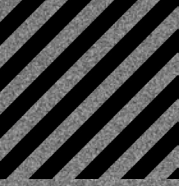


THE FUTURE OF SOCIAL



Ogilvy

FUTURES



CREDIT: DAVID MADRID

TABLE OF CONTENTS

INTRODUCTION	3
CHAPTER 1 – SOCIAL INFLUENCE	4
CHAPTER 2 – SOCIAL CONTENT	9
CHAPTER 3 – SOCIAL PLATFORMS	14
ABOUT FUTURES	18
ABOUT OGILVY	18
ABOUT OGILVY PR	18
REFERENCES	19



Social media has transformed how brands and organisations engage audiences in the past 20 years. But now these platforms are undergoing some very significant changes of their own, driven by rapid developments in artificial intelligence, the rise of disruptive competitors, and ongoing cultural and behavioural shifts.

These present a host of challenges and opportunities for the platforms, as well as the brands and organisations that rely on them so heavily to reach and engage target audiences.

One thing that hasn't changed is their popularity. Social apps are more pervasive than ever, accounting for almost half of the time people around the world spent on screens in 2023, and yet they are becoming inherently less social.

Users are less likely to share updates about their own lives, preferring to spend more time consuming content produced by strangers, as discussion and debate heads into closed private groups on WhatsApp and other chat platforms. Twitter, now known as X, has lost its position as the internet's unofficial town hall.

At the same time, TikTok's short-video format – powered by an artificial intelligence algorithm that quickly understands what a viewer likes and serves up more of the same – has inspired a wave of similar services, from Reels on Facebook and Instagram to Spotlight on Snapchat and YouTube Shorts. All boats are rising on this tide, with Instagram users spending 40 per cent more time on the platform since Reels launched.

Social media still has an image problem, especially in the eyes of governments and regulators, through its association with fake news, misinformation and disinformation.

Meta has said it won't renew funding deals with Australian publishers

Source: AFR

This will be the source of much discussion in 2024 as half the world's population votes in elections. Concerns around data privacy and user safety also need to be resolved.

Here in Australia, the Albanese government is threatening action against Meta after Facebook's parent announced it would pull funding from the country's news organisations. These deals were struck three years ago to avoid Facebook and Google being designated under the news bargaining code, which would have forced them into payment negotiations with publishers.

The Australian Competition and Consumer Commission has estimated that this funding is worth \$66 million a year to publishers including the ABC, Guardian Australia, News Corp, Nine Entertainment and Seven West Media. The loss of this funding would likely lead to more job losses in major newsrooms and hurt their ability to do investigative journalism.

Tweaks to the Facebook algorithm have effectively rendered it useless as a news source. Chartbeat data shows that the volume of internet traffic Facebook sent to media companies was down by 48% in 2023. X's media traffic also dropped 27%. Meta estimates that news and current affairs content now accounts for less than 3 per cent of what people see on Facebook.

For the brands and organisations using these platforms to reach and engage audiences, strategies that worked in the past no longer apply. This report is a collection of trends designed to help marketing and communications teams navigate their way through the shifting social media landscape.

INTRODUCTION



CHAPTER 1

SOCIAL INFLUENCE



CREATORS TAKE CENTRE STAGE

SPENDING ON SPONSORED PARTNERSHIPS ROSE 3X FASTER THAN AD SPENDING IN 2023

Source: eMarketer

With the creator economy estimated to hit \$480 billion by 2027, a meaningful creator engagement plan is fundamental to a future-fit social strategy.

For brands and agencies, creators are a more agile and scalable way to play at the forefront of culture, free from unwieldy processes that plague more traditional modes of content delivery.

As creator-led content becomes more integrated, we see its impact spreading across categories, including more unlikely suspects like B2B, healthcare and financial services. Creator commerce will be an ongoing area of innovation in 2024, and its ability to move the needle on sales should not be underestimated.

The impact of #BookTok, #HealthTok, #CleanTok and #BeautyTok on their respective industries says it all, with brands in these arenas designing specific products to woo the creator class and their loyal followers.

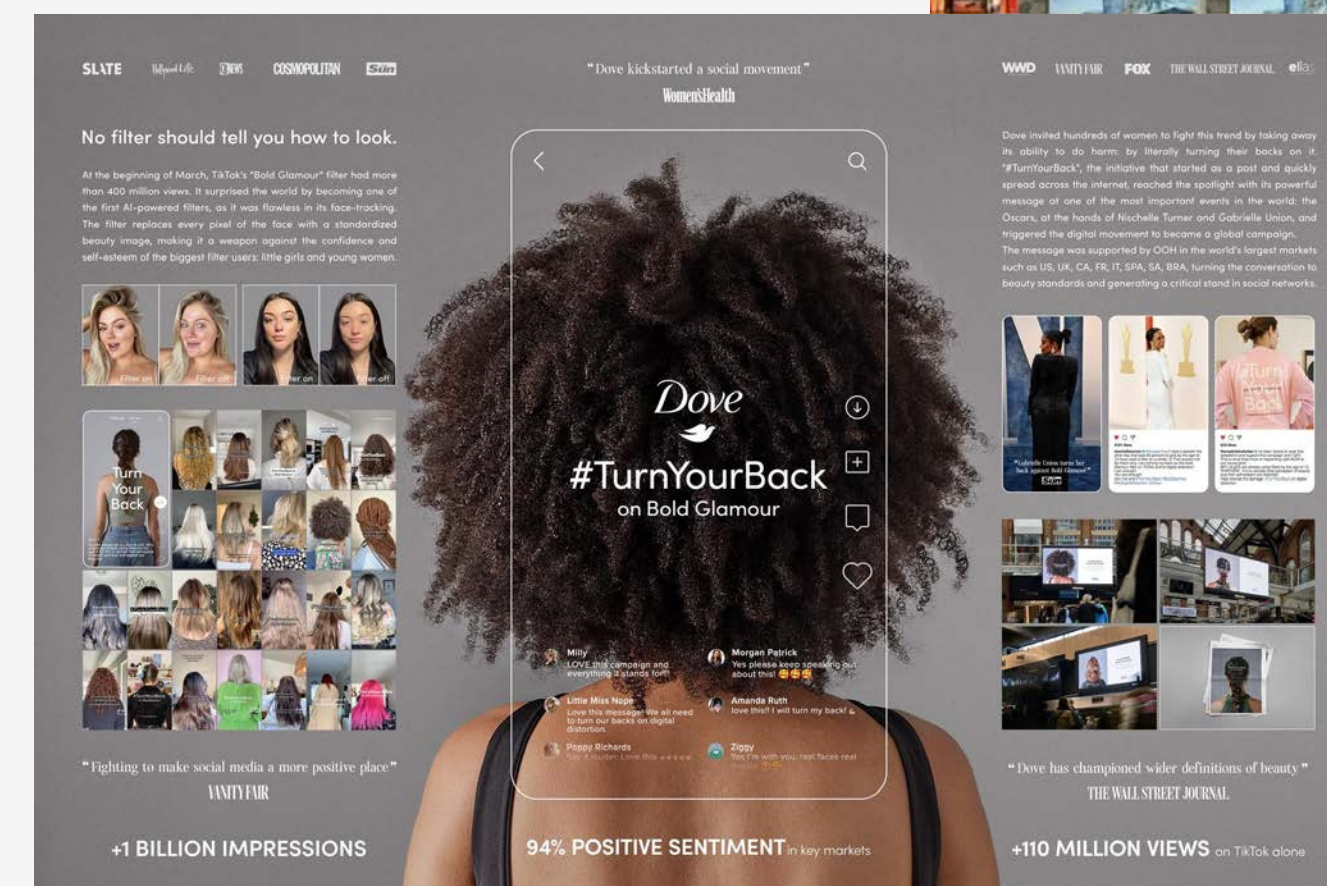
This year will see creator partnerships continue their evolution from obvious product placement and staged enthusiasm to more ambitious co-creation between creator and brand, where product is seamlessly integrated.

We predict more brands organising better to take full advantage of the creator opportunity. This could look like hybrid creator-creative teams, in-house creator consultancies, or always-on contracting as opposed to ad hoc campaign projects.

Given the proximity of creators to their audiences, companies that creatively assign main character roles to these personas will win big. Dove's award-winning 'Turn Your Back On Bold Glamour' campaign is a standout example.

Creators use #BookTok to share recommendations
Source: MSc Publishing

Dove made creators the main characters in its 'Turn Your Back On Bold Glamour' campaign
Source: M2 Communications



Microsoft CEO Satya Nadella
Source: USA Today



COMBINED EMPLOYEE NETWORKS ARE 10X BIGGER THAN COMPANY NETWORKS

Source: LinkedIn

Ask any CEO or CMO about the most important factor in their company's success, and they'll likely point to their employees.

People are the lifeblood of any company, the passion behind its core values, the intelligence that keeps it innovating, and ultimately the reassurance in its ability to deliver against its promises.

In the B2B world, LinkedIn has already evolved how businesses mobilise employees for commercial growth. Brand advocacy and thought leadership is woven into the fabric of professional digital networking.

We no longer need to rely solely on inspirational like Steve Jobs or Satya Nadella to stand on a podium and sell the company vision. Engaged employees are now living billboards, communicating with industry on a daily basis on topics that matter to their employers right now.

They're engaged with niche audiences and they have access to a network far greater than many marketing and communications teams realise. For many brands and organisations they are a largely untapped resource, and they are effectively free to use.

B2B CMOs have spotted this and are scratching the surface of this opportunity, with 89% of C-Suite marketers recognising that employee influence holds immense value for their businesses due to the insider knowledge and authentic advocacy that comes from belief in a shared vision.

EMPLOYEE ADVOCACY

INFLUENCERS ARE NO LONGER HUMAN

CMOS ARE EXPECTED TO SPEND 30% OF INFLUENCER BUDGETS ON VIRTUAL INFLUENCERS BY 2026

Source: Emplifi

Lil Miquela's debut on Instagram went viral before AI firm Brud announced it was behind this virtual influencer. She has since maintained her popularity, amassing more than 2.5 million Instagram followers and collaborating with brands including Calvin Klein and Prada.

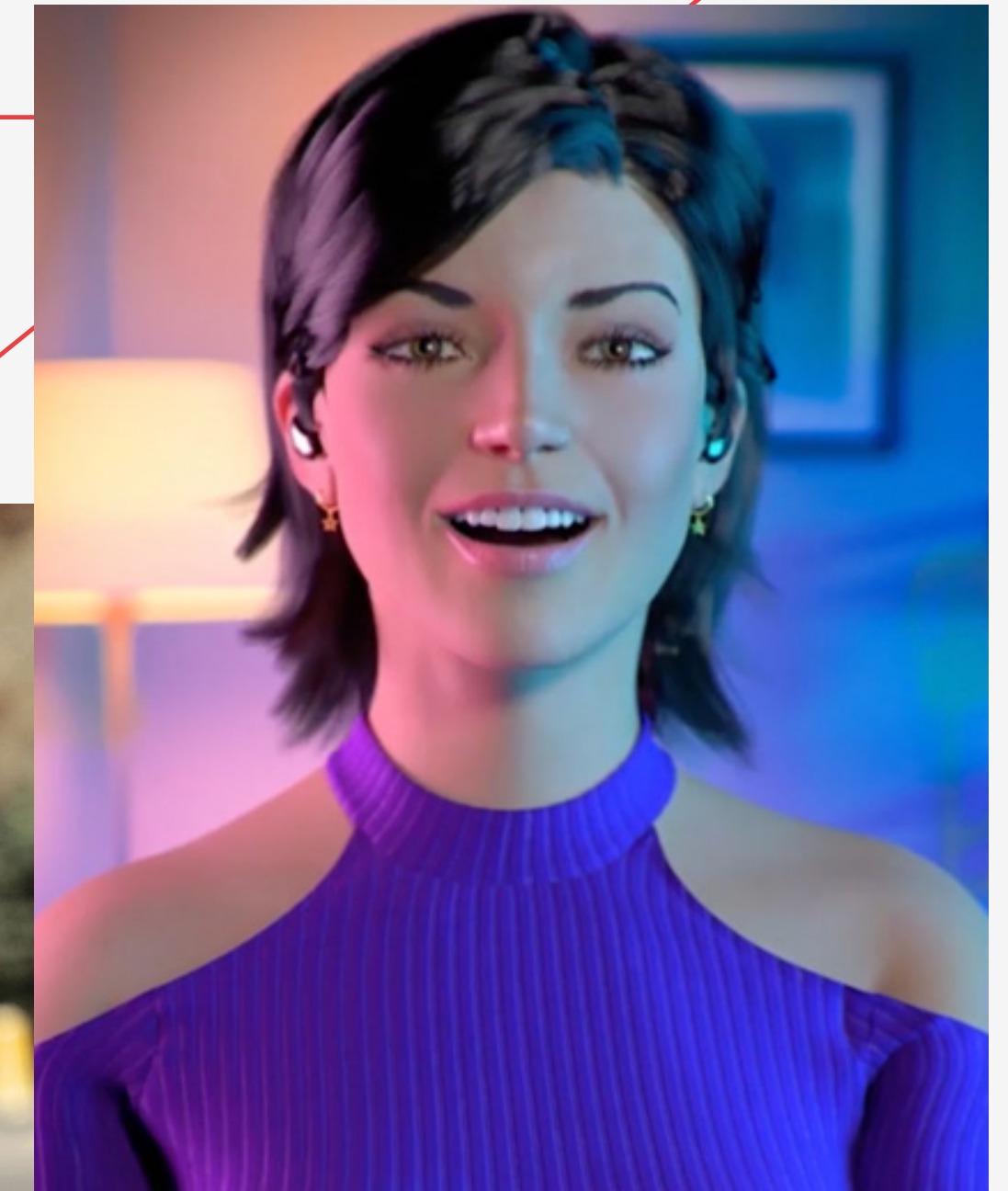
Her success saw the creation of more virtual influencers, with brands keen to strike partnerships or even create their own.

Ogilvy built a virtual influencer for Brazilian retailer Magazine Luiza. Lu from Magalu started as the in-store voice of the retailer's commerce site before Ogilvy turned her into an influencer who has gone on to amass more than 6 million followers on Instagram, as well as appear on the cover of Vogue Brazil and in music videos.

Minah, Vietnam Healthcare's first-ever virtual influencer, leverages an AI conversational interface to discuss sexual wellness and other topics considered taboo in Asian cultures. She lives on Facebook and engages with her audience through Messenger and social posts on her page.

More control over messaging could be why marketers are increasingly interested in virtual influencers. From a brand-safety perspective, they are less likely to create or become involved in the controversies that can happen with real-world influencers.

Partnering with an existing virtual influencer also lets brands leverage their following and the niche they operate in.



Lu from Magalu (above)
Source: *Virtual Humans*

Lil Miquela (left)
Source: *Outside Insight*



Regulators are calling brands out for greenwashing
Source: *Selective Fashion Justice*

72% SUPPORT SOCIAL MEDIA CREATORS SELLING PRODUCTS OR SERVICES FOCUSED ON SUSTAINABILITY

Source: *Unilever*

As consumers become increasingly conscious of their environmental footprint, influencers are emerging as pivotal players in shaping sustainable consumer behaviours and perceptions towards brands.

With 78% of people admitting they've been swayed by influencers to adopt greener practices, we're seeing these influencers act as catalysts for environmental change, guiding audiences to more sustainable choices and lifestyles.

However, this trend also faces challenges as critical eyes turn towards greenwashing and influencer waste. This gave rise to a de-influencing trend last year, encouraging users to consider consumption more mindfully.

Sustainability often stands at odds with the perceived wastefulness of gifting programs. Fans are becoming more vigilant, calling out greenwashing and scrutinising the claims of brands and influencers.

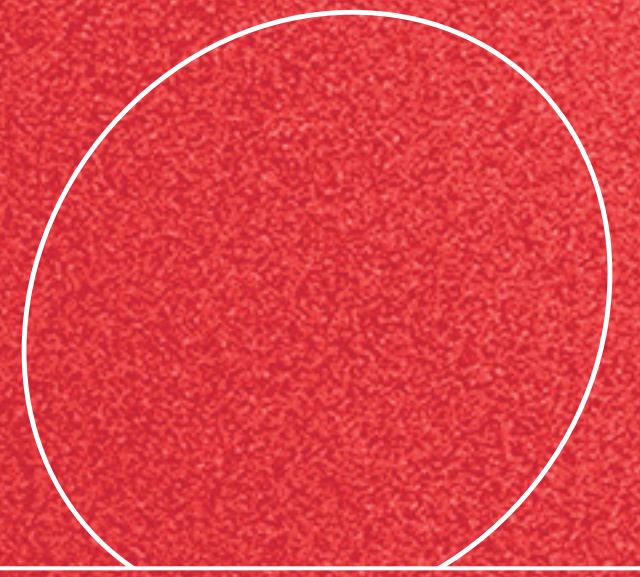
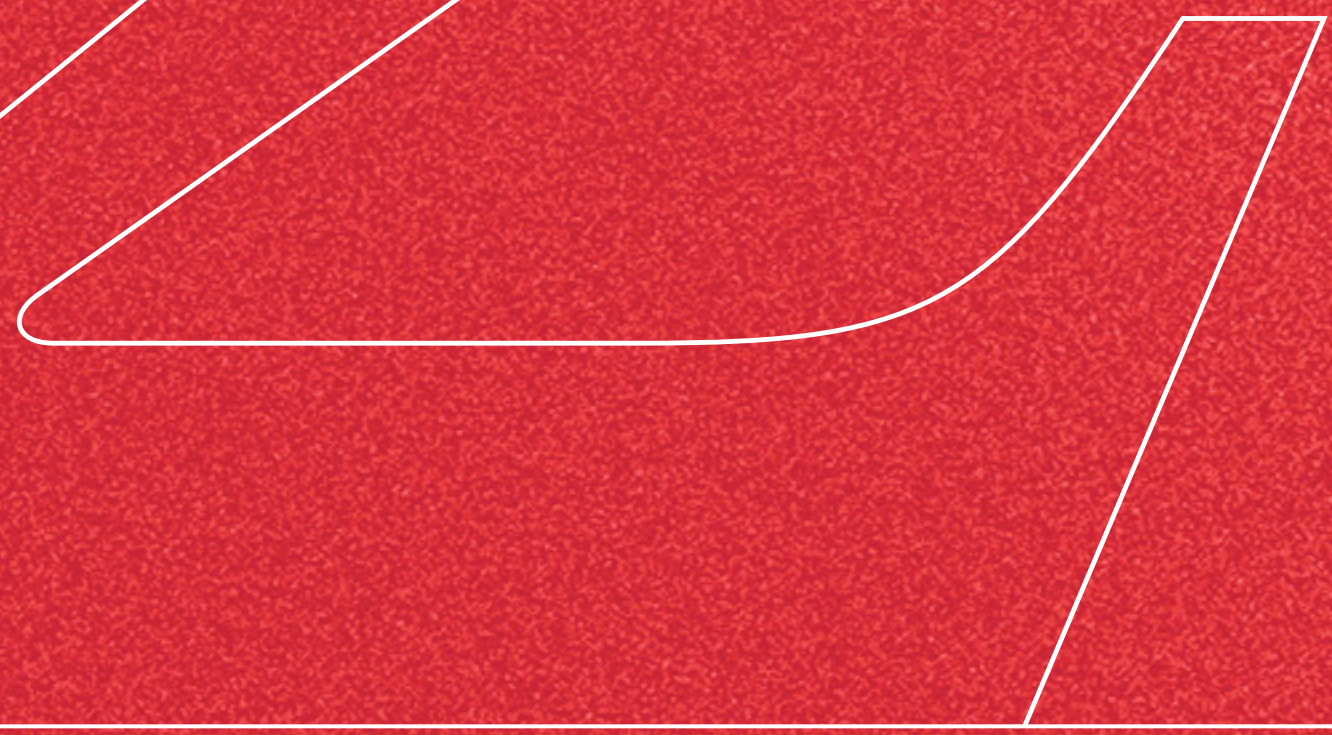
With 84% of influencers hesitant to post about sustainability for fear of being accused of greenwashing, brands need to foster genuine partnerships, tapping into influencers with credible, science-backed information that translates complex environmental issues into relatable content.

SUSTAINABLE INFLUENCE



CHAPTER 2

SOCIAL CONTENT



MEDIA ALLOCATION ON ENGAGEMENT-FIRST CAMPAIGNS GREW 222% IN 2023

Source: OSL

We have seen a notable resurgence in brands responding to nano moments of social traction – but some are getting smarter in how they go about it.

Last year closed with some strong examples. Ikea poked fun at luxury fashion by offering up an affordable dupe for Balenciaga's Towel Skirt, while The North Face pulled off the real-time delivery of a new jacket to a disgruntled customer at the peak of a stormy mountain, after her rain-soaked rant went viral on TikTok.

These are brands working at the speed of online culture. But nano moments only scratch the surface of the cultural opportunity for brands on social. Thanks to richer AI-powered social intelligence, cultural happenings can be tracked and mapped as pulses, signals and shifts, enabling brands to activate at nano, micro and macro levels.

And so the real opportunity is to build relevance in much more sophisticated and enduring ways. The successful brands here will be those that get clear on the role they have to play in the cultural landscape, and the engagement levers they need to activate.

Being responsive to culture, as well as gradually shaping and creating it, requires understanding and monitoring of what's happening across all corners of the internet, as well as geolocations. The more bespoke the intelligence model, the more impactful the output can be.

There is also a move away from pay-to-play approaches, with brand-first, audience-second content through paid media replaced by audience-first, interest-led social content that's geared for organic performance.

This is fuelling a rise of brand social that's more platform-native, and closer to lo-fi influencer or user-generated content than the TV spot social cut-downs that dominated previously.

This trend towards less formal, more engaging content calls for a radical rethink of big brand social setups to deliver content that is the antithesis of traditional advertising best practice – unscripted, unpolished and unpredictable.

THE SPEED OF CULTURE



Ikea pokes fun at Balenciaga
Source: B&T

The North Face pulled off a special delivery
Source: Business Insider



COMMUNITY COMEBACK

THE AVERAGE SOCIAL MEDIA USER LOGS INTO SEVEN PLATFORMS EACH MONTH

Source: Hootsuite

Fake news, polarisation, and overstimulation have led Gen Z and Millennials to tire of traditional social. This means basic community management is no longer sufficient and must evolve into proactive community engagement.

Users increasingly seek safer, quieter spaces like closed forums such as WhatsApp, private Facebook groups, Reddit, Discord, and Mastodon.

Rather than settling for a one-size-fits-all app, they're opting for combinations of platforms to meet specific needs, participating in online communities based on shared passions or fandoms, or connecting in niche platforms.

Brands and organisations need a considered community engagement strategy, either nurturing their own communities of customers and fans, or strategically connecting with external communities through meaningful value exchange.

This demands larger expert teams and more bandwidth for listening, engaging and rewarding. The outputs here are exciting – real-time customer feedback on specific prompts, brand fans inputting on product development and testing, and content starring community members.

This year will see more brands and organisations exploring ways to level up their social community experiences.



Gen Z and Millennials use different social platforms for specific needs
Source: Entrepreneur



AI imagines a Harry Potter partnership with Balenciaga
Source: Reddit

What if Burberry designed a British Airways cabin?
Source: Core77



ENGAGEMENT INCREASES 28% WHEN MARKETING IS MIXED WITH USER-GENERATED CONTENT

Source: ComScore

Social media has broken down barriers between artists, celebrities, brands and their most dedicated fans. By leaning into passionate fandoms, often in a self-aware way, brands and organisations can deliver positive results that stretch beyond the immediate fan group and into the mainstream.

Now, with generative AI firmly in the limelight, fans are equipped with a new set of tools that enable them to reinterpret favourite brands and stars, quickly producing high-quality content at zero cost.

In one example, a fan video featuring a Balenciaga-inspired Harry Potter universe racked up more than 10 million views, inspiring similar Batman, Marvel and Star Wars themed content.

Marketing and brand expert Eric Groza showed off what a premium collaboration between British Airways and Burberry would look like, using AI tools to generate images of a sleek airline cabin, while Jed.AI.Master produced a series of images reimagining Coca-Cola as a luxury brand.

The trick here for brands and organisations is to let these extreme fandoms run wild and join in the conversation to praise the best examples. They will take marketing efforts to new places and reach audiences that might not have previously considered engaging.

EXTREME FANDOM = AI ARTISTS

MAKING (SOUND) WAVES

SONIC BRAND CUES ARE 8.5X MORE EFFECTIVE THAN VISUAL STIMULUS

Source: Ipsos

Brand partnerships with A-list popstars have allowed brands to weave their way into the cultural zeitgeist for decades. 'Did somebody say Menulog?' is a recent example, with the food delivery service enlisting the help of Katy Perry, Christina Aguilera and Snoop Dogg.

But brands have an opportunity to cement themselves into conversations, generating mass and local consideration, by leaning into sound as an influence. This is because sound is 8.5x more effective than colours, logos or slogans in establishing a consumer's affinity with a brand.

TikTok says ads with sound drive a significant lift in sales conversions, while Meta also reports that 80% of story content with voiceover or music performs better at the bottom of the sales funnel.

The vast range of musical genres, styles and voices is a playground for brands, with ownable content ready to be discovered, captured and shared with audiences. To stand out, it's time for brands to turn up the volume on their musical presence.

This should be linked to a brand's visual identity, just like the popstars who present themselves in a very premeditated style before walking out onto the stage or taking part in a photoshoot for their latest release.

Brands and organisations will also need to keep one eye on the waves being made following Universal Music Group's very public fallout with TikTok. At the time of writing, Taylor Swift, The Weeknd, Billie Eilish, Ariana Grande, Katy Perry and other leading artists have seen most of their music disappear from the platform. Existing brand content featuring UMG music has been muted.



Katy Perry asks 'Did somebody say Menulog?'
Source: X.com

Major artists are caught up in a dispute between
TikTok and Universal Music Group
Source: FSU News





CHAPTER 3

SOCIAL PLATFORMS



TIKTOK TOP RATING

55% OF TIKTOK USERS HAVE MADE AN IMPULSE PURCHASE ON THE PLATFORM

Source: Statista

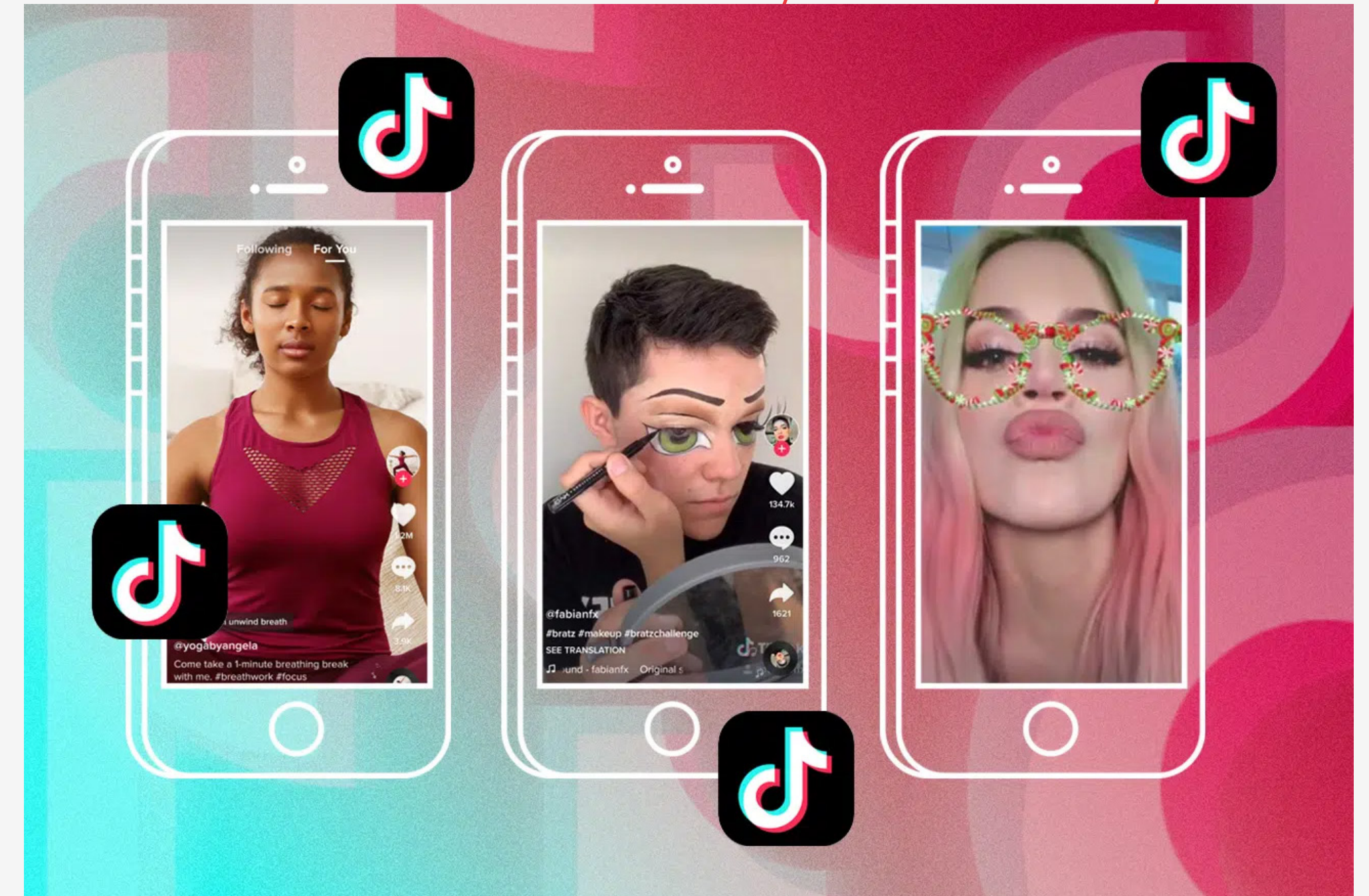
Youth usage provides a temperature gauge on the state of big social's legacy platforms. TikTok's rise remains relentless, fuelled by Gen Z, at around 1.6 billion users in Q3 of 2023, and we expect this phenomenon to continue in 2024.

Having comfortably surpassed Facebook and Instagram in terms of time spent per session, TikTok is the most important platform for big brands to crack in 2024. Snapchat was the only other major platform showing growth in 2023. X has fallen in the wake of management and platform turmoil.

Despite its numerical success, TikTok needs ongoing refinement to maintain its top position. Recently, more ad-supported segments were introduced, supporting the ambition to become a super app for users looking for more than serendipitous scrolling in the 'For You' feed.

For instance, the platform reinforces last year's trend of being one of the primary search destinations for Gen Z. This led to the introduction of the Search Ads Toggle, enabling advertisers to gain more visibility within the platform's discovery engine.

In terms of its advertising pillar, TikTok is estimated to grow double digits in 2024. Additionally – while other social networks scaled back on this – TikTok expanded its inventory with shopping ads and social shops, aiming to get more grip on commerce and affiliate marketing. And yet live shopping no longer seems to be a priority, at least not in the West.



TikTok has become a primary search destination for Gen Z
Source: We Are Monty



Meta is looking at everyday experiences through its smart glasses collaboration with Ray-Ban
Source: Medium

3 BILLION PEOPLE USE ONE OF META'S PRODUCTS DAILY

Source: Statista

This will be a year of further experimentation for Meta, in a continued bid to win back lost share of attention across its platforms. AI will play a major role in this bid, offering new possibilities for creative content creation and solutions for direct response advertisers.

Meta will also continue to nurture Threads, the micro-blogging X competitor that's now rolled out across major markets worldwide and is further preparing its entry into the decentralised space.

Its legacy ecosystem should not be underestimated, with advertising recording more than 23% year-on-year growth and still accounting for 98% of Meta's revenue. We also see the Meta ecosystem being particularly strong in emerging markets.

Deeper collaborations with retail media aggregators such as Amazon, and further refining of its targeting traits, will allow Meta to keep reaching at scale while ensuring contextualisation.

For big brands, Instagram will still be an important tool in the social arsenal – a hotspot for discovery, video consumption and peer-to-peer interactions through DMs and voice features.

The launch of Ray-Ban Meta smart glasses is a signal of a bigger long-term shift happening in social and connected culture – away from passive content consumption in closed ecosystems, towards content and tools that augment everyday experiences.

META STILL MATTERS

LINKEDIN AND THE RISE OF BUSINESS INFLUENCE

70% OF MARKETERS SEE LINKEDIN AS A RELIABLE RETURN ON INVESTMENT

Source: Hootsuite

We expect to see brands become more intentional and creative in how they use LinkedIn in 2024, from upskilling staff as vocal online brand ambassadors, to tapping into the rise of B2B influencers.

For B2B brands, LinkedIn has become an invaluable touchpoint for professionals and businesses to showcase some of their best assets – company culture and staff expertise. Three in four B2B businesses already leverage B2B influencers like CEOs, academics and doctors.

Strategic employee engagement initiatives are next up, with more brands looking to reward staff for sharing insider knowledge through active digital networking. Expect to see a refresh of LinkedIn's content culture in 2024, focused on cleaning up the clickbait and becoming more conversational.

This has already seen the platform launching collaborative articles, which start as thousands of 'AI-powered conversation starters, developed with our editorial team' but only come to life with perspectives added by the LinkedIn community.

With the future of X still murky, LinkedIn stands poised to benefit from an influx of quality opinion leaders looking for a new public town hall for their thoughts. The professional social network offers a strong alternative, with more than 950 million users.

But B2B influence growth is not limited to LinkedIn. TikTok, with its depth of engaged audiences, is home to a burgeoning group of professionals across several industries who are finding new audiences for their expertise through snappy short-form video.



LinkedIn stands to benefit from troubles at X/Twitter
Source: LinkedIn

ABOUT

ABOUT FUTURES

Ogilvy Futures is an annual and occasional collection of marketing and communications trends gleaned from leading creativity, cultural and design events in Australia, New Zealand and around the world.

This report was written and edited by Louise Jones, Nicolas Mendel, Richard Brett, Brian Corrigan, Rahul Titus, John Harding-Easson, Ansley Williams, Imogen Coles, James Baldwin, Brenda Ho, Sam Johnson, Dimitri Cologne, Awie Erasmus, and Catherine Sackville-Scott.

Also available in this series:

Futures 7: The Real, the Unreal and the Reinvented (2023)

Futures 6: Alchemy, Avatars and Altered Authority (2022)

Health Futures 2: Science with Soul (2022)

Email or call us to set up a Futures presentation for your team:

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ABOUT OGILVY

Ogilvy inspires brands and people to impact the world. We have been creating iconic, culture-changing, value-driving ideas for clients since David Ogilvy founded the company in 1948.

We continue building on that rich legacy through our borderless creativity – operating, innovating, and creating at the intersection of talent and capabilities.

Our experts in Advertising, Experience, Public Relations, Health, and Consulting work fluidly across 131 offices in 93 countries to bring forth world-class creative solutions for our clients. Ogilvy is a WPP company.

ABOUT OGILVY PR

Ogilvy PR is a global creative communications agency that partners with brands and organisations to drive value and growth. We build brands and protect reputations, earning attention and influence through creative storytelling that is informed by data and fuelled by technology.

Our specialist practice areas offer media relations, social and digital communications, external and internal stakeholder communications, government relations, issues and crisis management, influencer marketing and sales enablement across audiences and sectors.

We work with some of Australia's most high-profile organisations to develop their communications strategies and deliver creatively led campaigns that drive business outcomes.

We are the region's largest and most specialised public relations and public affairs consultancy. Established in 2001, we have more than 130 communications specialists in Sydney, Melbourne, Canberra and Auckland.



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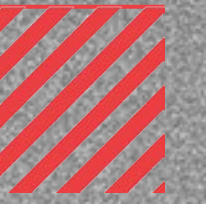
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