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10 Retail and Digital Trends to Watch in 2023

2023 may very well be the bridge year that sees the transformation from old digital to new digital initiatives and innovations. We expect to see the following trends make a big impact on the digital marketing landscape and potentially disrupt our current way of doing business.

01

ChatGPT Shifts The Search Narrative

ChapGPT is undeniably the biggest disrupting force search has faced since its inception; the verb "to search" may be under threat from the verb "to ask" (answers, however, will depend on the quality of your prompts).

🔍 AI-Driven Modules Will Hold Greater Influence

90%+ of Google Advertising investment is likely to be in AI-driven modules like Performance Max by the end of 2023.

Redefining Search

Search is no longer only Google's playground; marketplaces and retail media networks now dominate the bottom-of-funnel searches that have a higher monetization potential, while TikTok has become the preferred search engine for recommendations and exploratory searches for many Gen Zers.

Data-Driven Insights Reign

With cookie deprecation just about a year away, there will be increasing emphasis on implementing first-party data infrastructure. AI-marketing platforms that work with first-party cookies like NetElixir's LXRInsights will grow in importance.

05

Global Choice Communities

The Gen Z Creator Economy will experience explosive growth powered by social videos and generative AI. This convergence will lead to a global interconnectedness that has an outsized impact on shopping decisions and creative ideation.

🔍 The Metaverse Advances

The Metaverse will slowly, but steadily continue to add loyalists. Each innovation, each upgrade (like the impending lower-priced Oculus Quest 3) will decrease friction points and increase adoption. This year will see at least one new category beyond gaming emerge for the Metaverse and Quest, as creative Metaverse 4P strategies will lead to a persistent increase in users.

🔍 One Shopping Funnel

The separation of the online and offline journey will soon evaporate, facilitated by the first-party data ecosystem and growth of Retail Media Networks, and merge into one shopping journey.

The Era Of Hyper-Personalization Is Here For Good

McKinsey research shows that 71% of consumers expect personalized interactions with the companies they buy from, with more than three-quarters becoming frustrated when they don't get them. Brands need to focus on more engaging, effective, and responsible personalization.

🔍 Emergence of Everywhere Stor(ag)e

David Bell, the Co-Founder of Idea Farm Ventures, posits the idea of information access and fulfillment options happening in a native environment, allowing the customer to buy anything, anywhere. Stores and storage options may merge to an always-on experience that meets the customer where they are, rather than the customer going to them.

Creation of New Customer Jobs

The rapid adoption and immense impact of generative AI in every aspect of e-commerce marketing will lead to the phasing out of many of the current customer jobs and the evolution of new customer needs.

BONUS

🔍 Culture of Continuous Experimentation

Successful experimentation starts with asking the right questions. In an AI-driven world, you can only control certain data inputs and your goals while AI determines the rest; you have to ask the right questions to find the right answers and continually refine your experimentation from there.

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