap announced a new deal with NBCUniversal so Snapchatters globally can add audio clips (famous quotes and theme music) to their Snaps from a catalog of movies, television series and original programming.

PREDICTION

2022 is the year in which social audio joins the voice and podcast marketing club. While there is a lot of experimentation yet to be done as consumers’ appetite for this format deepens, marketers must get ready to maximize it through their brand partners and ambassadors as well as across their own branded social channels.



4

SERVING UP SAFETY WITH
A SMILE

Previously dabbling only in occasional emergency or crisis messaging, the hospitality industry today finds itself on the front lines of safety messaging. From QR codes and digital check-ins to mask mandates and “stop” signs on doors, it’s had to adapt to meet both employee and customer demands, and comply with governmental regulations, all the while finding ways to continue to deliver excellent service and experiences.

At the beginning of the pandemic, hospitality companies needed primarily to communicate whether or not they were staying open. Once the recovery began, however, not only did these businesses need to share their changing business models, but they also had to communicate about how they were safely protecting both customers and employees. The clarity and quality of these comms has emerged as a critical tool to help resurrect businesses and bring in new customers.

In some cases, this has meant hiring new employees or consultants to build out messaging and coordinate with public safety and health officials. Spa chain Hand & Stone added **a medical consultant** to help create safety protocols. Others, like Delta Airlines, **partnered with health and disinfectant company** RB (maker of Lysol) to inform safety protocols while flying. And major online review sites like Google, Yelp, Expedia and Trip Advisor all began offering search parameters that detail cleaning and other safety protocols.

Safety messaging also gained new ambassadors in the form of front desk hosts, cashiers, flight attendants and concierges. All are now put on the front lines of communicating these messages to (sometimes hostile or anxious) consumers.

PREDICTION

Companies in the hospitality industry will continue to up their game on safety messaging. Those with forward-thinking, succinct, transparent policies and communication will benefit from increased employee engagement and overall customer and guest satisfaction. For third-party credibility, look for more partnerships and collaborations to be formed between hospitality chains and health and safety organizations.



5

“S” IN ESG COMES INTO SHARP FOCUS

The COVID-19 crisis put a spotlight on the pain points in business, government and society around social inequity and inequality, whether relating to healthcare, education, affordable housing, or jobs and promotions. As a result, it's proven to be a watershed moment for the "S" in ESG. "S" encompasses all the important factors that link to a company's reputation and brand equity, thus providing a barometer for corporate culture. It also has a direct impact on a company's long-term competitiveness, value creation and investment risk.

One study from Milan's Catholic University showed that high social standards can reduce a company's systematic risk (defined as the risk to which all companies are exposed that cannot be reduced by diversification). The study's author, Professor Alfonso Del Giudice, could not prove the same effect on systematic risk for the "E" and "G" factors. Rather, companies with high social standards appeared to react more to occurrences such as inflation or periods of economic weakness. What does this mean? An increased focus on "S" could help investors build a portfolio that responds in a less volatile way to market changes.

However, standardized, uniform reporting around the "S" is not as evolved as it is for "E" and "G." Further complicating reporting and communicating around "S" is that the issues that this pillar encompasses often are evaluated differently in different countries. Germany, for example, tends to put more emphasis on human rights and child labor while the U.S. and U.K. more often focus on workplace diversity and equity. Social justice issues are also a particular focus in the U.S.

Greater complexity and measurement murkiness around the "S" pillar have been used by some as an excuse for inaction or piecemeal interventions, but that's no longer cutting it, particularly with growing investor focus on ESG. Furthermore, if a brand's "S" impact is measured, it will be better understood by its community. In turn, stronger relationships can be built and more meaningful conversations can be had with society, government, and the media.

"S" stands for what again?

Within the traditional ESG agenda, the "S" pillar focuses on organizational policies and practices regarding human rights, business ethics, supply chain management, diversity and inclusion, and societal impacts resulting from a company's operations and how it engages with people and communities. Some refer to "S" as a stand-in for social, others for societal, still others for shared value — with each term referring to slightly different albeit complementary aspects.

PREDICTION

2022 is the year that "S" comes into focus, with more companies bringing clarity to and transparency in how they define their work here. We'll witness a sharpening in how organizations set up to measure and regularly report on their efforts and outcomes internally and across their value chain. The goal for companies will be to stay in front of ever-increasing expectations around how they address everything from cultural issues to HR and employment issues.



6

THE STAYING POWER OF
NOSTALGIA

Nostalgia — a sentimental affection for positive past experiences — is universal. According to **research from GlobalWebIndex**, 80% of people experience it at least occasionally, with 40% experiencing it often. And it has some highly pleasant side effects: Nostalgia can evoke a sense of calm and provide emotional escapism. It makes us more optimistic and has a positive influence on our actions.

Since the 1970s, communicators have exploited this phenomenon with nostalgia-centric marketing. Consumers have responded so resoundingly that “nostalgia consumption” is no longer a trend. The desire to buy, collect and own the past is human nature.

When the pandemic rendered us unable to do much of what we used to do, in the way we used to do it, it was inevitable that big brands would call on nostalgia to help consumers remember the good times — and that they would eventually

return. Geico resurfaced '90s hip-hop duo Tag Team for a 2021 commercial that became **Adweek’s Ad of the Year**. Chevrolet plumbed its own archives and resurrected a line from an iconic '70s campaign, “baseball, hot dogs, apple pie and Chevrolet,” even turning it into a specialty hot-dog recipe by Guy Fieri that debuted at the Major League Baseball Field of Dreams game in Iowa in August 2021. And Fisher-Price commemorated the 60th anniversary of a classic toy, the Chatter Phone, by creating a real, Bluetooth version of the phone. It quickly sold out.

And did we mention TV shows? While 2020 and 2021 saw several popular small-screen reunions — i.e., Friends, Saved by the Bell and The Wonder Years — the reboot revolution has only just begun. Plans in 2022 include bringing back or continuing other popular shows, such as Battlestar Galactica, Frasier, How I Met Your Mother, Little House on the Prairie, and Sex in the City.

PREDICTION

Look for companies and employers to harness nostalgia at a deeper level, with strategic campaigns and partnerships designed to evoke warm memories, build relationships and reinforce that the future is indeed bright.

A close-up photograph of two people's hands clasped together. The person on the left is wearing light blue denim jeans, and the person on the right is wearing dark blue denim jeans. On the left person's wrist, there is a vibrant rainbow tattoo. The background is a plain, light-colored wall.

7

PATIENT CHOICE,
PATIENT VOICE

When the LGBTQ audience can relate to a brand's message, they're more likely to feel connected to that company. Yet, a recent survey of the LGBTQ community showed that half believe pharmaceutical companies aren't doing enough to reach out to and understand them. In **the survey**, commissioned by CMI Media Group, the Human Rights Campaign and Wells Fargo, those who identified as lesbian, transgender and nonbinary were even more likely to feel ignored.

This is set to change in 2022. Digital and advertising communications channels are still largely uncharted territory for this industry. With TikTok as an emerging platform for patient shares and storytelling, we'll see more gender inclusion in pharma-driven disease awareness campaigns in 2022. The first campaigns will likely roll out unbranded (albeit pharma-sponsored), with advocacy and education in mind, in the form of digital PSAs and social campaigns.

Transgender individuals, in particular, are likely to experience health inequities. While there is certainly work to be done to improve medical students' and residents' medical education on transgender health, pharma companies must also commit to improving their knowledge about transgender-specific care.

The simple act of being present at Pride outreach events indicates an intent to be part of the community, although activities should extend beyond Pride Month to truly resonate. In the **aforementioned survey**, the LGBTQ community also values companies that advertise in LGTBQ media or that feature same-sex couples in non-HIV drug ads.

PREDICTION

This year, we'll finally see gender awareness brought to pharma-driven disease education campaigns. Though there aren't any established best practices to follow, the bravest companies will be those that withstand the inevitable waves of criticism for the sake of marking the pages of history with inclusion. In the process, the pharma industry can ensure patient "voice" becomes synonymous with "choice" — and that Big Pharma is no longer seen as profit-first but human-first.

A woman with blonde hair in a ponytail, wearing glasses and a tan trench coat, is looking at a black garment hanging on a rack in a clothing store. The background features a large green plant and other clothing racks.

8

AN EXPERIENTIAL RETAIL
RENAISSANCE

When e-commerce took the wheel two years ago, retail went an entirely new direction. To overcome this shift, brands with hopes of maintaining their brick-and-mortar storefronts have distinguished themselves by providing unique in-store experiences. This year, experiential retail remains key to revitalizing the customer experience in physical stores and creating more meaningful relationships with brands.

Retail will no longer be seen as a pure sales strategy; the demand for immersive and shareable moments will drive a renaissance of experiential retail in a way that digital cannot. Nike's latest **flagship store in Seoul**, for example, has been designed as a completely immersive and digitally

connected experience. Visitors can enjoy weekly sport-minded activations, in-store workshops and events, and Sport Pulse — a digital platform which brings the hottest local products and real-time running insights from the local community. The store itself has become a huge tourist attraction that's boosted brand engagement and awareness.

Shoppable experiences are also on the rise, as brands embrace this new form of brand experience for customers. Nothing is off limits — from shoppable luxury videos to **shoppable hotel rooms** and interactive cooking shows. Brands can be expected to produce real-life retail moments that mimic consumers' online lifestyles and social media habits.

PREDICTION

In 2022, we will see brands merge experiential and retail to completely reimagine the shopping experience. By turning a store into a destination, brands can ensure that brick-and-mortar shops not only remain relevant, but that they complement e-commerce efforts and more fully bring a brand to life.



9

“AS SEEN ON SOCIAL” IS THE
NEW “AS SEEN ON TV”

Since emerging as a powerful direct commerce platform (think lead-gen ad formats, Instagram Shops and Instagram Checkout), social media has become a breeding ground for new product trends, especially among younger audiences. Shopping on Facebook, TikTok and WeChat is going to grow three times faster than sales from traditional channels over the next three years, according to an **Accenture study**. TikTok in particular has shone a spotlight on the role social can play in driving retail hype, both across and beyond social.

As just one example, content creator and influencer Wendy Sy featured First Aid Beauty's KP Bump Eraser Body Scrub in a TikTok video last summer that garnered 35 million views in a single week and the product's **highest-ever weekly sales**. The beauty brand was so thrilled that it launched a 38-second song called "TikTok Made Me Buy It." Now available in the TikTok Sound Library, it's inspired by the love TikTokers have shown for products they've discovered on the app.

Rather than promoting products on social, having them trend, or go viral, on social will be ideal. This will drive the ultimate credibility, allowing for easy selling across other platforms, too. Whereas brands once might have referenced that their products are

"As Seen in Oprah Magazine," for example, they will now increasingly leverage the "As Seen on Social" reference in their ATL and OOH advertising. They'll also partner with creators who can get products seen through creative content executions across their own social handles or with collaborations on branded channels.

For more evidence of how this trend is roaring to life, see **Amazon's "Internet Famous" page**, which puts the latest viral products in one place. So, too, does candy store chain IT'SUGAR. After its gummies went viral, TikTok became part of its sales strategy. The chain now has signs with the app's logo in stores, and goods from TikTok make up **5% to 10% of weekly sales**.

PREDICTION

As the TikTok content formula continues to rise in popularity and spread across channels (think IG Reels), the "As Seen on Social" label will become a booming marketing method and measure of e-commerce success.



10

VIP ACCESS TO CREATORS

The influencer marketing industry is set to be worth up to **\$15 billion** this year, and it's no surprise. An Inmar Intelligence survey last year found that **84%** of shoppers have made a purchase based on an influencer's suggestion.

Platforms such as Patreon and Only Fans allow influencers to monetize their content on their own terms, giving them more options and autonomy than they'd get from partnering with brands. Online media outlets, too, have adopted the subscription model in droves. Now, finally, social platforms are following suit, giving influencers and creators ways to profit from exclusive content subscriptions and paywalls.

Facebook made the first money moves, launching Facebook Fan Subscriptions (since renamed simply "Subscriptions") in 2020 to help creators build a new revenue stream with recurring monthly payments. Then, this past September, Twitter announced both paid **Super Follows** to let

creators charge for tweets and **Tips** to allow all users to link to their Cash App, Patreon, Venmo and other platforms in one place. **Instagram Subscriptions** followed in January 2022, so that creators can now broadcast exclusive Lives, create stories just for subscribers, and see subscriber badges next to comments and messages so they can easily identify their subscribers.

As influencers increasingly seek ways to ensure their income is predictable, and their livelihood secure, the social subscription model is providing something they (and their accountants) can bet on.

PREDICTION

Now that exclusive content has unlocked opportunities for creators to commercialize their product, brands will need to compete against this model. That means finding influencers who are both genuine and the right fit for the brand in the longterm. We also expect brands to try the subscription model on for size very soon, collaborating directly with influencers on exclusive branded content.



UNBLINKERED THINKING UNEXPECTED IDEAS

JAMES WRIGHT
GLOBAL CEO, RED HAVAS & GLOBAL CHAIRMAN,
HAVAS PR GLOBAL COLLECTIVE
RED HAVAS
M: +1-917-520-7666
E: JAMES.WRIGHT@REDHAVAS.COM
A: 200 MADISON AVENUE, NEW YORK, NY 10016

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