

Selling the Experience & Building the Brand: A Quick Guide to Experiential Marketing



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With the ability to include consumers in your brand's story, evoke emotion, and build a community of brand ambassadors, experiential marketing can make a significant impact on your brand's reputation and visibility, your customers' loyalty, and your revenue. Despite the major rewards to be reaped, however, many companies continue to avoid experiential marketing, intimidated by the perceived expense and logistics. This is a mistake, especially for businesses in need of big impacts with smaller marketing budgets—experiential marketing can produce returns of investment of up to \$20 for every dollar spent.¹ And done well, even minor investments can have a payoff that includes, but goes far beyond, a monetary return on engagement.

Part 1 What Experiential Marketing Is—and Why It Works

On the day before Thanksgiving, 2013, online retailer Zappos turned the baggage carousel at a Houston airport into a “Wheel of Fortune”-esque game. The travelers not only enjoyed a distraction from a hectic day of travel, but also became emotionally invested in the event—rooting for the luggage being conveyed onto the carousel to land on big winnings.

In 2009, Gatorade gave a pair of rival high school football teams the chance at a rematch of an infamously tied showdown—*fifteen years after* the original game. The now-thirty-something players and their community had the chance to relive a big

¹ <https://www.factory360.com/by-the-numbers-why-experiential-marketing-makes-financial-sense/>

moment in their local history, integrating Gatorade into that narrative—and themselves into the sports drink’s brand story.

But you don’t have to be a global brand to make experiential marketing work. Miss Me, a high-end women’s jeans brand, wasn’t big enough to get invited to Fashion Week or other industry shows—so they put together a glamorous showroom on wheels and took to the road. Their summer mobile tour of eight states was an event unto itself, introducing consumers to their apparel and to their mission of helping make women look and feel great. Participants got their pictures taken, were encouraged to post on Miss Me’s “I Shine When” wall, and more.

These examples illustrate experiential marketing at its best—stirring excitement, creating engagement. But a key element of the strategy is the ability to extend brand awareness way beyond the individual events, getting the people involved to spread that story and become loyal consumer and brand ambassadors.

Let’s start with the basics—what experiential marketing is and why it works.

What is Experiential Marketing? Getting Beyond the Buzz

You may have heard of experiential marketing, on-ground marketing, participation marketing, or brand activation and shied away—lots of us flinch at marketing methods that feel too “buzzwordy,” ambitious, or expensive. But the strategy beneath these buzzwords is quite concrete—and a solid investment. Put simply, the goal of experiential, on-ground, or participation marketing is to treat consumers as more than passive recipients of your messages; to engage them in your brand through an experience, event, or interaction.

There’s a chance you’ve done some experiential marketing and brand activation without knowing it. If you’ve hosted an event or engaged prospects at a tradeshow, you’ve taken your first steps into the experiential. While these one-off engagements are a good start, they’re the tip of the experiential iceberg—and they need to be pulled into part of a larger strategy. But before we dive into strategy, let’s talk about how and why experiential marketing works.

Buying All the Feels: Why Emotional Marketing Works

Take a moment and look around. Inventory the items around your home, your office, your desk. Think about what you’re wearing; then think about *why* you bought each of these items. Of course, there are functional arguments to every purchase—clothing serves a very real purpose, as does your phone, watch, laptop, and most of the things you buy.

But why did you buy *those* versions of those things? Brand X instead of Brand Y?

A generic pair of leggings will cover up legs at a low cost. But the other mothers on the playground will be talking about the hard-to-get Lularoe styles, sparking interest and

thoughts like, “I want those, too.” Apple has done a remarkable job with this type of emotional marketing; for many people, the iPhone feels like much more than a phone—it’s a small part of their identity.

Truth is, our reasons for making purchases are rarely rational—at least not as rational as we’d like to think. Advertising research and neurology both back this up²; MRI scans show the emotional centers of our brains lighting up during brand evaluation, while the rational bits of our gray matter get much less involved. And studies show that the emotional response to advertising has two to three times the impact on purchasing decisions than the actual content of the advertising. We buy because we feel.

Being Part of the Story: When Consumers Are the Brand

We know that seeing the story of a brand unfold in a commercial or ad influences consumer purchasing decisions; that power expands even more when consumers are invited into the story. And once they’re a part of your brand’s narrative, these consumers become loyal brand ambassadors who happily share their story with others.

That last point is a big one. When consumers offer their positive opinions of your brand, products, and services, their peers listen. More than 80 percent of consumers either completely or somewhat trust recommendations from family, friends, and colleagues; and more than 70 percent consider word-of-mouth to be a significant influencer when they’re making purchase decisions. Even online reviews by other customers engender trust in a brand and impact buying habits—today, many consumers automatically search Amazon reviews before purchasing a household item, or Trip Advisor before booking a hotel room.³

Return on Engagement: Is it Worth the Money?

Engaging consumers’ emotions sounds nice—but companies often bump up against the constraints and realities of marketing budgets. It’s not always easy to justify an expense, especially if it’s “only” based on feelings. But the return on engagement (ROE) for experiential marketing makes a very compelling case for expenditures around events and engagement.

The annual EventTrack survey⁴ on experiential marketing revealed that half of surveyed brands experienced an ROE of 3 to 5 times their investment. That return alone is impressive, but it gets better—almost 30 percent of the surveyed brands saw a 10 to 1 return from their experiential marketing efforts, with 12 percent experiencing a whopping 20 to 1 return on engagement.

The survey also reports that more than 90 percent of consumers agree that experiences are more effective than advertising, and 89 percent say they walk away from events with

² <https://www.psychologytoday.com/blog/inside-the-consumer-mind/201302/how-emotions-influence-what-we-buy>

³ <https://www.getambassador.com/blog/word-of-mouth-marketing-statistics>

⁴ <https://www.factory360.com/by-the-numbers-why-experiential-marketing-makes-financial-sense/>

a better understanding of a brand's services or products than they gain from other forms of advertising. In short, brands and consumers *both* have a lot to gain from experiential marketing.

Part 2 Getting Started & Getting Strategic

Like any other piece of your marketing strategy, experiential marketing should not be treated as a one-off activity, separate from your other sales and marketing activities—and it needs to be done right. Planning for the who, what, when, where, and how—before you get started—can help you realize those big returns and activate your brand effectively. In this section, we'll teach you how to get started.

Experiential Marketing: Five Steps to Success

1. Know your audience.

Effective marketing starts with understanding your audience, and experiential marketing is no different. What motivates your prospects? Where are they most likely to engage you—online or at a tradeshow? Whether your brand has the most to offer millennials interested in community service or homeowners with maintenance issues, do your homework. Make sure you understand what your audience wants from you, and ensure that your story is one they'll find compelling. If the story you try to integrate them into feels disingenuous, disconnected to your brand, or too salesy, your engagement is likely to fall flat—and could even drag your reputation down with it.

2. Create your message.

What message are you trying to send? Once you've pinpointed your audience's perspective, find your message by aligning audience perspective with your mission. Why are you in business? Why does this matter to your prospects? What makes your story fit with theirs, and vice versa? Remember to keep your event or engagement true to your brand and your ideals; most audiences can smell insincerity from miles away. Creating your message *first* will help you determine what action to take *next*.

3. Choose your action.

Now comes the fun part—choosing your activity. Remember that an event that works brilliantly for one brand might be a disaster for another brand serving a different industry or audience. Having identified your audience and your message should make it a lot easier to choose an appropriate and effective action. Some ideas include:

- **Get charitable.** Like TOMS shoes, turn buying into giving. Make the consumption of your goods into a donation to a cause that aligns with your mission.

- **Give new products a try out.** Make an app or a new product exclusively available to specific participants—like visitors to an event, or the first hundred to sign up to a mailing list. These early adopters can help you hone your offering and, because they're part of a select club, will be more likely to become eager brand ambassadors.
 - **Play!** Create a game—either online or in-person with game cards—that teaches participants about your offerings as they answer questions or complete challenges.
- 4. Develop a game plan.**

Your plan should include a detailed breakdown of the concept, the audience, the action, the schedule, the staff, and your budget. Just make sure all of the elements of your engagement stay very aligned with your message.
 - 5. Measure success.**

Last but not least, capture your success by making your efforts measurable. Reward participants for tweets or shares, count tickets or “likes,” or gather contact info along the way—this gives you something to track or follow up on, and helps spread the word about your brand at the same time.

Go Big—and Don't Be Afraid to Go Home to Get Help

Planning an experiential marketing event can get complicated fast. Pulling in outside parties, as Zappos did with the airport or Gatorade did with an entire town, requires a staff with training in marketing, logistics, and event planning—and the time to dedicate exclusively to the effort. If your business lacks the staff-power, experience, or bandwidth to devote to experiential marketing, it might be time to look outside your organization.

Don't be afraid to seek help. Talk to others in your industry who have done experiential marketing. What worked? What didn't work? And consider outsourcing as an option. Firms that are dedicated to experiential marketing will be experienced with helping companies align their mission and message to their engagement. The expense of hiring an expert will be recouped in the ROI you receive from making a major impact—and getting it right the first time.

Want to discuss a compelling way to engage your audience, or need tactical assistance managing the logistics of your experiential marketing efforts? Contact VDA Productions today at 888-868-9200 or vdaproductions.com to learn how we can help you create experiences that take your brand to the next level.