



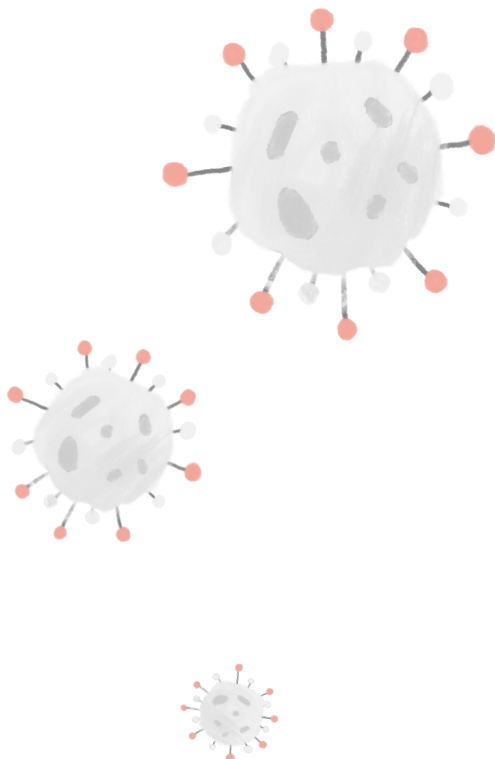
No Going Back:

# How the pandemic is catalyzing a new creative era

Author — Garrick Schmitt

I've stopped saying, "When things get back to normal..." The events of the past several months—a global pandemic, economic fallout, social crises, and environmental disasters—seem to indicate that there will not be a "normal" to return to. As others struggle to come to grips with that possibility, I have begun to embrace what I see as an unprecedented opportunity for a creative revolution.

Consumer behaviors are shifting in real-time. As creatives and marketers, our job is to read the room and adapt. And the room has spoken, loudly and clearly. Over the past decade, there's been an obvious and steady shift from physical to digital, but the ramp-up during lockdown—three years of growth in just three months—will have a lasting effect. It will impact the entire media and advertising industry and require us to change how we think about brands, advertising, and scale on a fundamental level. It will change the way we tell stories and how much we'll need to rely on algorithms and data to meet evolving consumer expectations. Most importantly, it will create new moments for brands and creators to connect with new audiences on new platforms.



The need for  
creative  
reinvention is  
real. It is  
immediate.

And the  
opportunity it  
presents for  
growth is  
enormous.

## The Great Leap Online

Let's start with the data. If there's any certainty about the current pandemic it's that we are experiencing a tectonic shift in consumer behavior. In the first three months of the crisis Netflix, YouTube and Facebook all saw double-digit increases in usage. E-commerce penetration soared north of 20% in the US. The "e-commerceification" of the economy has had tremendous knock-on effects.

[According to McKinsey](#), a full 75% of US consumers have tried different stores, brands or websites during the COVID-19 crisis and 60% of those same consumers expect to integrate those new brands and stores into their post-COVID lives. Never has audience attention and engagement shifted so dramatically—or been so up for grabs. We are all going to have to find a new, far more agile gear to adapt.

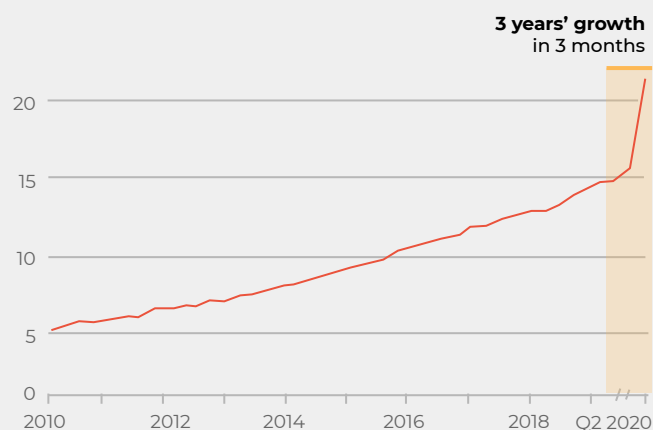
If everyone seems to be pivoting, it's because they are. It's not just consumers who are changing behaviors, the shift for creators is equally stunning. In May, Stripe CEO Patrick Collison, announced that businesses that launched on Stripe since the lockdown began generated more than \$1B in three months. By August, Collison had updated that number to \$10B -- a 10x leap from May to August. Looking broadly across the internet landscape, the amount of new businesses created during lockdown is unprecedented. We are all living online now, all the time.

So what does this accelerated transition to digital commerce and digital-first consumer behavior mean for creativity? How should brands adapt to a world of constant connectivity? And how will this impact creators?

## The leap

Ecommerce has rapidly replaced physical channels.

US e-commerce as % of retail



## A hand holds a black smartphone against a red background. The phone's screen shows a close-up of a red fabric with a white Nike swoosh logo. The phone's camera interface is visible, including a flash icon, HDR, FOCUS, and a shutter button. The bottom of the screen shows various camera modes: SLO-MO, VIDEO, FOTO, KVADRAT, and PANO. A small logo for 'Polo' is also visible in the bottom left corner.

Technology enables creativity and should be embraced rather than feared. It's the only mechanism that we have to truly scale and be relevant. The promise (or threat) of fully automated, machine creativity is not here just yet. But we are about to enter a world where all communications will be addressable. The opportunity this presents for enterprising creatives and brand marketers is as significant as the rapidly rising expectations of our audiences. People raised on algorithms expect personal experiences. Nothing less will do.

communication efforts with content distribution through various channels. The brand is doubling-down on first-party data and user-first engagement, through gorgeous, personalized experiences on apps and owned properties.





## Tastemakers Meet Tastemaking Algorithms

Spotify and Netflix are two more harbingers of the completely personalized future for brands. Sure, quite a few of us watch “Stranger Things” or listen to Taylor Swift -- but not all of us! The long [content] tail is alive and well. Our every interaction with Spotify and Netflix is uniquely personal. From the listening experience to its notifications and emails, to the actual advertising, Spotify’s brand isn’t so much about Spotify or Travis Scott as it is about you. The same goes for Netflix, where every interaction with the product is unique — all the way down to how it merchandises its content inventory to you, based on your viewing history. And let’s not forget about TikTok. The app is defining culture around the world based on the compelling personal relevance of its signals-based algorithm fed by audience behavior. This isn’t the description of your parents’ social media company. Users don’t have to follow anyone to enjoy the content: the tastemaker is an algorithm. The lesson to be learned? The entity at the heart of modern audience engagement isn’t the brand. It’s ourselves.

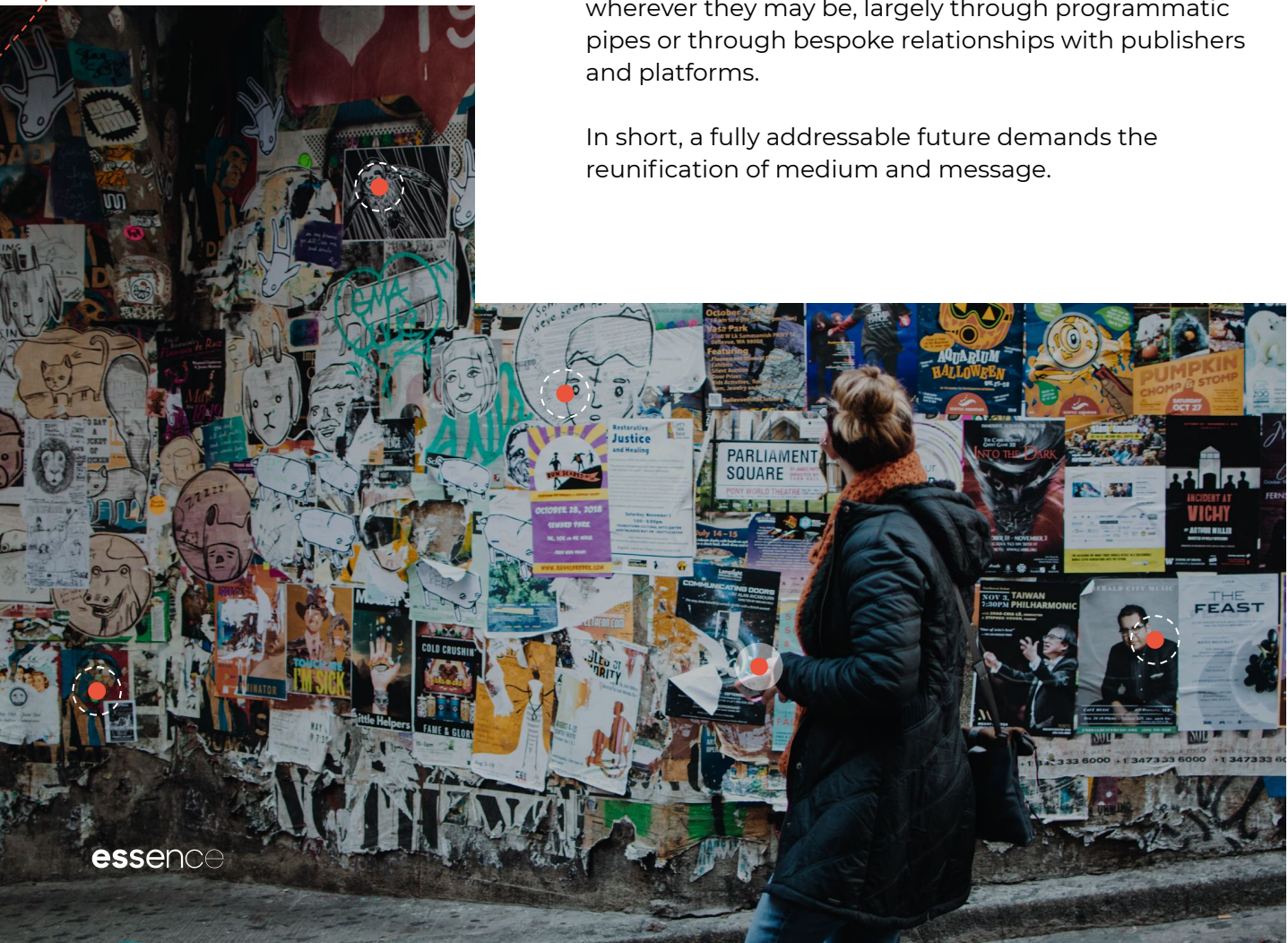


## Medium + Message

Our creative challenge then, is to design experiences and content for this “Me+” era where personal relevance is the price of entry.

It means we need to rethink how we forage for signals and insights in an algorithmic world. First, second and third-party data married with contextual cues like location, device type and even the weather offer initial territories for exploration. Data is nothing more than giant streams of human behavior; our understanding of it should reshape what we put out in the world. In a completely addressable world, data will help us anticipate user needs and determine the optimal mix of short-form or long-form content; the need for new ad formats or the return to old ones (SMS, emails). It will also point the way for a huge increase in branded content (or just content) which can authentically reach audiences that exist beyond the reach of traditional media and advertising. Or it can tell us that yes, Super Bowl advertising is what's required. And, based on that data, we are going to distribute this content differently. We will reach audiences, wherever they may be, largely through programmatic pipes or through bespoke relationships with publishers and platforms.

In short, a fully addressable future demands the reunification of medium and message.



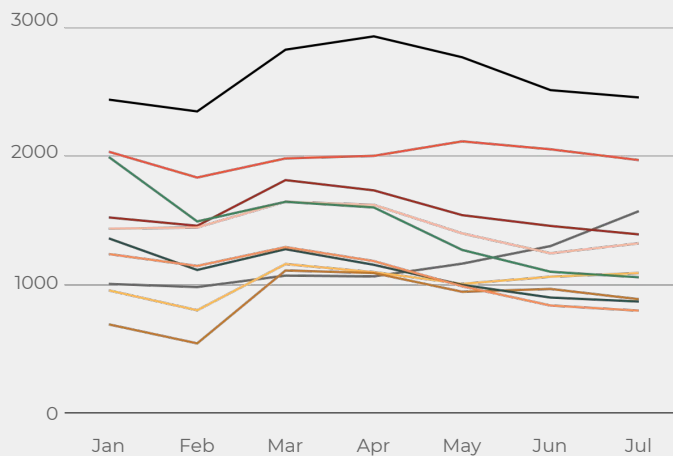
## YouTube Is The New TV

While algorithms and machine generated content will help brands build personal relationships at scale, the pandemic and lockdown have had an equally profound impact on what “great content” looks like, how it is created, and where it comes from.

## Top 10 Channels

### Linear & Streaming

Source: Comscore



**July**  
Average Minute HH, Total Day

Rank	Originator	(000)s
1	Netflix	2457
2	YouTube	1969
3	Amazon Video	1571
4	Fox News Channel	1390
5	Hulu	1321
6	MSNBC	1089
7	CBS	1056
8	CNN	885
9	NBC	867
10	ABC	796

As film and television production shut down across the globe in March saw the humanization of professional content creators as news anchors to celebrities exchanged hair, makeup, and in-studio cameras for basements, sweatpants, and laptop cameras. We also saw a resurgence in DIY creator culture on YouTube, TikTok, Snap and Instagram. [Jimmy “MrBeast” Donaldson](#), who boasts 40m subscribers on YouTube, made his reputation pre-COVID by giving away millions of dollars to regular people and making hugely entertaining videos about it, led the way. His [\\$250,000 Influencer Rock, Paper, Scissors Tournament](#) racked up tens of millions of views and boasted appearances from the likes of Jack Black, David Dobrik, Marques Brownlee, iJustine and so many more. With his videos notching 30m+ views per episode MrBeast has 2x the average audience of last year’s NBA Finals -- weekly.





The sheer massive size of online audiences, once discounted by traditional broadcast and Hollywood players, became even more of a force during lockdown. Visits to YouTube.com soared 15% in March. Savvy marketers and creators, already well acquainted with vast digital audiences, leaned further in. Drake teamed with Nike for his new video for [Laugh Now Cry Later](#). Not only was it shot at Nike's campus in Oregon but the video was peppered with cameos from A-list Nike athletes like Kevin Durant, Odell Beckham Jr and Marshawn Lynch. The video has garnered more than 90m views as I write this. The odds of this Drake x Nike collab hitting SuperBowl size views seems like a lock.

The pandemic created all sorts of new stars. [Sarah Cooper](#), a comedian, author and yes, former Googler and UX designer(!) went viral in April when she started lip-synching to Donald Trump on TikTok. With her witty takes and exaggerated facial expressions, Cooper built a compelling presence across Twitter, YouTube, Instagram and Facebook. The result? She hosted late night, took a star turn at this year's virtual Democratic Convention and landed her own comedy special on Netflix ["Sarah Cooper: Everything's Fine"](#).

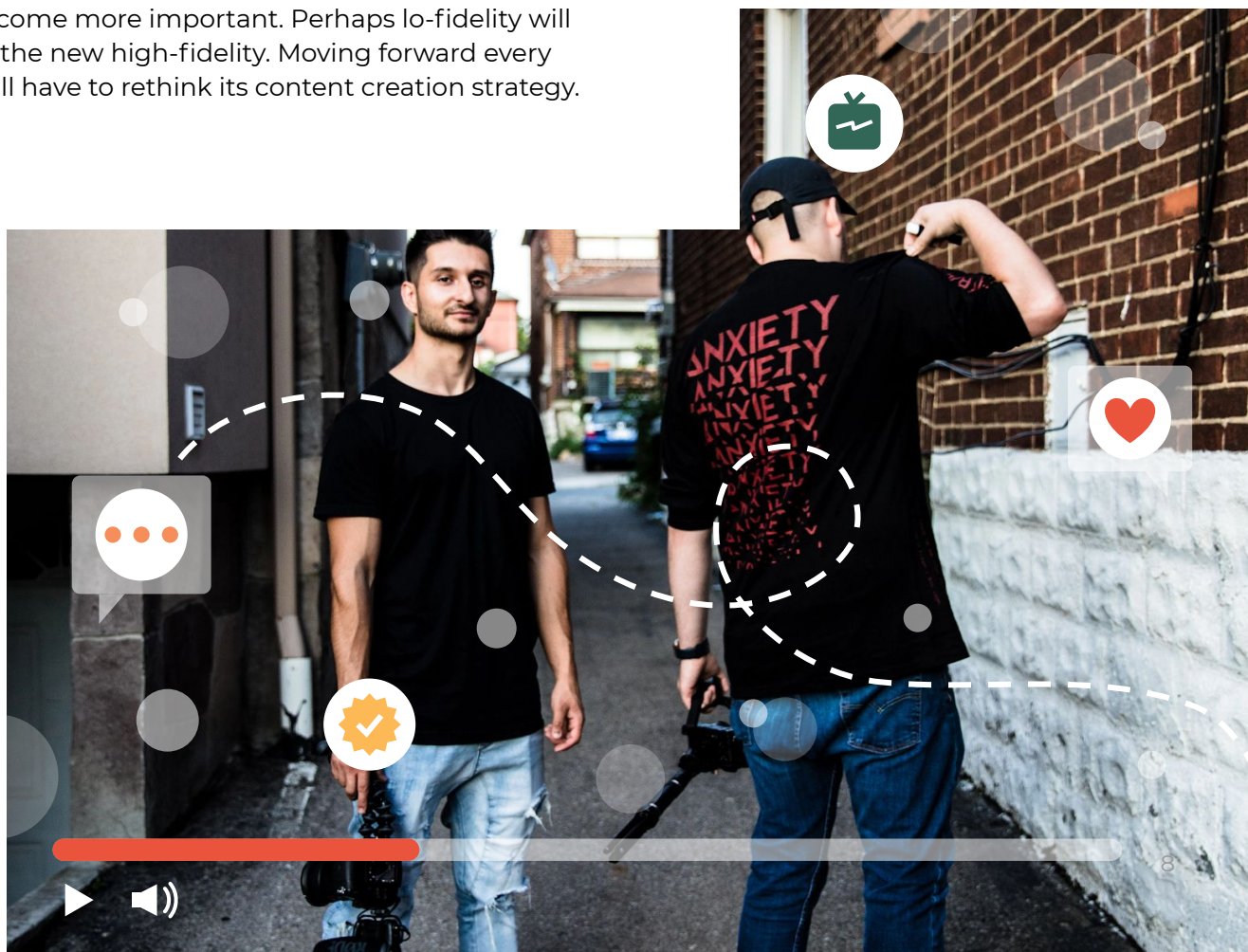
A-list Hollywood celebrities also migrated online with some having more success than others. John Krasinski's inventive and unapologetically homespun [Some Good News channel](#) on YouTube racked up 2.5m subscribers with some episodes notching upwards of 17m views. All of late night television followed suit with Saturday Night Live, Stephen Colbert, Jimmy Fallon, Trevor Noah, James Corden and the like broadcasting from home. All were charmingly casual and some became far more personal.



## Personality Counterweights Personalization

The shocking bit of all of this online streaming was not just seeing celebrities looking, well, just like us, but just how much YouTube, Instagram, Snap and TikTok “creators” were able to match or just outperform their Hollywood counterparts. Creators, not surprisingly, know how to create for their platforms. Their videos are all shot in hi-definition with kinetic editing, engaging POVs and naturally feature a roster of diverse talent.

Just how much are creators impacting mainstream culture? When the NBA returned out of lockdown two of its previously lesser-known stars, 76ers rookie [Matisse Thybulle](#) and Los Angeles Laker and NBA journeyman [JaVale McGee](#) reached millions with their vlogs set inside the NBA Bubble in Orlando. The lesson? With premium production still locked down, the runway for native content creators is seemingly unlimited. Will audiences really care about production quality post-pandemic? We are already seeing broadcast spots where there's a mix of vertical and horizontal framing. This will only accelerate as POVs become more important. Perhaps lo-fidelity will become the new high-fidelity. Moving forward every brand will have to rethink its content creation strategy.







## New Platform + New Players + New Global Audiences

Expect the further democratization of content creation and changing audience expectations to have lasting impact. Representation and inclusiveness are sweeping through the world of content creation. While still early, these changes are long overdue. Catalyzed by weeks of protest and self reflection, audiences are opening up to new perspectives and platforms. While Pharrell and Jay-Z are hardly unknown upstarts, their collaboration on [Entrepreneur](#) was a deeply moving statement that challenged systemic racism while spotlighting Black entrepreneurs both known (Tyler The Creator and Issa Rae) and unknown (educator TyAnthony Davis, developer Iddris Sandu and foodie Denise Woodard). It's both a music video and a platform for new voices. Work like this also underscores the role inclusivity and diversity plays in fighting the monotony of homogeneous content, keeping the potential of more personalized content interesting, provocative and challenging.



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Our traditional definitions of audiences will need to change as well. With the rise of global platforms and a democratized creator community, there will be far more opportunities for creators and brands alike to stretch across physical borders and tap into internet-size audiences at scale. The pandemic may unleash a movement of pan-creativity. We saw the beginnings of this instigated pre-pandemic by global retail brands creating sameness and cultural consistency on high streets in big cities around the world.

Now we are seeing that same brand behavior migrate to global content platforms. Netflix is taking the lead here by investing in content that spans cultures in order to penetrate the most markets possible as quickly as possible. Extraction, Netflix's Chris Hemsworth action film, was not only primarily shot in Bangladesh but designed to appeal to a truly global multicultural audience (translated in 25+ languages!) and became the company's most watched original ever with 99 million accounts streaming it in its first month of release. During that same period in April Money Heist, Netflix's Spanish-language heist drama series shot in Madrid, was the most popular series with 65 million accounts viewing. While our global politics may be growing more fractious, our tastes are proving to be anything but. This new globalism will only become more pronounced as content production ramps up overseas while Hollywood remains in production lockdown and limbo. The stage has never been more open to new voices and underrepresented cultures. The audience is waiting.

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“We know that digital is the new normal. The consumer today is digitally grounded and simply will not revert back”

Nike CEO  
John Donahoe

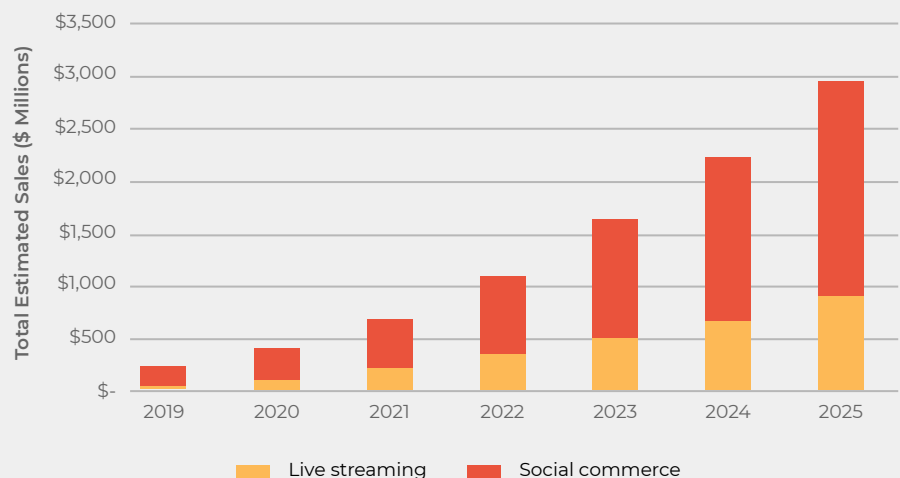
## Every Brand is a DTC Brand

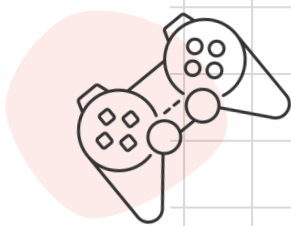
You cannot finish an essay about the future of creativity without circling back to the eye-popping statistic that started it all off: US e-commerce growth in Q2 2020 surpassing the previous three years of growth. And Shopify, which powers merchants of all sizes, announced in July that new stores created on its platform were up [71% quarter over quarter](#).

Everyone, it would seem, is buying everything online. And you don't have to walk very far to conclude that in our new normal every brand is now a direct-to-consumer brand. Once the exclusive domain of both disruptive and stylish upstarts like Warby Parker, Casper, Away, Allbirds, Peloton and the like, every brand is now working through a direct-to-consumer play. NBC Universal was a first-mover to break new ground in bypassing theaters and releasing films direct-to-consumers. [Trolls World Tour](#) broke digital records early into the lockdown. Disney, which had already taken a massive leap into DTC with the launch of Disney+ saw its investment pay off big time during lockdown. Disney CEO Bob Chapek wowed Wall Street by announcing over 100m paid subscriptions across its DTC business (Disney+, ESPN and Hulu) and a reaffirmation of its DTC strategy, now viewed as the key growth strategy of the company.

## The live streaming opportunity

Source: ARK Investment Management LLC

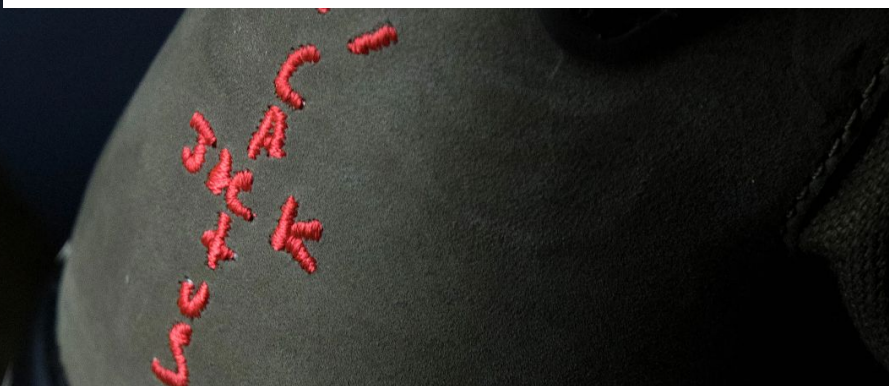




That direct relationship with consumers will become even more critical for brands as commerce, content and advertising all merge. For a taste of where this is headed look no further than the eSports team [100 Thieves](#) which is just as much a premium lifestyle brand as it is about gaming. The company, now valued at \$125m, has become the hottest brand in the eSports world by knocking down walls between competitive gaming and fashion—all underpinned by commerce. How hot are its clothing drops? \$500,000 worth of merchandise sells out in minutes.

For a more super-sized example look at how McDonald's recently partnered with Travis Scott. The unlikely pairing includes a limited-edition meal and extensive [merchandise drop](#) with over 37 co-branded items including [Cactus Jack](#) slippers, [boxers](#), and [crew uniform](#). All of it sold out almost immediately and is now only available on resale marketplaces like [StockX](#). Commerce isn't just an afterthought with modern brand building—it's the centerpiece of the entire experience.

What does this all mean for the future of advertising formats? The conversation needs to rapidly shift from determining the efficacy of short-form vs. long-form videos. Instead we need to focus on imagining wholly new ad formats that bring interactivity to film and ecommerce to every interaction. For a taste we can look towards China and TikTok (again). [Livestreaming and social commerce are already widely popular in China on many platforms](#) including Douyin, TikTok's namesake, where short videos have clear commerce integrations inside the app. Hosted by influencers or creators these streams are a combo of sales pitch and product review. Imagine YouTube "unboxings" with commerce built-in. The interplay between creators, video, social and e-commerce is a powerful combination. Couple that with a new layer of video interactivity from start-ups like [Wirewax](#) and the heady days of ad format innovation are just ahead.





We are moving past the point of no return. The impact of the pandemic and lockdown are just starting to reshape our industry.

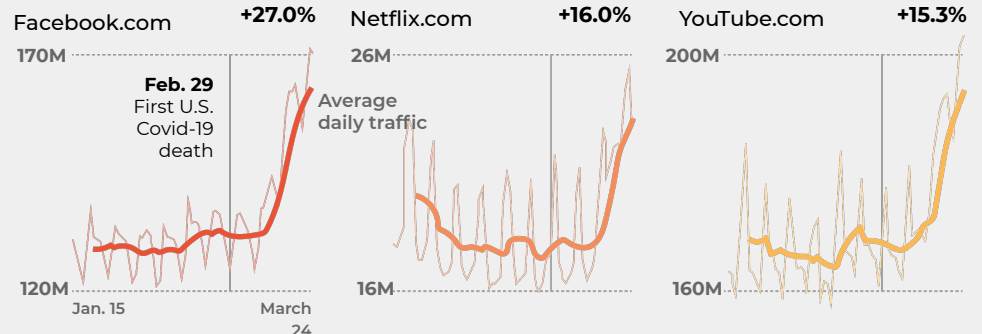
## (Not) The Same As It Ever Was

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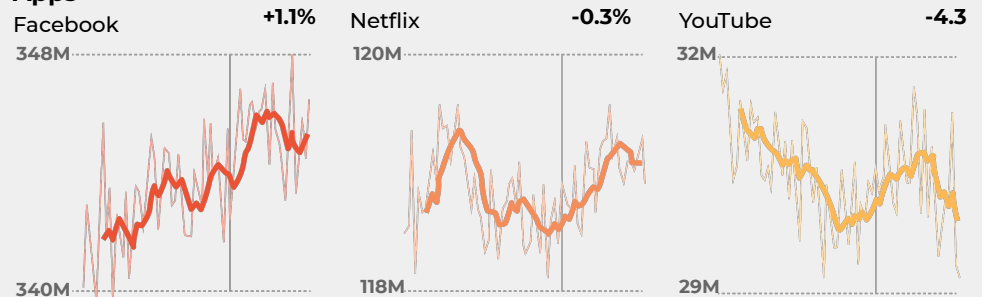
Marketers and creatives who have built their careers by developing brilliant brand stories for broadcast media will need to adapt their thinking and narratives for a world where brands are experienced on a truly individual level. Quibi, the high-wattage start-up from Hollywood mogul Jeff Katzenberg, is demonstrating the peril of pursuing the big idea while misreading audience behavior. There will be further disruption as forward thinking creatives push the industry, which was built around shared experiences, to better leverage data and technology to compete based on personal relevance.

We are looking to connect and entertain ourselves, but are turning away from our phones

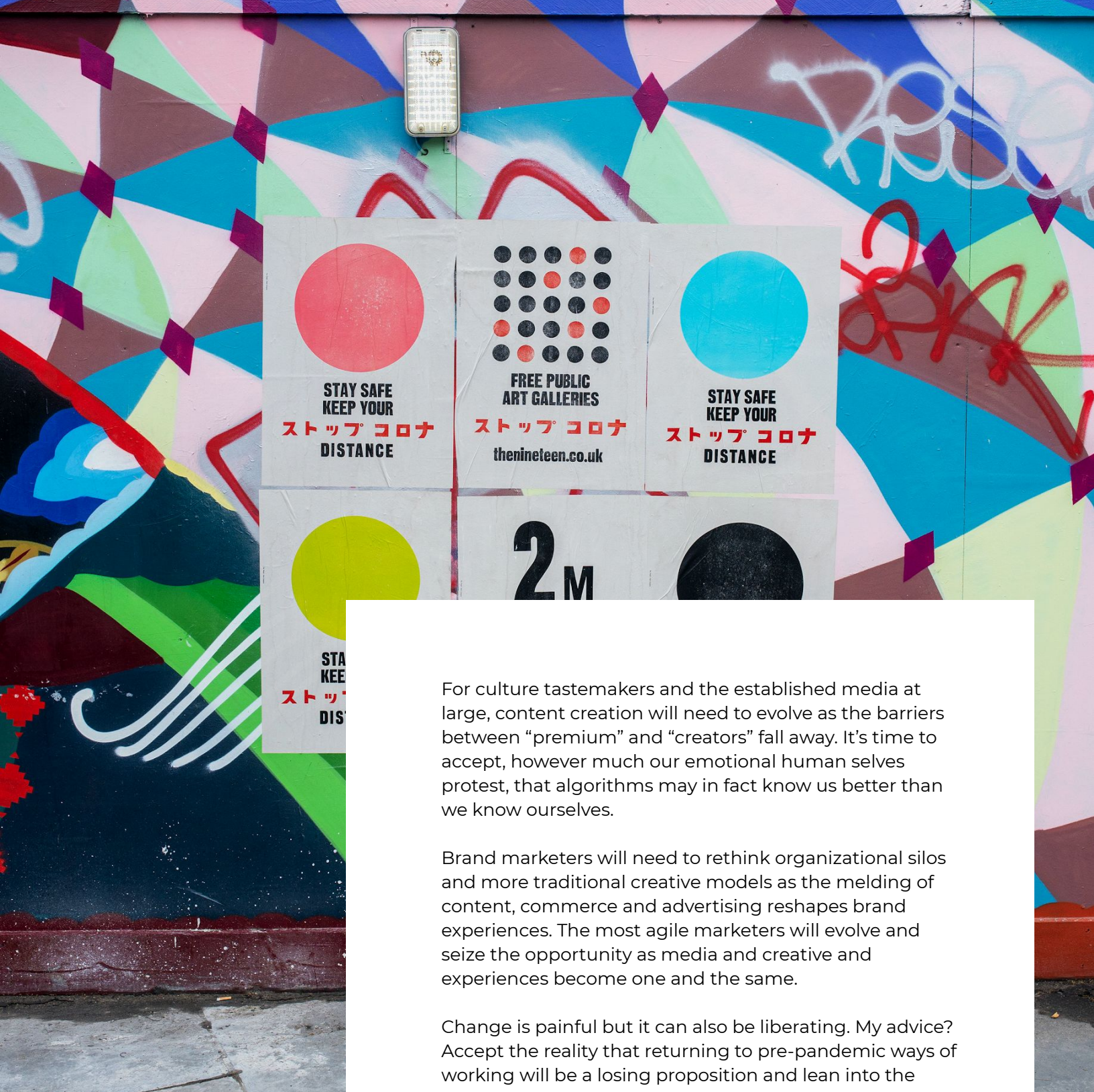
### Websites



### Apps



Note: Averages are calculated with traffic numbers from each date and the six days preceding it in order to smooth out weekly variations (recreational internet use, for example, often spikes on the weekends). Percent change is from the average on Jan. 21 to the average on March 24. Daily app traffic is measured in sessions — the number of times the app is opened — and one user can have multiple sessions in a day. Sources: [SimilarWeb](#), [Apptopia](#) via [The New York Times](#)



For culture tastemakers and the established media at large, content creation will need to evolve as the barriers between “premium” and “creators” fall away. It’s time to accept, however much our emotional human selves protest, that algorithms may in fact know us better than we know ourselves.

Brand marketers will need to rethink organizational silos and more traditional creative models as the melding of content, commerce and advertising reshapes brand experiences. The most agile marketers will evolve and seize the opportunity as media and creative and experiences become one and the same.

Change is painful but it can also be liberating. My advice? Accept the reality that returning to pre-pandemic ways of working will be a losing proposition and lean into the opportunity to create new ones. The future is already here; those that embrace it first stand to gain the most.

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