Basis®
Technologies

2022 TRENDS

Our Frictionless Future

Noor Naseer

VP, Media Innovations + Technology

Kaitlin O’Brien

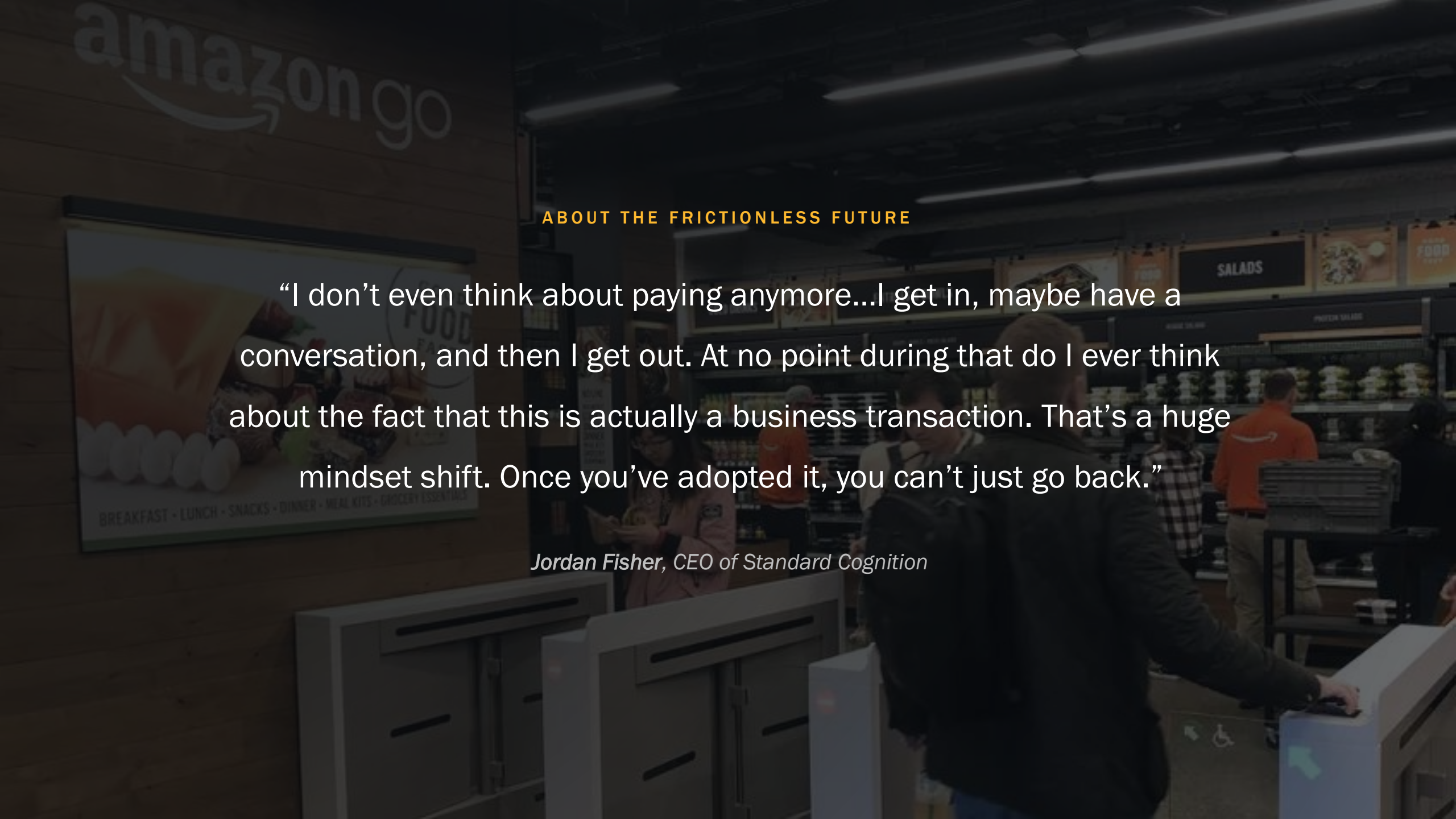
Media Innovations + Technology Manager

Moments of Friction Interrupt the Consumer Journey

MORE FRICTION

LESS FRICTION

Friction interrupts or creates disconnect within an experience, requiring additional time and effort



ABOUT THE FRICTIONLESS FUTURE

"I don't even think about paying anymore...I get in, maybe have a conversation, and then I get out. At no point during that do I ever think about the fact that this is actually a business transaction. That's a huge mindset shift. Once you've adopted it, you can't just go back."

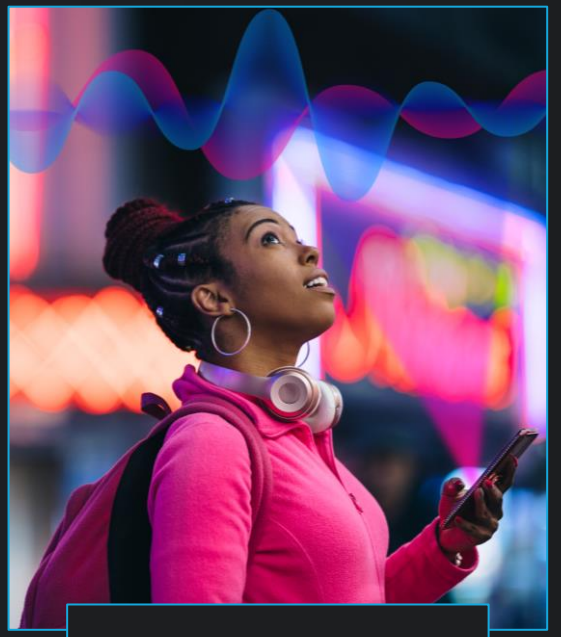
***Jordan Fisher**, CEO of Standard Cognition*

Our Frictionless Future Agenda

COOKIELESS PURGATORY

DEFINING DEFI

HYBRID REALITY 2.0

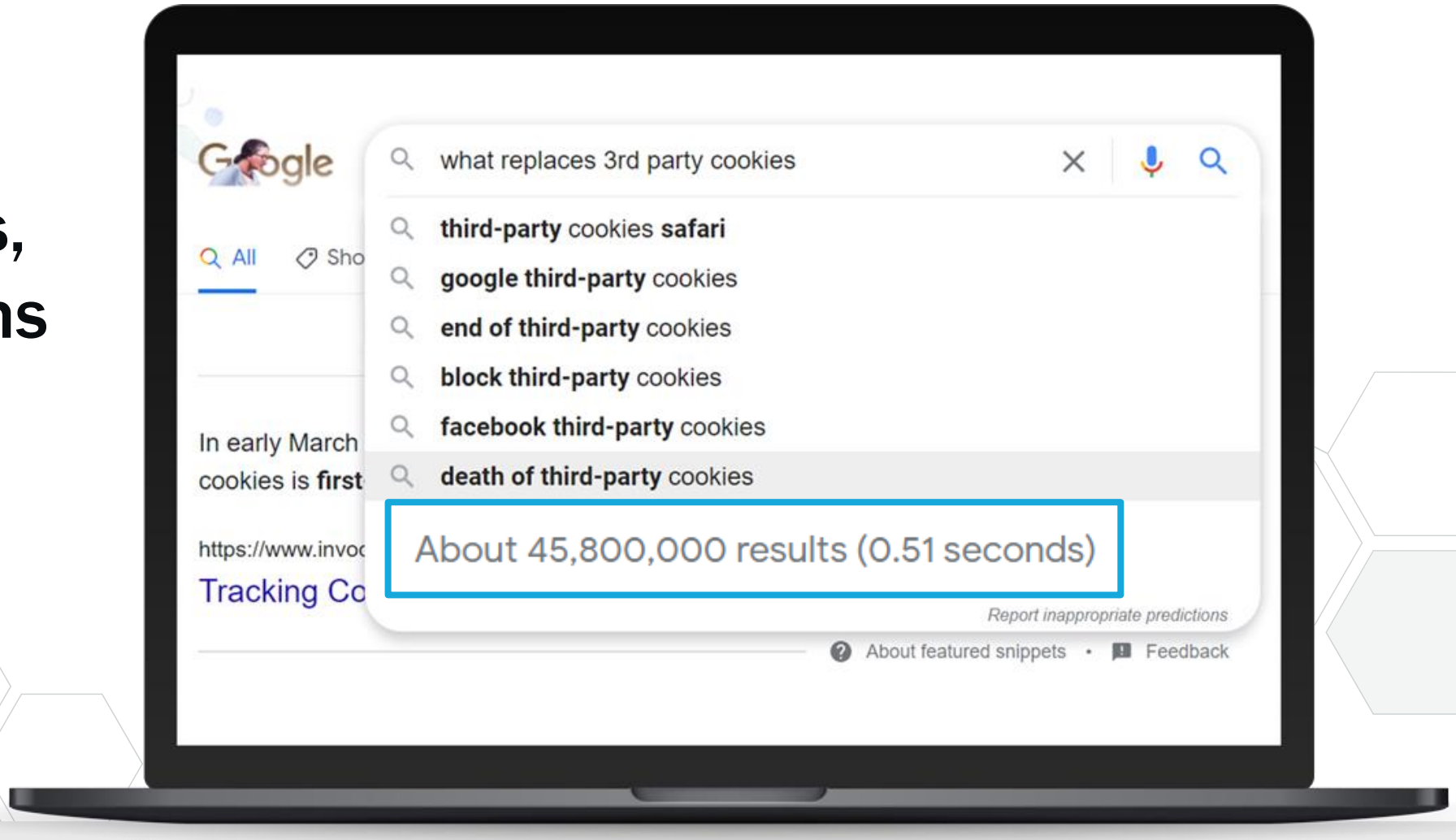


BRAND HEARTBEAT

Cookieless Purgatory
OUR FRICTIONLESS FUTURE

COOKIELESS PURGATORY

More answers, more problems



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COOKIELESS PURGATORY

Why are we in Purgatory?

BIG TECH FLUX

Big Tech is playing offense and defense to legislative regulation and address consumer privacy concerns

LEGISLATIVE LOGISTICS

Continual introduction of legislature requires compliance, including interpretation + implementation of laws

COOKIELESS SOLUTIONS

Marketers must distinguish which cookieless “solutions” are smoke and mirrors and which are viable, long-term, privacy compliant options

Solutions on the Horizon

IDENTIFICATION SOURCES

1

BROWSER

Groups users into relevant cohorts based on **browsing activity**

2

ADDRESSABLE

Matches various user consented data points to an anonymized, but dynamic ID, creating **identity resolution**

3

AUTHENTICATED

A **static identification point** (i.e. email), anonymized and associated to a user

4

DATA PLATFORMS

Organizes large, hard to manage data sets for greater **insights** and **audience targeting**

Cookieless Solutions on the Horizon

VENDOR METHODOLOGIES

BROWSER

FLoC clusters users into interest-based cohorts using browsing behaviors while obscuring user identity and remain privacy compliant.

Google

ADDRESSABLE

Connects several consumer data points to RampID identifiers to improve attribution across offline actions, online exposures, and first-party and third-party data.

LiveRamp

AUTHENTICATED

UID 2.0 uses email and a single sign-on mechanism to gather and authenticate users across various publishers.

Unified ID 2.0

BIG DATA – CDPs

Ingests, unifies, and stores disparate data sources.

CDPs have begun to integrate with cookieless solutions vendors (eg; LiveRamp and UID2.0) for activation

Checkpoints for Cookieless Solutions

ASSESSING VIABILITY FOR YOUR BUSINESS

SCALABLE

Growth Potential

Variety in Targeting Options

ACCESSIBLE

Available for Testing

What are Set Up + Launch Steps

COMPATIBLE

Available API Connections

What are the Existing Integrations

COMPLIANT

Is PII Obscured

Does it Follow Privacy Best Practices

INVESTMENT

Feasible Budgetary Requirement

What Team Resources are Needed

COOKIELESS PURGATORY

Takeaways

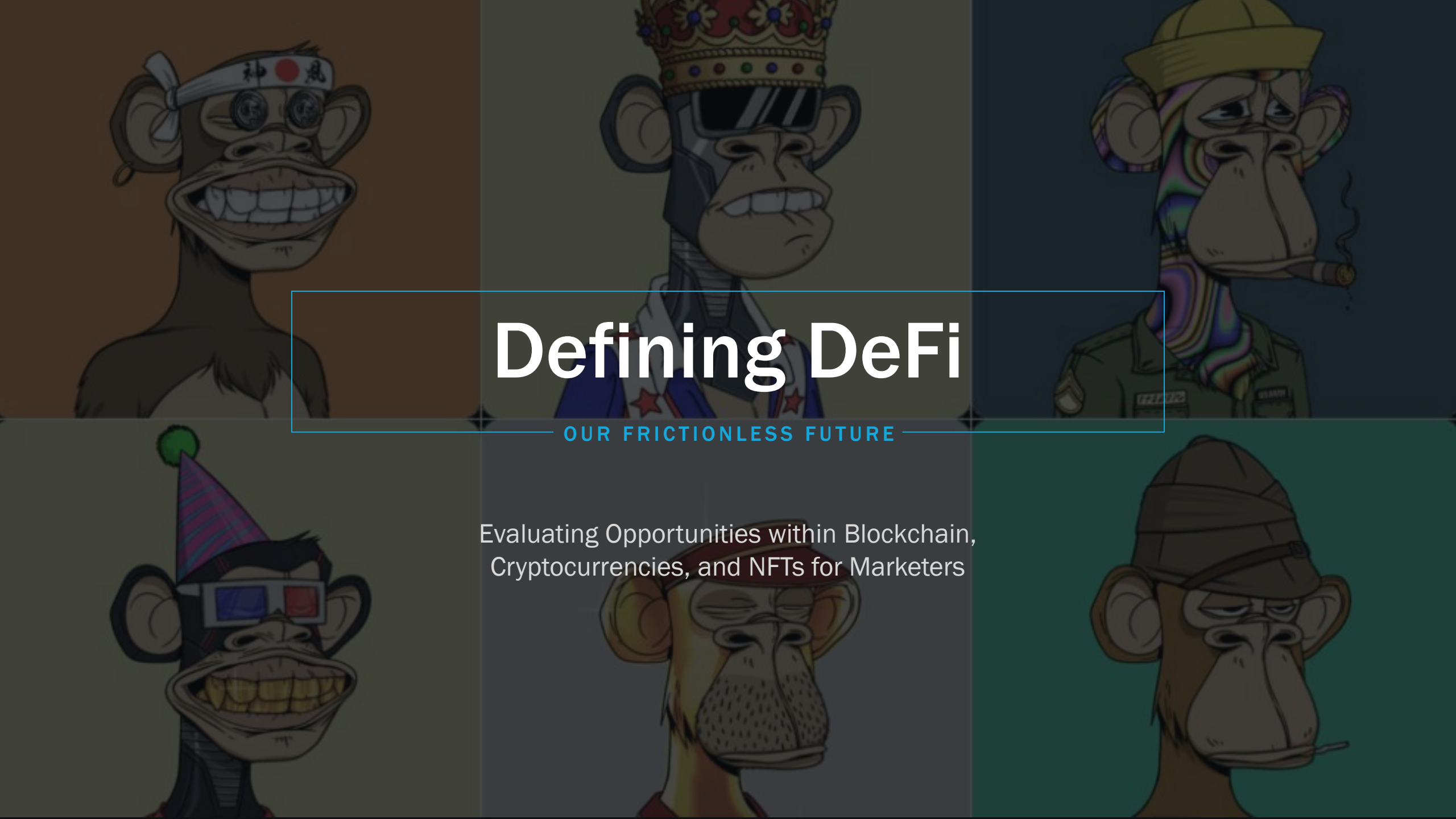
Understand where cookie loss will impact your media performance

Explore what current solutions you can tap into to fill any gaps caused by cookie loss

Evaluate future cookieless solutions using the 5 checkpoints

Test available alternate solutions to begin understanding how these support campaign goals

Take control by auditing your data collection methodologies and platforms (CDP Consideration?)

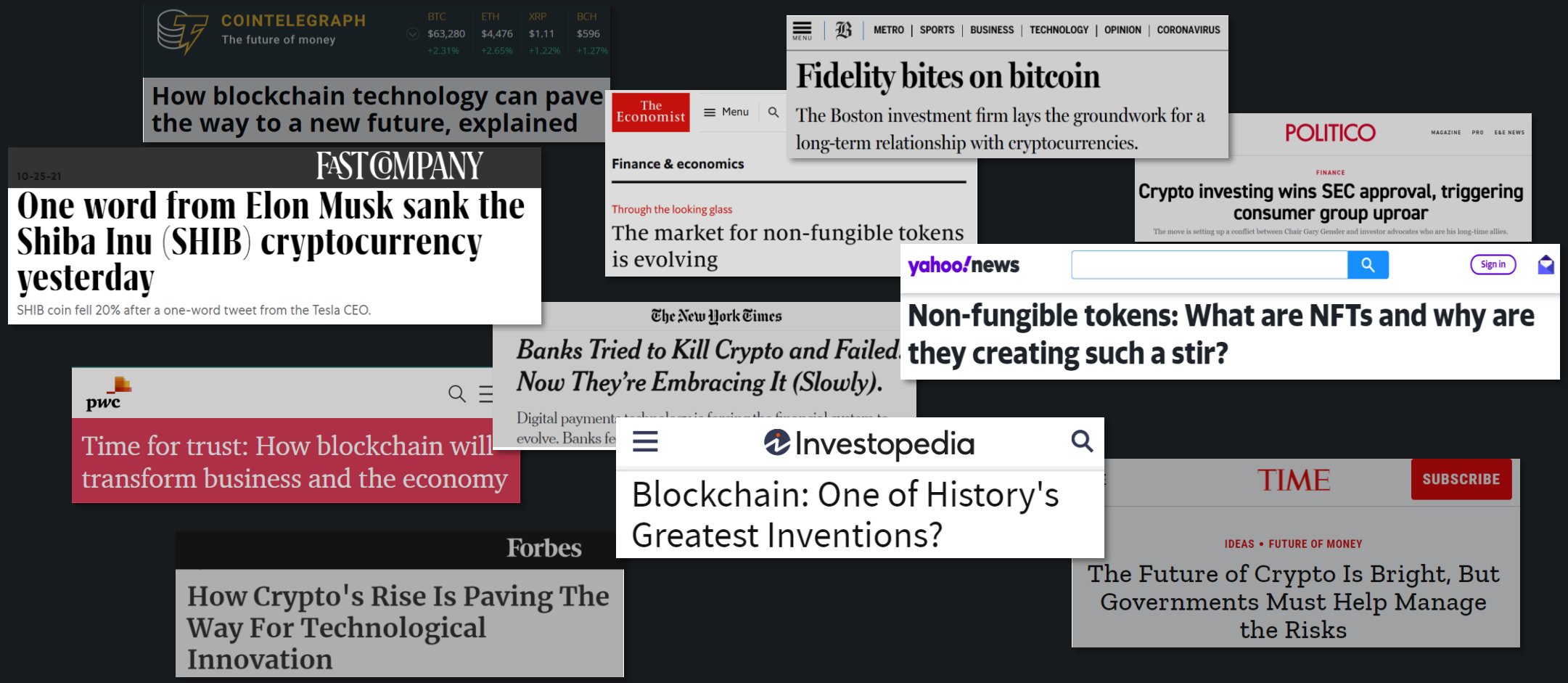


Defining DeFi

OUR FRICTIONLESS FUTURE

Evaluating Opportunities within Blockchain,
Cryptocurrencies, and NFTs for Marketers

Trending: New Approaches to Finance + Investments



DEFINING DEFI

An Introduction to Decentralized Finance (DeFi)

Decentralized Finance: a system by which financial products become available on a public **decentralized network**, eliminating middlemen like banks or brokerages. DeFi provides **data security**, **financial opportunity**, and **process automation**.

80%

of Financial Services Executives anticipate **new revenue streams** from Blockchain and Cryptocurrency Solutions

73%

of Financial Services Executives believe they will **lose competitive advantage** by not adopting Blockchain technology

BLOCKCHAIN, CRYPTO, NFTs:

DeFi: An Integrated System

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APPLICATION 1

Understanding Blockchain

Blockchain:
a digital record of information, using peer-to-peer computer networks to validate and add information to the chain.

BENEFITS OF THE BLOCKCHAIN

AUTOMATION

Decentralization creates fluidity

Smart Contracts reduce friction

AUTHENTICATION

Validation ensures accuracy

Raw data is transparent

SECURITY

Data is encrypted

Records are tamper-proof

DEFINING DEFI

Blockchain in the Advertising World

IMPROVED CONSUMER PRIVACY

Users are empowered to have ownership of their data

AD FRAUD MITIGATION

Transparency in supply chain eliminates bad actors

AUTOMATION

Machine Learning/AI and Smart Contracts enable efficiency

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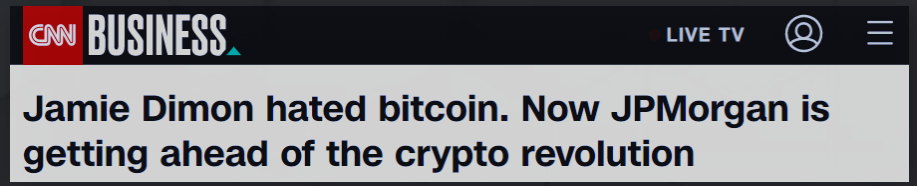
APPLICATION 2

Understanding Cryptocurrencies

Cryptocurrency:
a digital, non-fiat currency that's underpinned by Blockchain technology

CRYPTOCURRENCIES OFFER

ACCESSIBILITY — EFFICIENCY — COST SAVINGS



18% of the US adult population (46MM consumers) reported they plan to use cryptocurrency to make a purchase this year

Cryptocurrencies in the Advertising World

Enabling cryptocurrency payment options can drive increased brand revenue

DeFi is producing a new client category and advertising opportunities to support

Digital transactions can reduce room for error in media buying and billing reconciliation

APPLICATION 3

Understanding NFTs

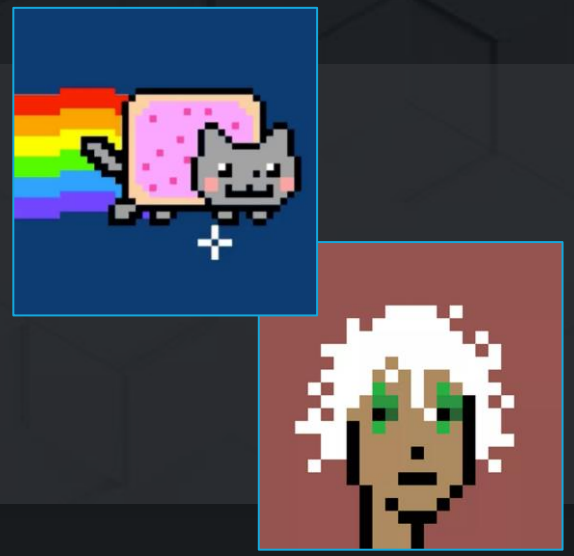
NFT: non-fungible token – a unique digital asset that contains value and represents ownership

Fungible: assets hold the same value, regardless of attributes (think: state quarters)

Non-Fungible: unique attributes of an asset determine its value (think: Mona Lisa)

NFTS EXHIBIT CLASSIC COLLECTIBLES MENTALITIES

SCARCITY — EXCLUSIVITY — MONETIZATION



DEFINING DEFI

NFTs in the Advertising World

Brand Storytelling

Exclusive Experiences

Co-Branding + Sponsorships

Loyalty Programs

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DEFINING DEFI

Takeaways

DeFi is evolving industries and job roles, creating new markets to tap into

DeFi will continue to experience legal, logistical, and regulatory hurdles to navigate

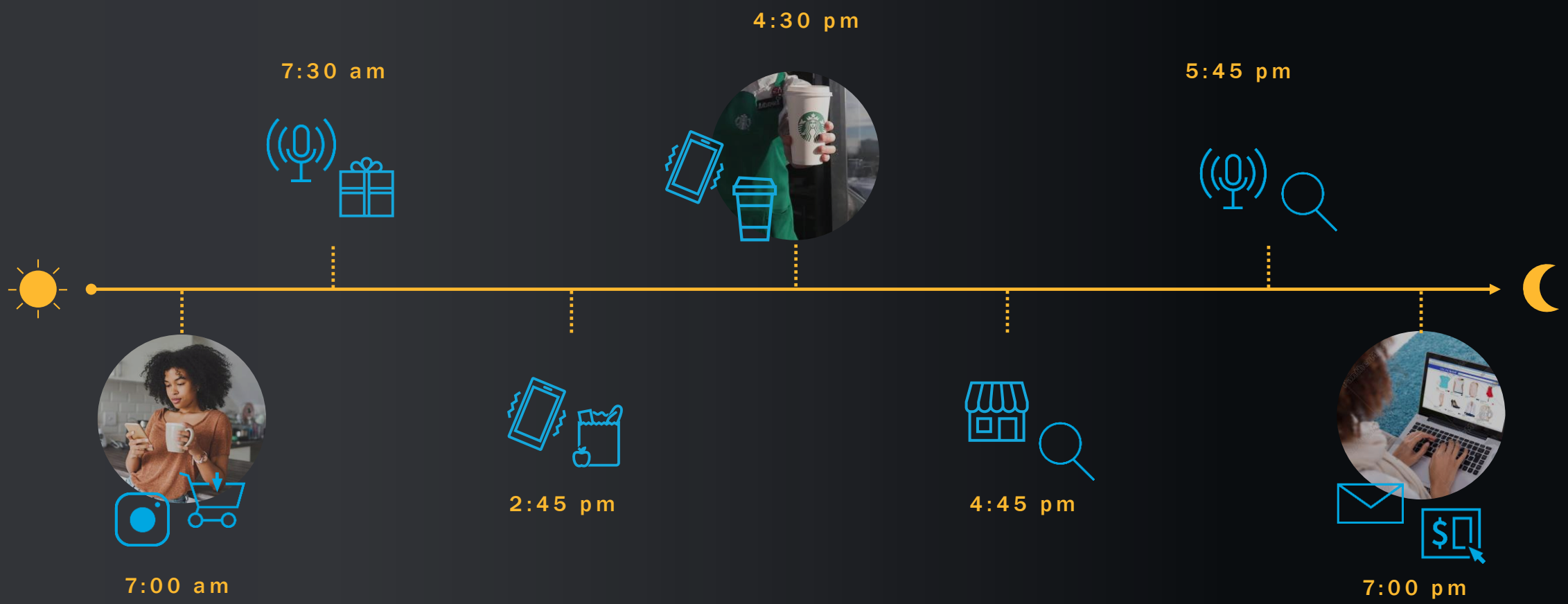
Blockchain technology fills gaps in security, transparency, authentication, and automation our current systems lack

While remaining speculative, cryptocurrency is a booming financial industry

NFTs offer both novelty and utility, creating tremendous opportunity for brands and advertisers

Hybrid Reality 2.0
OUR FRICTIONLESS FUTURE

The existing hybrid consumer journey



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Hybrid Reality Attributes

WHAT CONSUMERS VALUE

CONVENIENCE

Consumers want to purchase when, where, and how they want

PERSONALIZATION

Gen Z, Millennials expect personalization from brands they engage with

CONSISTENCY

Consumers expect consistency across channels

ANTICIPATED NEEDS

Users were more likely to purchase from a brand that showed them relevant product recommendations

DATA

is the underlying support system for these attributes and is key in creating successful hybrid realities

Common Activations to Reduce Friction

6 WAYS TO FACILITATE HYBRID REALITIES

CONTENT AS COMMERCE	Brands are reimagining how commerce opportunities are integrated into content and corresponding delivery channels
TRY BEFORE YOU BUY	Consumers are now used to a variety of options and combinations for how they'll purchase, pay, and receive items
SELECT AND COLLECT	Virtual and remote services have offered greater independence to consumers – they can shop when, where, and how
VIRTUAL ACCESSIBILITY	Incorporating mixed reality elements (AR, VR) into purchase decisions increases potential for conversion
APP ENABLEMENT	Mobile apps are being leveraged more as an all-access pass, housing more information and features to ease the consumer journey
IRL EXPERIENCES	Real life experiences are still highly valuable to consumer brand affinity, engagement, and purchase consideration

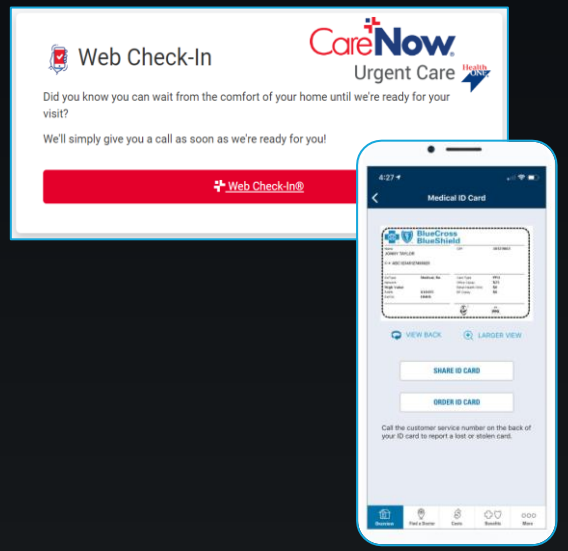
HYBRID REALITY 2.0

Industries Going Hybrid: Healthcare

VIRTUAL ACCESSIBILITY

APP ENABLEMENT

SELECT AND COLLECT



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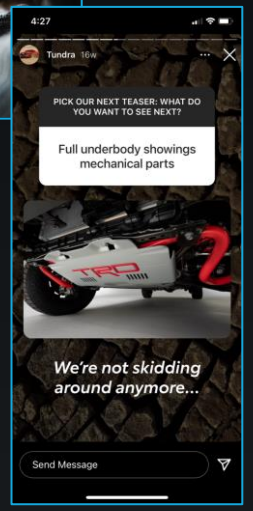
HYBRID REALITY 2.0

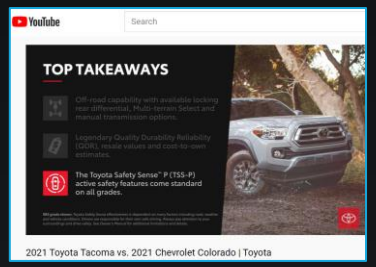
Industries Going Hybrid: Auto

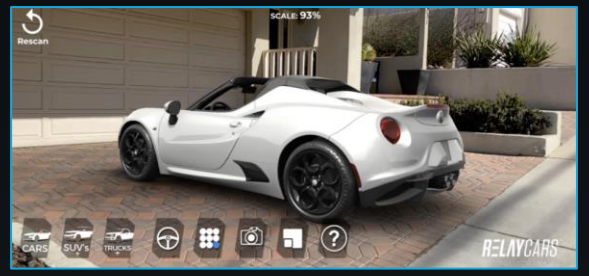
CONTENT AS COMMERCE

TRY BEFORE YOU BUY

IRL EXPERIENCES







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What's the Value to Marketers?

Omnichannel tactics drive action by reaching consumers where and how they want

Select and Collect will almost double
its share of eCommerce purchases between 2019 to 2022
(5.8% to 10.6%)

Mcommerce sales projected to double by 2025, capturing
44% of all US eCommerce sales

61%
of consumers said a positive in-store experience left them likely to also purchase online

AR is shown to drive up to a
2x increase
in conversion rates

App-engaged customers spend **37%** more and purchase **33%** more often

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A HYBRID FUTURE: THE METAVERSE

“The Metaverse is an expansive network of persistent, real-time rendered 3D worlds and simulations that support continuity of identity, objects, history, payments, and entitlements, and can be experienced synchronously by an effectively unlimited number of users, each with an individual sense of presence.”

— Matthew Ball, The Metaverse Primer

Tech Players Invest Big in Building the Metaverse

BIG TECH

GAMING PLATFORMS

HARDWARE/TECH PROVIDERS

$10 Billion

Meta's planned investment this year

47% increase

In AR/VR revenues from 2021 to 2023

$800 Billion

Estimated market size for the metaverse by 2024

76% increase

In venture funding from 2020 to 2021

Vans launched an interactive virtual skatepark where users can practice virtual skateboarding tricks and buy exclusive Vans clothing and shoes

BRANDS IN THE METAVERSE:

GUCCI NASCAR HBO verizon

HYBRID REALITY 2.0

Takeaways

Review your customer journeys and see where hybrid 2.0 can minimize friction

Find new opportunities to promote hybrid experiences to key audiences

Monitor advancements in hybrid experiences in the vertical you cater to

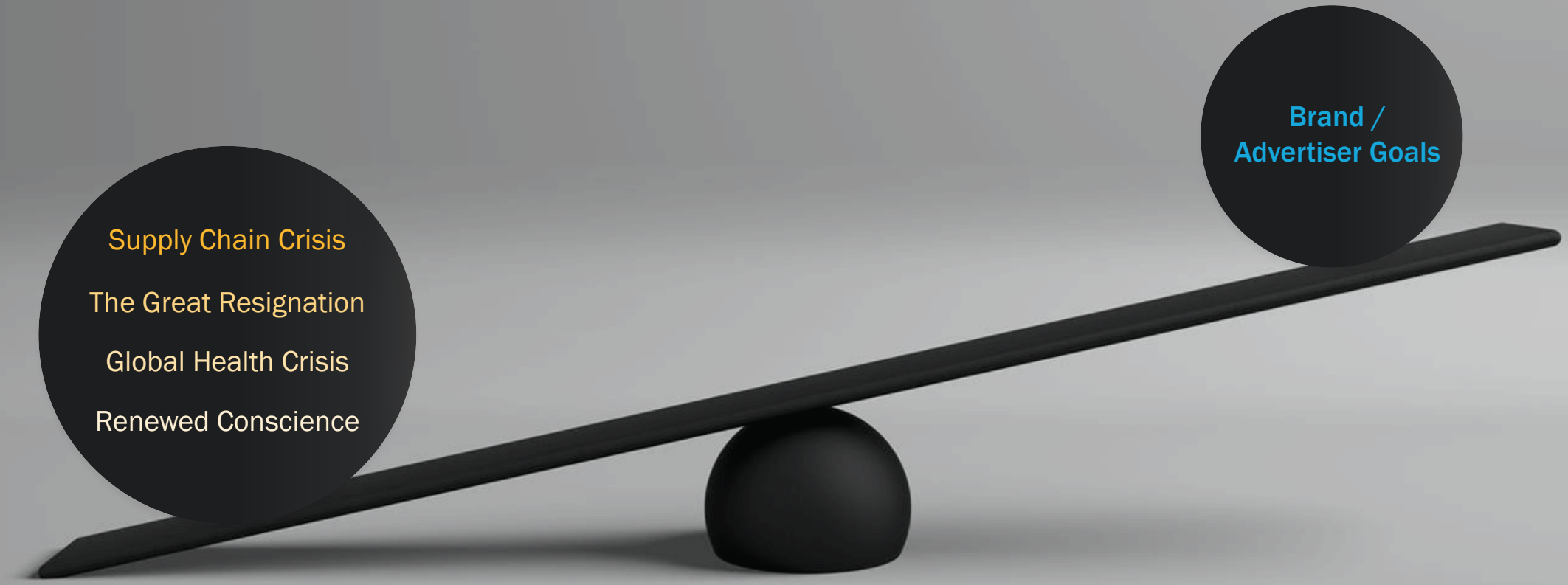
Assess if securing real estate in the Metaverse is a logical towards better connecting with your key audience personas

Brand Heartbeat

OUR FRICTIONLESS FUTURE

BRAND HEARTBEAT

Strength of Brand Hangs in the Balance



Brand strengths must outweigh external market/environmental challenges

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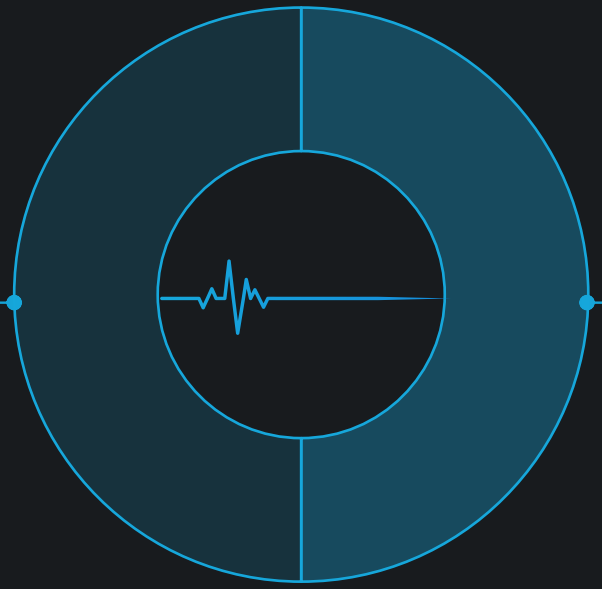
BRAND HEARTBEAT

2022 Demands Advertisers Examine their Brand Heartbeat

1

CUSTOMER EXPERIENCE

The cumulative impact of multiple touchpoints a consumer experiences throughout their relationship with a brand



2

BRAND ETHOS

The connection formed between a brand and its consumers, characterized by the values, community, and culture of the brand

BENEFITS

76%
of consumers will stay loyal to a brand

10–15%
Average increase in sales conversions

86%
of consumers likely to recommend a brand

DELIVERING CUSTOMER EXPERIENCE

While uncertainty continues to cloud vision, brands that pay attention to people's experience, and use that insight to inform the way they speak and act, can find the right tone to foster moments of genuine connection. In some cases…the tone of voice you find…can characterize your brand for years to come.

— Lessons For Today's Brands From The 2008 Recession, CEO Today

BRAND HEARTBEAT

Customer Experience “Elements of Value”

SOCIAL IMPACT

Self-transcendence

LIFE CHANGING

Provides hope
Motivation
Self-actualization
Affiliation/belonging

EMOTIONAL

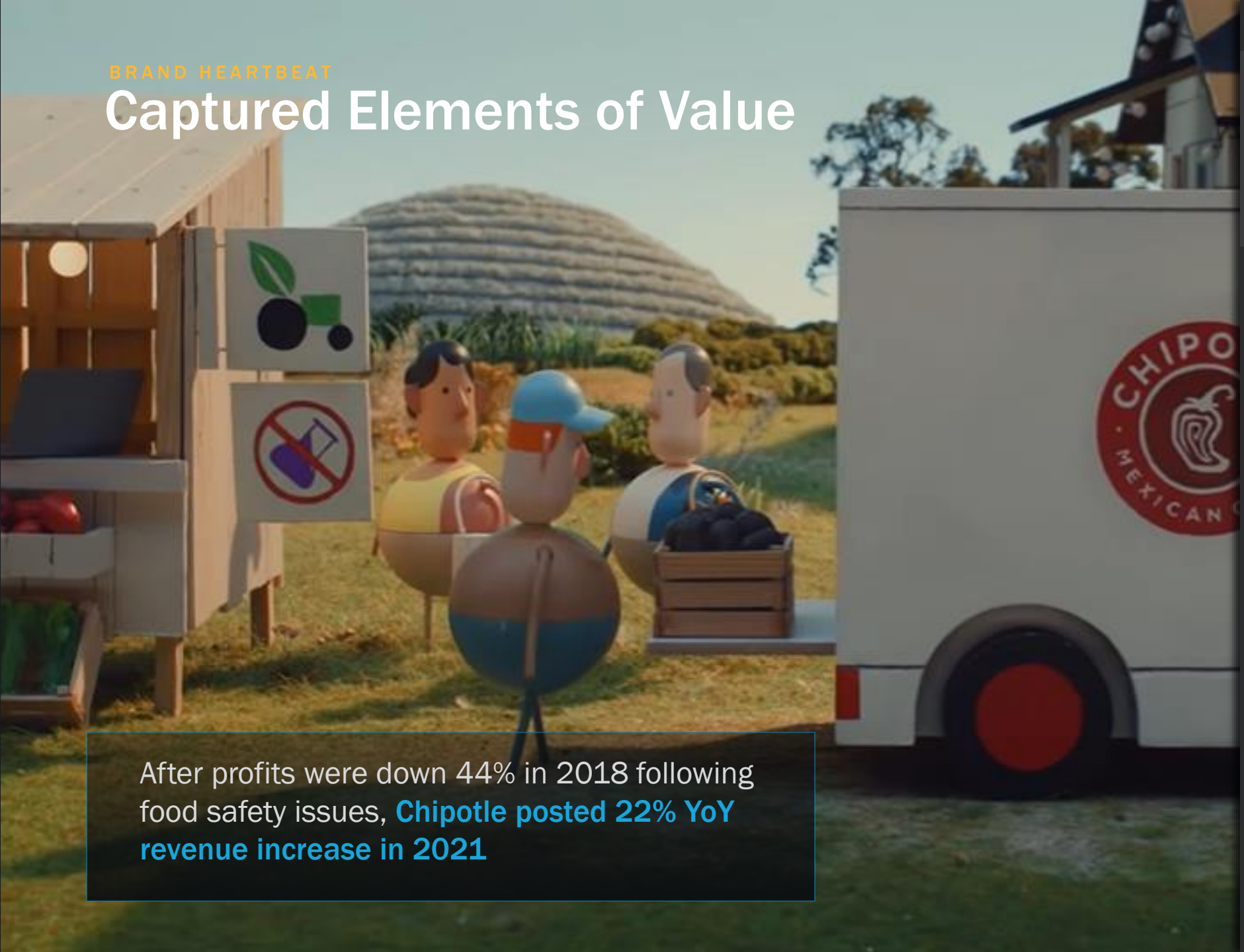
Rewards me
Fun/entertainment
Badge value
Provides access
Reduces anxiety
Attractiveness
Wellness

FUNCTIONAL

Saves time
Integrates
Quality
Simplifies
Connects
Variety
Makes money
Reduces effort
Sensory appeal
Reduces risk
Avoids hassles
Informs
Organizes
Reduces cost

BRAND HEARTBEAT

Captured Elements of Value



After profits were down 44% in 2018 following food safety issues, **Chipotle posted 22% YoY revenue increase in 2021**

CHIPOTLE
MEXICAN GRILL

SOCIAL IMPACT

Self-transcendence

LIFE CHANGING

Provides hope

Affiliation/belonging

EMOTIONAL

Wellness

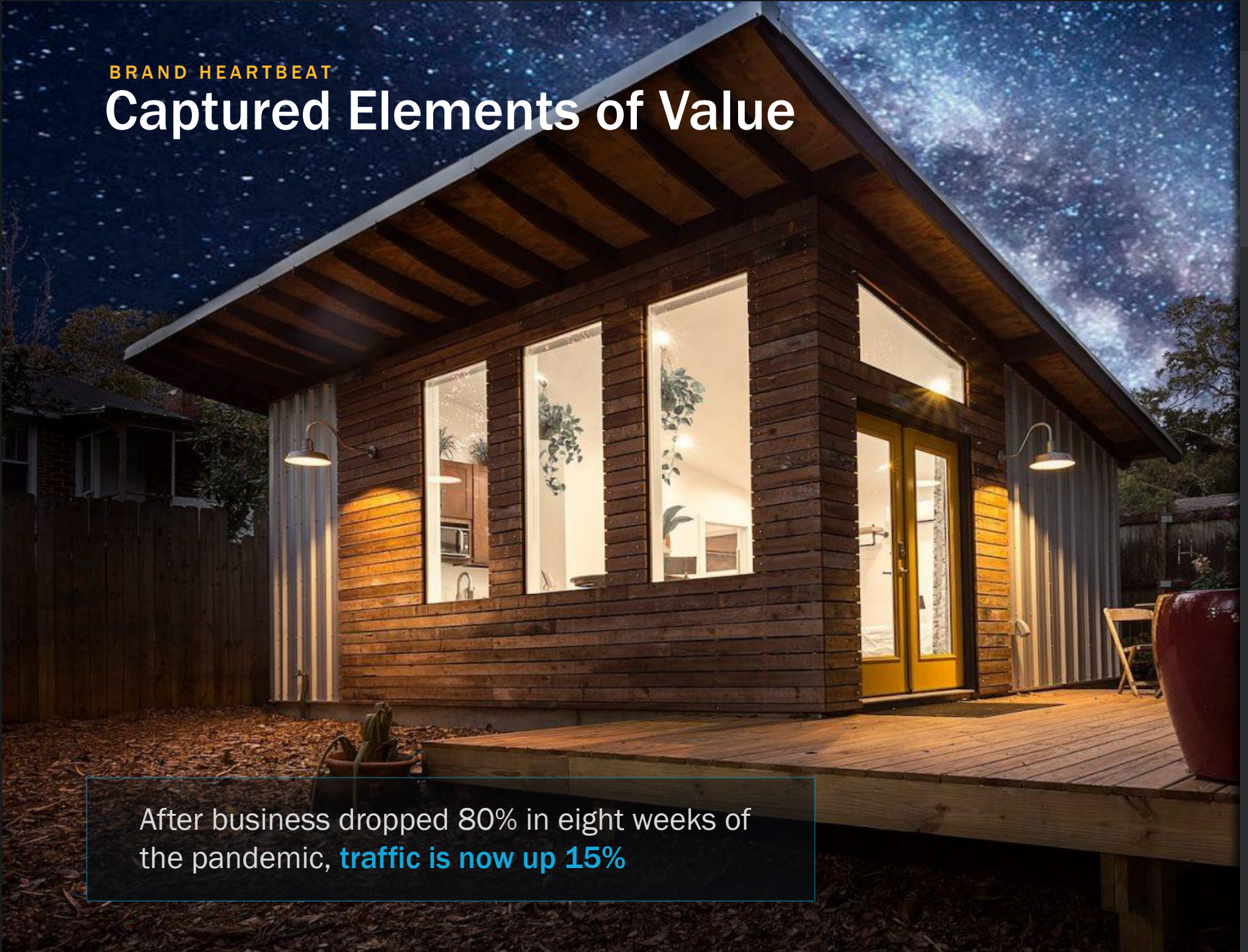
FUNCTIONAL

Connects

Quality

BRAND HEARTBEAT

Captured Elements of Value



After business dropped 80% in eight weeks of the pandemic, **traffic is now up 15%**

airbnb

SOCIAL IMPACT

Self-transcendence

LIFE CHANGING

Self-actualization

Affiliation/belonging

EMOTIONAL

Wellness

Fun/entertainment

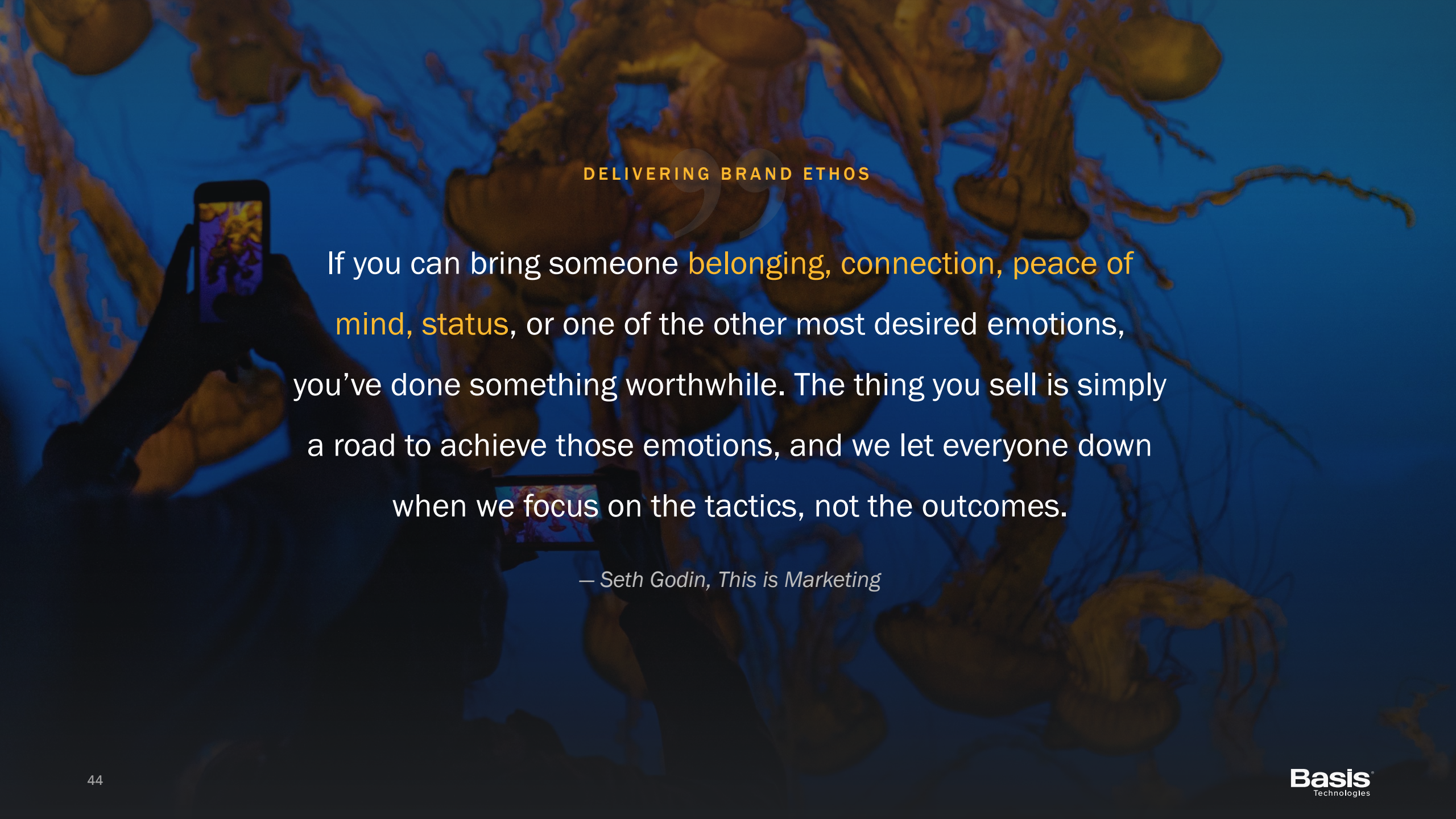
Provides access

FUNCTIONAL

Makes Money

Connects

Variety



DELIVERING BRAND ETHOS

If you can bring someone belonging, connection, peace of mind, status, or one of the other most desired emotions, you've done something worthwhile. The thing you sell is simply a road to achieve those emotions, and we let everyone down when we focus on the tactics, not the outcomes.

— Seth Godin, This is Marketing

BRAND HEARTBEAT

The 3 Pillars of Brand Ethos

VALUES

53%

of consumers say they feel connected to brands whose values align with theirs

CULTURE

62%

of consumers like learning about the **people** who make up a brand

COMMUNITY

More than

one-third of consumers

(36%) are looking to brands for **communities** they can belong to

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BRAND HEARTBEAT

The 3 Pillars of Brand Ethos

Market Examples

VALUES

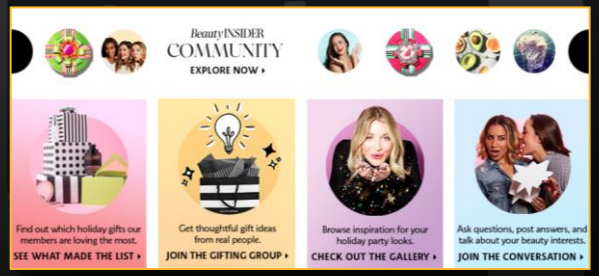
patagonia

CULTURE

Allstate.

COMMUNITY

SEPHORA



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BRAND HEARTBEAT

Takeaways

Examine and audit your brand heartbeat as a pre-requisite for successful media performance

Data must inform every interaction throughout your relationship with your consumers

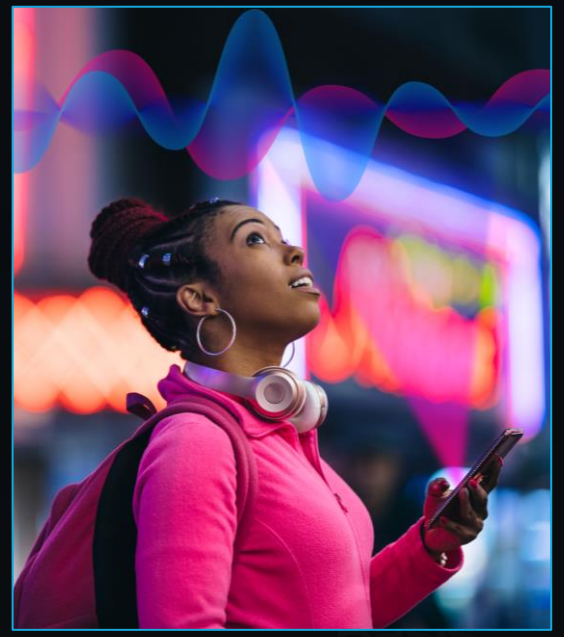
Strong customer experience and brand ethos affords latitude for adaptation and innovation (Or builds brand resilience)

Prioritize the understanding and serving of customers to ensure lifetime value

Evaluate where the Elements of Value can support creative development and customer journey

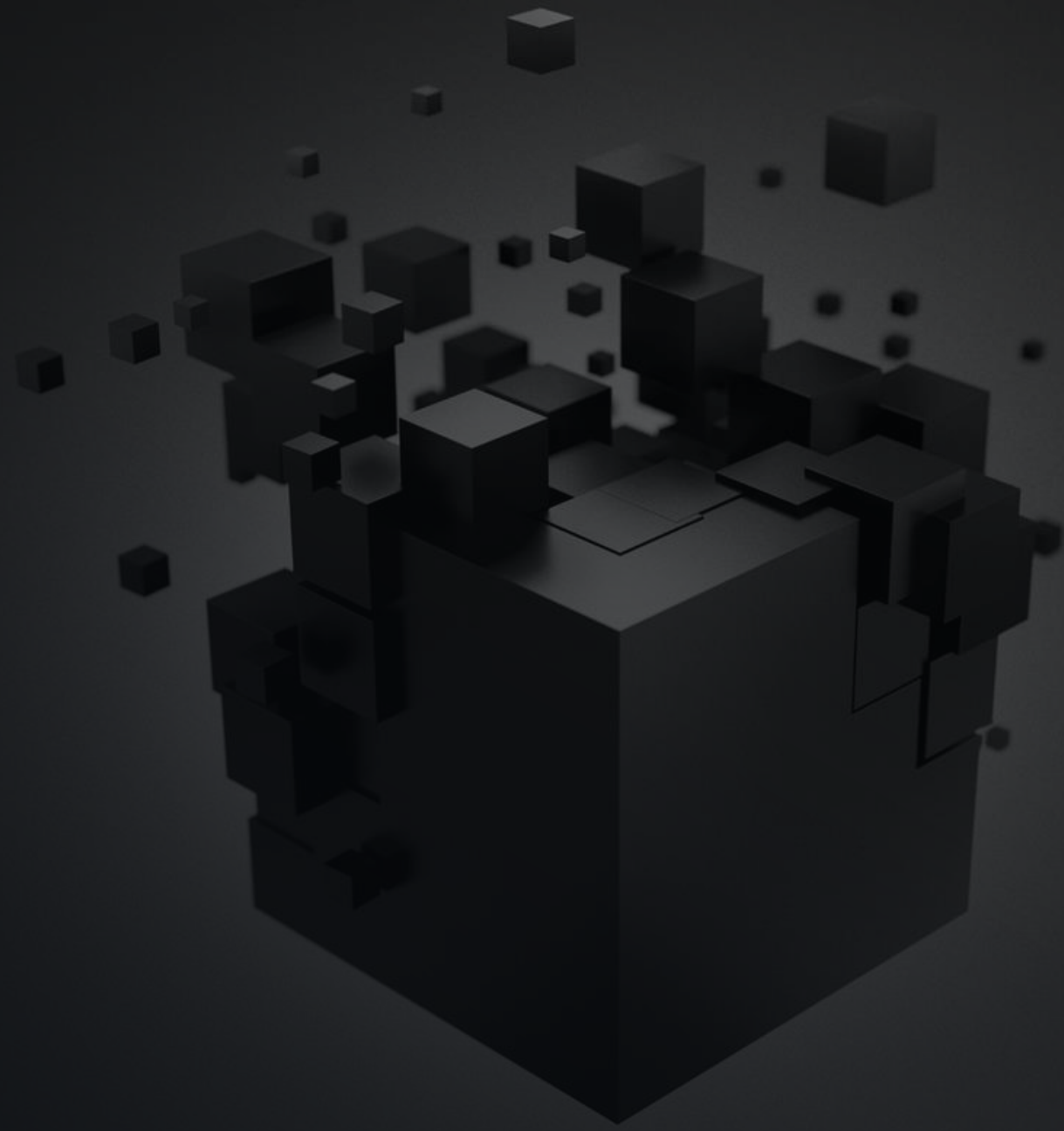
OUR FRICTIONLESS FUTURE

Wrap Up



Final Frictionless Future Takeaways

- Explore new solutions to prepare for a cookieless future and **assess what media success looks like**
- Continue education around emerging **DeFi applications** to secure future market opportunities
- Promote new **hybrid offerings** to illustrate the value available to your audiences
- Assess the **strength of the connections** your brand forms with consumers
- Leverage the strengths of your **brand's heartbeat** to further campaign performance

Q+A

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