CES 2022 Rewind: Into the Next

5 quick, crucial learnings from the 2022 Consumer Electronics Show
Intro

In the early fall, there was much anticipation for CES 2022 to be the first marquee industry event with a return to in-person attendance on a large scale. The emergence of the Omicron variant caused a partial pivot to digital attendance and less crowded than usual conference grounds. While a painful visual reminder of the pandemic’s prolonged impact on the state of the world, this seemed to be an almost appropriate stage for the showcase of several innovations that were either tied to the new ways in which we are interfacing with products and experiences or responding to new concerns and behaviors that are directly emanating from the changes in our lifestyle that started in early 2020. Here are five key takeaways from the show in the areas of health, gaming, commerce, sustainability and lifestyle innovation.

Major Themes and Takeaways

01 Health and Wellness Tech Strives to Give Consumers More Control

02 Gaming Tech Appeals to Our Human Side

03 ‘Shop, But Don’t Touch’ Retail Experiences Are Burgeoning

04 Eco-missions Become Ecosystem Plays

05 Beyond Practicality, Some Exhibitors Make Bets on Pampering Customers
Health and Wellness Tech Strives to Give Consumers More Control

Health and wellness have been top of mind for consumers over the past two years due to the pandemic and health tech was a key focus at CES 2022. Tellingly, it was the first time a healthcare company delivered the keynote at CES when Robert Ford, Abbott CEO, took the stage.

We are increasingly seeing that consumers want to control more aspects of their lives and healthcare is no exception to this. There were multiple examples of empowering consumers to rethink control in health and wellness.

Abbott unveiled a new ‘bio-wearable’ line designed to track important biomarkers in the body, including glucose, lactose and eventually alcohol. The idea is to help people have greater insight into their health and nudge actionable behaviors.

The endless hours staring at Zoom video calls have caused a boom in the skin tech sector, with consumers wanting more control over their appearances. The Myskin Recovery Platform utilizes a handheld monitor to measure skin elasticity and moisture levels. AI-enabled algorithms provide customized recommendations, products and ingredients needed for the user.
Sengled’s newest smart light featured the Smart Health Monitoring bulb, utilizing radar technology to track heart rate, body temperature, sleep patterns and other vital signs. Unlike many other devices, it is passive and unobtrusive, allowing remote monitoring of, for instance, at-risk patients. The Bluetooth light bulbs connect to Alexa and Google Home, allowing more data points and control in a connected home.

Want more control of your hair color while trying to steer clear of crowded salons? L’Oreal debuted its Colorsonic device – a hair dye magic wand for such a purpose. The wand aims to make the hair coloring process less messy, more customizable and more cost-efficient. The device mixes cartridges of dye, then distributes to its oscillating nozzle. A digital questionnaire and recommendation service perfect the right color and amount for your hair length, type, color and gray coverage.

“It’s about learning your body’s unique language, a language that most of us have yet to learn how to speak. What if we could decode the messages our body is trying to send us as a way to maintain and improve health?”

- Robert Ford, CEO, Abbott
Brands can take a page out of the health and lifestyle tech book by enabling consumers to have more control in their lives. This is particularly relevant in North America, where consumers are getting used to increasing levels of convenience and now want to control, customize and tailor their lives by progressively more granular degrees. Innovative brands in 2022 will provide consumers with more options to customize and personalize how they interface with them, not unnecessarily overwhelming them.

Further Reading / Viewing

Health 2030
All Brands Are Health Brands
Non-personal Is the New Personal
Gaming Tech Appeals to Our Human Side

Home Entertainment has always been a core focus of CES and as we see increased excitement and time spent with gaming, displays, gaming PCs and chip tech continue to propel gaming forward as a core consumer focus.

According to many attendees on the show floor, the Metaverse was one of the most overhyped topics of the show, which is leading some to question whether the hype will lead to disappointment, as many still look to define what the Metaverse will really mean in consumer interactions and experiences.

The topic of the Metaverse has generated more interest in the future of the spatial internet and growing experiences in both VR and AR. VR is having a second chance with consumers, with Meta’s Oculus proving a popular Christmas gift in 2021 and with its mobile app skyrocketing to the #1 chart position on Apple’s App Store on Christmas Day. Facebook acquired Oculus in 2014, PlayStation’s first-generation VR headset launched in 2016, so this is not new to audiences. What is new is the sense of social interactions, premium experiences, and AAA studios and brands looking to build for this new interactive environment.

Sony announced its PlayStation VR2: with the use of integrated cameras for controller tracking, the headset will not need external cameras and will only use a single cable to connect to the PlayStation 5 console. It will include eye-tracking, headset feedback, and 3D audio, while the controller will feature haptic feedback and adaptive triggers. Sony also showed a teaser trailer for the upcoming Horizon Call of The Mountain game in VR.

Haptic tech and spatial audio will allow consumers to feel more immersed in digital experiences. OWO’s haptic jacket will provide 30 different sensations to gaming or Metaverse experiences to feel a person’s hug, wind, or even a gunshot wound. The translation of digital to human experience can lead to more memorable and emotional responses to digital narratives.
“PlayStation VR2 takes VR gaming to a whole new level, enabling a greater sense of presence and allowing players to escape into game worlds like never before”

- Hideaki Nishino, PlayStation
What Can Brands Do?

Gaming and AR offer a great way for brands to explore their 3D and experience design, with a view to adapting for VR as it continues to scale. Partners like Meta’s Reality Lab and Snap offer scaled opportunities to test entertaining and useful brand moments in AR. Gaming partners like Epic Game’s SuperAwesome can help brands build immersive worlds in Roblox and brand partnerships with their flagship game Fortnite. Activision Blizzard can offer integrated brand opportunities in their mobile juggernaut Candy Crush and intrinsic game networks like Frameplay can bring your brand into a broad range of in-game moments. Brands can deliver incremental engagement into hard-to-reach audiences in gaming and create a learning agenda around new ad formats in 3D and game design.

Further Reading / Viewing

Gaming Is the Highway to the Metaverse
All Roads Lead to the Metaverse
The Irresistible Ascent in Gaming in 2021
‘Shop, But Don’t Touch’ Retail Experiences Are Burgeoning

As kids we might have been taught to “look, don’t touch” in stores; now, these cautionary words seem uncannily prescient, as with the continued increase of the Omicron variant, it will be a long time, if ever, until people feel comfortable “touching” things again, which has rapidly accelerated the growth of alternative shopping experiences.

Over the past year and a half, many consumers have turned to online shopping; however, consumers still desire the in-person element of shopping and are exploring it in new ways. Contactless stores, contactless payment methods and contactless experiences are helping consumers feel safe about heading back to retail: contactless payments have increased 150% since 2019, 1 87% of shoppers prefer to shop in stores with touchless or robust self-checkout experiences 2 and 74% of global consumers are expected to continue to use contactless payments post-pandemic. 3 As a result, the overall market size is expected to surpass US$ 4.60 Trillion by 2027.

If we live in a “shop but don’t touch” world, what solutions should brands explore to keep up? Here are retail technologies featured on the global stage of innovation that are changing how we live and shop in a contactless world.

Merkle is focusing on simplifying the enablement of contactless shopping experiences for retailers with app-free products in its ShopNXT™ suite of patent-pending retail innovations such as Scan & Know and UnboxIt, which debuted during the ‘Shop But Don’t Touch’ panel hosted by Robin Raskin, Founder at Virtual Events Group.

Scan & Know empowers shoppers to know more in-store or have items shipped to their door with its amplified assistance and product recognition technology, seamlessly integrating into existing websites, customer profiles, and loyalty programs.

UnboxIt is a smart packaging content platform that instantly converts customers into advocates of their products right out of the box. The drag-and-drop, codeless technology enables retailers to update content in seconds, no matter where the product is sold or shipped.

1 Here’s How the Pandemic Is Completely Changing How We Pay
2 87% of Shoppers Prefer to Shop in Store with Touchless or Robust Self-Checkout Options
3 GWI Coronavirus Research: July 2020
SVP and General Manager, Wayne Liu, was a panelist on ‘AI and Computer Imaging: Retail’s Saviors,’ where he discussed how Perfect Corp.’s ever-expanding AI- and AR-based touch-free, hyper-realistic virtual solutions allow brands to extend the virtual try-on experience from the physical world, offering a glimpse into a futuristic immersive shopping experience that features virtual makeovers, AI skin analysis technology, visual simulation, product try-ons on hands and wrist, AR-powered tutorials, AI Face Analyzer with personalized product recommendations based on users’ unique facial features, virtual try-on for eyewear, nail polish virtual try-on or beard color and beard style.

During the panel ‘Experiential Retail’, Liz Bacelar, Executive Director Global Tech Innovation at Estee Lauder, discussed how Clinique was the first Estee Lauder brand to experiment with NFTs. After conducting an internal test, Clinique looked at its most loyal customers and leveraged NFTs to create a permanent connection to the brand by using them to give consumers access to unique products and services. Instead of selling NFTs, Clinique is giving its Smart Rewards loyalty program members the chance to receive them, as well as an assortment of products once a year over the next decade, asking members to share their stories of optimism and their hopes for the future.

“For Clinique, they looked at their most loyal customers and they used NFTs as a permanent connection to the brand as a way to give you access.”

- Liz Bacelar, Executive Director Global Tech Innovation at Estee Lauder
What Can Brands Do?

Evaluate the current customer experience your brand offers and pin down where are the customer pain points online, in-store and upon arrival. Identify what type of new contactless retail innovations will help better connect and amplify services. Work with partners to establish a test and learn plan to experiment with new contactless technologies without making a big investment. Determine what success looks like and make incremental investments in those areas to create customer joy and ultimately drive growth.

Further Reading / Viewing

CES 2022: New contactless shopping services are coming
Dentsu Report Highlights the Rise of the Contactless Economy
Creative Experience Survey reveals the New Normal in CMO expectations post-covid
Eco-missions Become Ecosystem Plays

Sustainability is not a new focus at CES, but this year it has become increasingly pervasive across keynotes, conference panels and, most importantly, considerations informing product innovation.

Electric Vehicles had a massive presence at the show, ranging from GM’s announcement of the upcoming market launch of a new line of Chevrolet Silverado pick-up trucks leveraging its ULTIUM electric vehicle platform to the all-electric Bobcat.

Companies are weaving sustainability throughout the entire lifecycle of their products – for instance, GM is not only converting more than 50% of its manufacturing to EV production by 2030, but it’s also investing $750M through to 2025 to expand the EV charging infrastructure in the US and Canada and committing to power its facilities with renewable energy globally by 2035 - and considering how they can inject sustainable practices into everyday use - a Samsung TV remote that uses solar energy as well as electricity from radio frequencies produced by wifi routers being one of the best examples of this mindset – to make an impact on progress against ESG goals out of the scale of their business.

Research in a recent dentsu Navigator shows that 73% of consumers believe that they can make a difference in improving the environment through their purchasing decisions, while 25% of Gen Z interviewed are concerned that their individual behaviors don’t make a difference. Perhaps this is why at this year’s CES we have seen enterprise brands form partnerships that reassure consumers on the pervasiveness of their sustainability commitments, independent from changes in the end customers’ behavior: Samsung is collaborating with Patagonia to reduce microplastics waste from laundry, while GM is partnering with both FedEx and Walmart to make sure fleets of electric vehicles from its BrightDrop brand are powering the last mile of the growing ecommerce business.

As you deploy technology like 5G and make it pervasive, it will have an impact on sustainability. By 2025, at the current track of adoption, it would equate to indoor fuel efficiency in the US to go up by 20%.

- Cristiano R. Amon, President and CEO, Qualcomm Incorporated

The public sector is a fundamental enabler for these ecosystem efforts to be successful: Pete Buttigieg, U.S. Secretary of Transportation, announced $0.5B funding to kickstart a new generation of smart city innovations, looking to inject sustainability in our new way of living, literally from the ground-up with research into pavements made of more durable asphalt and even materials that can recycle carbon dioxide.

Sustainability in food production was another major focus at the conference: for instance, Aqua Cultured Foods is addressing the seafood supply decrease affecting 170 countries by developing bio-nutrient alternatives to seafood, while Future Acres is investing in AI technology to help farmers maximize efficiencies and optimize crop harvesting through data to reduce waste and Italian startup Beeing showcased B-Box, the first-ever beehive designed for home beekeeping.
What Can Brands Do?

Consumers reward responsible behaviors when they are reminded of them and see their impact in action. Ask yourself: what are some of the most commonplace ways my products permeate everyday habits? Are the solutions I am considering requiring extra effort from the customer, or do they provide ease of mind and delight? What are some of the adjacent areas that my products could impact, the partners that can help my brand contribute to change at a scale it couldn’t reach on its own? Focus on initiatives that have a tangible, visible impact and programs that, within or beyond your company’s direct remit, can absolve more than one function.

Further Reading / Viewing

Collaboration with Patagonia | Samsung
Steering Innovation Toward the Public Good
Future Cities Need Proactive Brands
Beyond Practicality, Some Exhibitors Make Bets on Pampering Customers

At CES, we usually see a fair share of smart objects that are, well, unnecessarily smart. Now, we love a good connected toothbrush, robotic vacuum cleaner or smartwatch as much as anyone else. Yet this year, again, we saw many examples of devices exhibited either to get coverage on the local news or to tap into consumers’ desire to be comforted by novel tech.

The Icon.AI Sound Mirror is a smart bathroom mirror. Yes, the reflective glass surface that you might sing to every day, is now connected. You can ask it to play music, read the news and let you know what the weather is like. The smart mirror connects to your phone via Bluetooth so you can get audio via any app. Precisely because it doesn’t necessarily provide functionality one could not simply obtain by taking a mobile device into the restroom, this product feels like an exercise in testing the market threshold for tech ubiquity.

The Labrador Retriever is a smart dinner table that follows you around your home. Labrador’s big bet is that with an aging (and unhealthy) population, personal mobility issues will likely increase, although one might wonder if this is a case where the solution may be somewhat inspiring the behaviors it attempts to make up for.
The Withings Body Scan is a smart scale that measures weight, as well as whole body measurements such as fat and water percentage, heart rate and vascular age. It does this by tracking nerve activity from none other than sweat excreted from the glands on your feet. Pending FDA approval, the device will be available in the second half of 2022 for $299. Perhaps there is an untapped market for this – the range of quantified self devices showcased at CES continually increases.

Often CES serves as a testing bed for niche products that may or may not go into production and this may apply to some of these innovations. Nonetheless, the emergence of novel products that pamper consumers via technology is a trend that is directly correlated to the more isolated lifestyle we have been forced to live in the last couple of years and one to watch out for.

“Most people like the nibbling sensation but know they need to teach their children or pets to stop it, because kids and animals will otherwise bite them with full force eventually.”

Yukai Engineering Press Release on the launch of the Amagami Ham Ham Finger Nibbling Robot
What Can Brands Do?

For large brands that don’t need to seek that novelty factor to garner attention, but rather aim to permeate the market at scale, the recommendation is still to focus on the human need and seek to understand how technology can create a new or re-thought way to solve for it, rather than investing in creating tech for tech’s sake. However, niche brands may want to consider that consumer needs are evolving somewhat beyond the practical sphere.

Further Reading / Viewing

Future-focused Innovation is No Longer Just a ‘Nice-to-have’

Consumer Vision 2030: Synthethic Society

Consumer Vision 2030: The Human Dividend
Regardless of industry sector or brand focus, most of the innovations showcased this year seem to respond to similar tensions that correlate to underlying consumer preoccupations around a new way of living and a new socio-economic and environmental landscape. The first one is tied to the redefinition of togetherness, both in the short term because of necessities like working from home and in the long term with the proliferation of technology that contributes to the new ways of socializing that are expected to inform the emergence of the much-hyped Metaverse. The second is tied to a new attitude towards collaboration. Whether in the past enterprise brands attempted to create their proprietary version of every trending technology, the partnerships announced at the conference this year seem to be inspired by an underlying consumer sentiment that no business can excel at everything and that brands should rather make specialists’ solutions available to their customers through their channels and devices, as opposed to trying to reinvent the wheel. Lastly, the focus on sustainability, responsible sourcing and transparent business practices is driven by the fact that consumers increasingly ‘vote with their wallets’ and adopt their purchasing behaviors based on brand values and actions, rather than simply comparing products and services on features and price point.

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