BIG NAIJA TREND REPORT

second edition 2023

PLAYHOUSE
COMMUNICATION

Introduction

Tolu Onile-Ere

MD - Playhouse Communication Limited

This is late.

Not too late I hope but it is late. And for that I apologise.

Supposedly there's a Chinese curse that goes "May you live in interesting times" and the last few months have been very interesting: a new President, a new Government (soon), new exchange rate and new prices - Coke has gone up to ₦250!!!!!

The digital environment has been slightly less "interesting" over this quarter. Probably the biggest things have been the visit of Bill Gates in June and Sam Altman, CEO of OpenAi the makers of ChatGPT, in May. Testament to Nigeria's importance on the global digital landscape? A side note: it just hit me that I didn't feel the need to explain who "Bill Gates" is but I did for "Sam Altman".

I wonder if he will be around long enough that he also won't need an explainer. Which leads me nicely in to the biggest topic in Q2 and let's face it, 2023. AI.

It's been THE hot topic and for us as an agency, we've been trying to figure out how we can use it. And I'm proud to say that the image for the cover of this report was created using generative AI.
Well done Isaac.

But as exciting as it is to see the capabilities and dream of the possibilities, "all that glitters is not gold". How many of you noticed that the lady in the image only has one leg?
Anyway, enough from me. I hope you find the report useful and insightful.
Feel free to share. Don't be shy to send us your comments. Otherwise, happy reading.

Content Table

CULTURAL
TRENDS Q2 2023

Rising Inflation

Trend premise

Nigeria's inflation has risen to 22.41 per cent, according to a new figure by the National Bureau of Statistics (NBS). The NBS report showed that in May 2023, the headline inflation rate increased to 22.41 per cent relative to April 2023's headline inflation rate, which was 22.22 per cent. The measures, which include removing fuel subsidies and liberalising the foreign exchange market, have resulted in a major devaluation of the national currency as well as an increase in petrol costs. As a result, Fitch predicts that the country's real GDP growth would decelerate to 2.7% in 2023 and that inflation will peak at 25.1%.

Impact of Trend

- Reduced Purchasing Power
- Increased Cost of Living
- Negative Effect on Savings
- Social Unrest

Recommendation

- **Bundle and Loyalty Programs**: Offer bundled packages or loyalty programs that provide additional value to consumers, making them feel like they are getting more for their money. This can encourage repeat purchases and strengthen brand-customer relationships.
- **Emphasize Customer Education**: Brands can empower consumers by providing informative content about inflation, its impact on the economy, and how they can make informed purchasing decisions. Building trust through education can foster long-term customer loyalty.
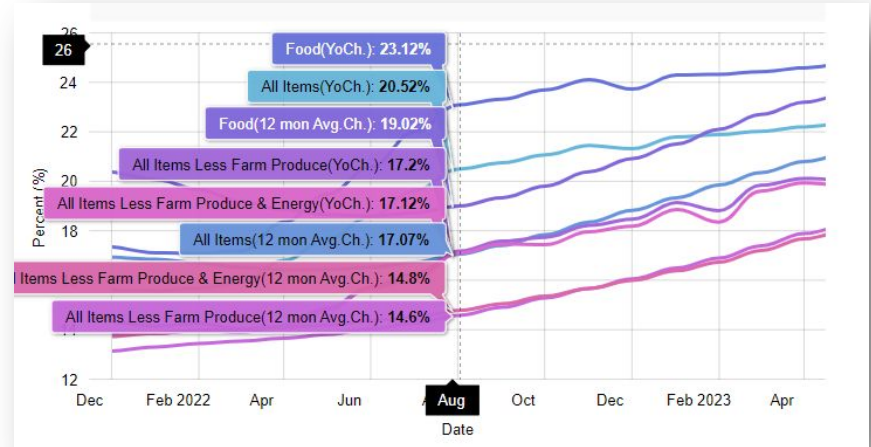
World capital of "Poverty"

Trend premise

Nigeria is facing a concerning trend of rising poverty due to its current economic reforms, including the elimination of petrol subsidies and liberalizing the foreign exchange rate. Nigeria has the awful distinction of being the world capital of poverty, with **71 million people** living in extreme poverty today (World Poverty Clock, 2023) and a total of 133 million people classed as multidimensionally poor according to National Bureau of Statistics data. The implication of this is deprivation—people cannot purchase necessities like food, shelter, or even proper healthcare, leading to low quality of life and, in some instances, death.

Impact of Trend

- Reduced Consumer Spending
- Economic Growth Constraints
- Human Development Indicators
- Negative Social Costs

Recommendation

- **Social Initiatives**: Brands can initiate and actively participate in social impact projects that focus on poverty alleviation. By investing in education, healthcare, or vocational training, brands can make a meaningful contribution to uplifting the standard of living for the less privileged and gain positive recognition for their efforts.
- **Public-Private Partnerships**: Partnering with the government and NGOs in poverty alleviation programs can enhance a brand's impact and credibility. These partnerships can lead to more comprehensive and effective initiatives that address the root causes of poverty.
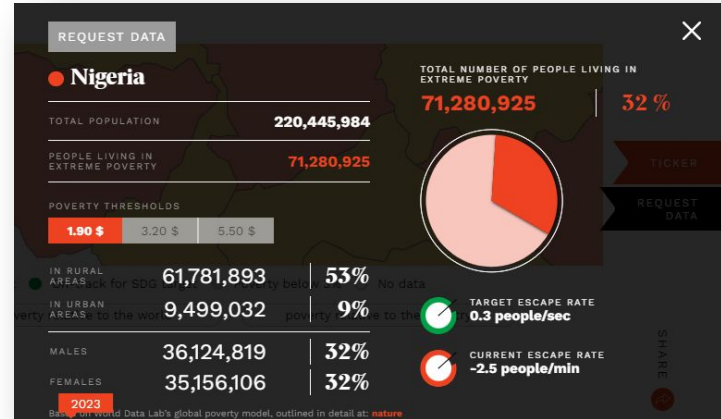
Is cashless finally catching on?

Trend premise

In Nigeria, Chinese-owned fintech giants OPay and PalmPay dominate the Point of Sale (PoS) market, with over a million mobile banking agents combined. Their financial strength, aggressive expansion, and innovative strategies targeted at agent acquisition, have propelled them to the forefront of digital payments especially amongst the under banked in Nigeria as at Q2 2023. The surge in online transactions, driven by a currency redesign failure, has led to the adoption of the fintech platforms as a convenient and trustworthy medium for transactions, payments and cash withdrawal in a cash-driven economy.

Impact of Trend

- Accelerated financial inclusion – the promise of a cashless economy
- Proliferation of innovative financial institutions and payment gateways
- Access to credit for SMEs

Recommendation

- **Support Local Communities**: Implement corporate social responsibility initiatives that benefit local communities and promote inclusivity on online transactions.
- **Financial Literacy**: Promote financial literacy content to empower users in managing digital transactions.

Harsh Realities of No-Subsidy.

Trend premise

With the removal of fuel subsidy, Nigerians are set to face difficult times ahead. Food prices, cost of transportation & power generation due to the power situation in the country are just some of the few impacts this removal has had for all Nigerians in the Nation. This is set to have ramifications as people start to seriously look at alternatives and solutions to mitigate the effects of this policy.

Recommendation

- **Promote Cost-Saving series**: Brands can share practical tips and tricks on how consumers can reduce their expenses during this period of high fuel prices. This could include budgeting strategies, ride sharing, to mention a few.
- **Deploy Empowering Campaigns**: Brand can develop social media campaigns that focus on empowering consumers to adapt and thrive despite the economic challenges. Motivational content and success stories can uplift customers and create a positive brand image.

Impact of Trend

- Shift towards public transportation and shared mobility
- Increase in education campaigns on energy management
- Consumer empowerment and awareness on alternative transportation
- Cultural shift towards resilience and adaptation

SOCIAL MEDIA AND CONTENT
TRENDS Q2 2023

Returning "Social" to Social media
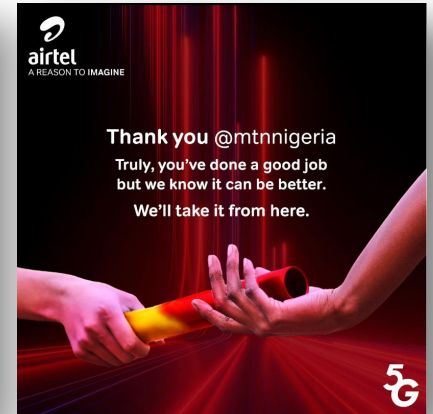
Trend premise

The core of real social contact on social media has frequently been overshadowed by self-promotion and sales tactics evident in the fast-paced digital environment of 2023. Putting the "Social" back in social media is a new trend that aims to reignite the real human connection that these platforms were built on. With the aim of building deep connections and a sense of community online, this movement urges users to embrace authenticity, empathy, and inclusivity. Brands and influencers are urged to switch their emphasis from sales-driven techniques to moral narrative, cultivating trust and loyalty with their audience.

Impact of Trend

- Enhanced Customer Engagement
- Shift in Advertising Strategies

Recommendation

- **Emphasis on more storytelling**: Share real-life stories and experiences to evoke emotions and create a stronger bond with customers.
- **Foster Communities**: Create closed and inclusive communities where customers can connect and share experiences. E.g. follower forums, gated premium content on websites

What are we sewing today?

Trend premise

Threads is Meta's newest app—a text-based conversation platform that leverages already-existing communities on Instagram. It's a direct rival to Twitter, sharing similar features; however, it also has its differences. Its user base grew to over 100 million users within days of its launch, making it one of Twitter's biggest contenders. One major unique selling point for Threads was that users did not have to build a following from scratch; fractions of their communities migrated from Instagram. Users could acquire 10,000 followers within hours of joining a new social network! Meta popped off with that feature.

Impact of Trend

- Enhanced Customer Engagement

Recommendation

- Deeper connections with audiences: As Threads seamlessly integrates with Instagram, brands can use it as a way to build more meaningful connections with their existing communities through conversations, be it through questions, banter, announcements, or micro think pieces. Moreover, the primarily text-based nature of Threads complements the visual nature of Instagram.
- Threads is also a way for brands to explore new ideas for social and try out new things as both Meta and users gradually shape the 'unwritten rules' of the app.

What % of your content is A.I-generated?

Trend premise

In Q1, artificial intelligence and ChatGPT saw the subsequent rise of A.I-generation platforms for all forms of content creation - movies, scripts, video-editing, photo-editing, and even filmmaking. While there's still scepticism over the use of A.I to generate content, big content houses are beginning to accept it now and content creation platforms are infusing A.I into their platforms, e.g Adobe Firefly.

Recommendation

- **Hiring Prompt Engineers**: A.I has revolutionized processes across industries. It is imperative that moving forward, brands need to have adequate representation with staff who have the capabilities to manipulate available A.I. Brands need to start adopting a hybrid content creation system using both humans and artificial intelligence.

Impact of Trend

- It will allow for a wider acceptance of AI amongst consumers and this will naturally make creators to gravitate towards using artificial intelligence to enhance, not fully create but enhance, their content creation.
- More creators will seek out platforms with A.I features that can help them make better content and such platforms will have a huge impact in content going forward.

MEDIA
TRENDS Q2 2023

Key happenings – Ads Transparency Centre

Paid Ad feature

The Ads Transparency Center is a searchable hub of all ads served from verified advertisers. This one-stop shop was designed with you in mind by ensuring you have easy access to information about the ads you see from Google. With the Ads Transparency Center, you'll be able to understand:

- The ads an advertiser has run
- Which ads were shown in a certain region
- The last date an ad ran, and the format of the ad.

Impact of Ads feature

- More trustworthy and accountable ad
- Help clients understand how the advertiser has run the ads
- Ensure ads transparency
- Get insight on competitors ads

Insight

The Google Ads Transparency Center provides greater access to information about the ads running on its platforms. The latest feature aims to enhance trust and accountability by allowing users to view details about advertisements
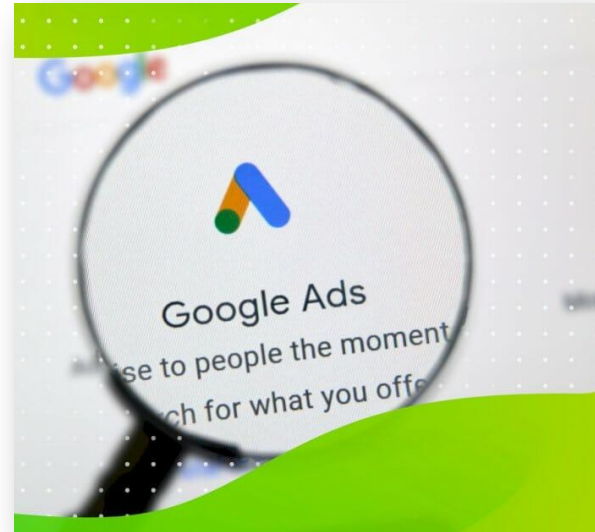
Harness the power of audio ads.

Trend premise

Leveraging Programmatic audio allow us to automate the selling and insertion of ads into various audio content and platforms. Ads reach audiences through various devices, including desktop, mobile, and tablet. Audio ads perform well on their own, but you can boost their effectiveness by adding an audio companion banner. These banners are clickable, visual ads that run at the same time as an audio ad on the listeners mobile device or desktop computer.

Recommendation

- **Targeted Audience Segmentation**: By understanding the preferences, interests, and behavior of the target audience, brands can create personalized and relevant audio ads that resonate with listeners. Tailoring the message to specific demographics ensures higher engagement and conversion rates.
- **Storytelling and Emotional Appeal**: Audio ads have a unique ability to connect with listeners on a deeper level, making them more memorable and impactful. Whether it's humor, nostalgia, or inspiration, invoking emotions through audio can leave a lasting impression and drive brand recall.

Impact of Trend

- Refined Audience Targeting and Specific Reach
- Cost-Effectiveness And Insights
- Engage better with the Audience

Artificial Intelligence in Advertising

Trend premise

The desire for more efficient and effective media buying has increased with the growth of digital advertising. With the introduction of AI in Advertising, there have been incredibly clever algorithms that are revolutionizing the advertising sector through programmatic media buying. The use of AI-powered tools is predicted to grow

Recommendation

- **Hyper-Personalization and Audience Targeting**: AI-powered tools can analyse vast amounts of data to understand customer preferences, behaviours, and demographics. Brands can leverage this information to create highly personalized ad campaigns, tailoring content and creative to specific audience segments.

Impact of Trend

- Improved efficiency
- Improved decision making
- Less budget waste
- More growth opportunities
- Automated performance forecasts
- Omni channel experiences

TECHNOLOGY
TRENDS Q2 2023

Hacking systems

Trend premise

Recent cyber attacks on South African and Nigerian companies highlight the escalating risk of fintech fraud and cyber security breaches in Africa. Hackers gained unauthorized access to streaming platforms, banks, and online retailers, causing significant financial losses and data exposure. C-suite management must prioritize cyber security measures to protect customer funds and sensitive information. Enhanced authentication protocols, data encryption, regular vulnerability assessments, and employee training are crucial to mitigate risks.

Recommendation

- **Phishing Awareness**: Educate customers about phishing scams and advise them on how to recognize and avoid fraudulent emails or messages.
- **Transparency and Communication**: Brands need to be transparent about their cyber security measures and communicate efforts to protect customer data and drive trust
- **Educational Content**: Brands can create informative content on social media, educating customers about potential fraud risks and ways to safeguard personal information.

Impact of Trend

- Financial Losses
- Increased Cyber security Awareness
- Impact on Financial Inclusion

Thank You