

Reshape your marketing mix with the
Ultimate Engagement Strategy

EXPERIENTIAL MARKETING



Secrets, Strategies, and Success Stories from the
World's Greatest Brands

KERRY SMITH / DAN HANOVER

WILEY

The Most Researched, Documented, and Comprehensive Manifesto on Experiential Marketing Ever Written

As customers take control over what, when, why, and how they buy products and services, brands are facing the complete breakdown and utter failure of passive marketing strategies designed more than a half-century ago. To connect with a changing generation of customers, companies must embrace and deploy a new marketing mix, driven by a more effective discipline: experiences.

Experiential marketing, the use of live, face-to-face engagements to connect with audiences, create relationships, and drive brand affinity, has become the fastest-growing form of marketing in the world as the very companies that built their brands on the old Madison Avenue approach—including Coca-Cola, Nike, Microsoft, American Express, and others—forge the next chapter of marketing as experiential brands.

Using hundreds of case studies, exclusive research, and interviews with more than 150 global brands spanning a decade, experiential marketing experts Kerry Smith and Dan Hanover present the most in-depth book ever written on how companies are using experiences as the anchors of reinvented marketing mixes.

The authors provide unprecedented access to the specific experiential strategies and blueprints used by the world's most powerful brands, many of which are using experiential marketing to generate their biggest customer reach, sales lifts, and marketing ROI ever.

Marketers still torn between outdated marketing models and the need to reinvent how they market in today's customer-controlled economy will find the clarity they need to refine their branding strategies, get a roadmap for putting their brands on a winning path, and walk away inspired to transition to experiential marketing.



EXPERIENTIAL MARKETING

SECRETS, STRATEGIES,
AND SUCCESS STORIES
FROM THE WORLD'S
GREATEST BRANDS

KERRY SMITH
DAN HANOVER

FEATURING CASE STUDIES FROM
EVENT MARKETER MAGAZINE

Accession no. **M** 0150547

Date received **18 MAR 2017**

Call no. 658.1
S 653E
2017

WILEY



Cover image: © Jamie Ferraro/Getty Images
Cover design: Wiley

This book is printed on acid-free paper.

Copyright © 2016 by Kerry Smith and Dan Hanover. All rights reserved.

Published by John Wiley & Sons, Inc., Hoboken, New Jersey
Published simultaneously in Canada

No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, scanning, or otherwise, except as permitted under Section 107 or 108 of the 1976 United States Copyright Act, without either the prior written permission of the Publisher, or authorization through payment of the appropriate per-copy fee to the Copyright Clearance Center, 222 Rosewood Drive, Danvers, MA 01923, (978) 750-8400, fax (978) 646-8600, or on the web at www.copyright.com. Requests to the Publisher for permission should be addressed to the Permissions Department, John Wiley & Sons, Inc., 111 River Street, Hoboken, NJ 07030, (201) 748-6011, fax (201) 748-6008, or online at www.wiley.com/go/permissions.

Limit of Liability/Disclaimer of Warranty: While the publisher and author have used their best efforts in preparing this book, they make no representations or warranties with the respect to the accuracy or completeness of the contents of this book and specifically disclaim any implied warranties of merchantability or fitness for a particular purpose. No warranty may be created or extended by sales representatives or written sales materials. The advice and strategies contained herein may not be suitable for your situation. You should consult with a professional where appropriate. Neither the publisher nor the author shall be liable for damages arising herefrom.

For general information about our other products and services, please contact our Customer Care Department within the United States at (800) 762-2874, outside the United States at (317) 572-3993 or fax (317) 572-4002.

Wiley publishes in a variety of print and electronic formats and by print-on-demand. Some material included with standard print versions of this book may not be included in e-books or in print-on-demand. If this book refers to media such as a CD or DVD that is not included in the version you purchased, you may download this material at <http://booksupport.wiley.com>. For more information about Wiley products, visit www.wiley.com.

Library of Congress Cataloging-in-Publication Data

Names: Smith, Kerry, 1963- author. | Hanover, Dan, 1973- author.

Title: Experiential marketing : secrets, strategies, and success stories from the world's greatest brands / Kerry Smith, Dan Hanover.

Description: Hoboken, New Jersey : John Wiley & Sons, 2016. Includes bibliographical references and index.

Identifiers: LCCN 2015050877 | ISBN 9781119145875 (cloth) | ISBN 9781119145899 (epub) | ISBN 9781119145882 (epdf)

Subjects: LCSH: Target marketing. | Branding (Marketing)

Classification: LCC HF5415.127 .S65 2016 | DDC 658.8--dc23 LC record available at <http://locn.loc.gov/2015050877>

Printed in the United States of America

10 9 8 7 6 5 4 3 2 1

Contents

Before We Begin ix

- Chapter 1** The Rise of the Experience 1
The Experience R/Evolution 3
Recalibrating the Marketing Mix 7
The New Branding Frontier 14
Reference 15
- Chapter 2** The Psychology of Engagement 17
The Science Behind Relationships 19
Learning Drives Understanding 24
References 24
- Chapter 3** Developing an Experiential Strategy 25
Connection 26
Control 34
Content 42
Currency 49
Conversion 55
Strategy First 62
- Chapter 4** Anatomy of an Experiential Marketing Campaign 63
Remarkable 63
Shareable 67
Memorable 73
Measurable 75

	Relatable	77
	Personal	81
	Targetable	83
	Connectable	85
	Flexible	88
	Engageable	91
	Believable	95
	Reference	98
Chapter 5	Digital Plus Live	99
	Creating a Wired Experience	100
	Connecting Online and Off	115
Chapter 6	Experience Design	117
	Creating Living Stories	118
	Building an Experience	120
	Bringing Brands to Life	131
Chapter 7	Proving Performance and Measurement	133
	Metrics That Matter	137
	Building Your Performance Plan	141
	The Power of Touch	144
	Brands Making Headway	147
	The Next Phase	149
	Practice Measurement Discipline	150
	References	153
Chapter 8	The 10 Habits of Highly Experiential Brands	155
	The DNA of Experiences	156
	Embracing Experiential	171
Chapter 9	The Vocabulary of Experiences	173
	New Marketing Features, Functions, and Terms	174
Chapter 10	Converting to an Experience Brand	187
	Step 1. Identify Your Fronts	187
	Step 2. Find and Align Partners	188
	Step 3. Select the Right Agency	189
	Step 4. Fix Your RFP Process	190
	Step 5. Beef Up Your Internal Teams	193
	Step 6. Create Value	193
	Step 7. Improve Lower-Funnel Results	194
	Reference	195
	Acknowledgments	197
	About the Authors	199
	Index	201

Before We Begin

Your latest marketing campaign cost more than the last, yet reached half as many people.

Your celebrity endorsement deal has yet to generate any measurable returns.

Your online marketing campaign yielded no significant web traffic increase, and your brand's social media engagements declined.

You're being out-marketed by competitors who are spending a fraction of your budget, yet are capturing a larger share of the market.

What are you going to do?

Before you tell us, we're going to ask that you forget everything you know about marketing for a moment. Why you do it, how you were taught to use it, and what it accomplishes.

And then ask yourself one question: Are you open to a new approach—a way to break through the noise and connect with your target audience wherever they are, engage them in a way that generates tangible relationships, and convert them into customers?

If you are, then this book is for you.

Chapter One The Rise of the Experience

Humans are social animals.

The need to gather and share stories dates back to the dawn of man, when our ancestors met around the fire to share in the kill and documented hunts on cave walls. Over thousands of years of political and social upheaval, natural and man-made disasters, and technological achievements that have shaped and reshaped our world, the need to share has remained constant—and it defines us as a species. But while our need to share stories has not changed over the millennia, the methods by which we share them have.

As a marketer, the need to cut through noise and tell *your* story has never been more important—or more difficult. In today's tune-out culture, where the interruptive marketing strategies of yesterday have been rendered almost useless by consumers who can now tune you out, brands need more than a catchy jingle, an amusing TV spot, or a big budget to be noticed. Being flashy, sexy, or loud no longer equates to a return on investment. Marketers have no one to blame but themselves for their current predicament. For decades, brands worshipped at the altar of mass reach—using GRPs, CPMs, and other quantitative metrics for delivering the most messages at the least cost, and in the

process bombarding consumers with irrelevant messages at the wrong time. That approach doesn't create engagement; it creates exasperation. It's no wonder that, when given the opportunity to skip or block mass media, consumers do it in droves. And if traditional media clutter isn't challenging enough, today's customers are bypassing established media altogether and consuming content, sharing, and communicating via entirely new social and mobile platforms . . . which make them even harder to reach.

Brands have two choices: (1) continue to play cat-and-mouse with customers, trying to keep up with where they're going and adapting messaging to the medium du jour. We call this the "push" option, which requires you spend money to chase your consumers to their next favorite medium and then figure out how to interrupt them with your message. Or (2) take another path—one that taps into the core of our human DNA and virtually forces target audiences to stop, take notice, and participate. We call this the "pull" approach, and it is the central tenet of experiential marketing, a powerful strategy used more and more by leading brands to create true customer engagement that delivers measurable results.

In its simplest form, experiential marketing is nothing more than a highly evolved form of corporate storytelling. But while the premise appears simple—combine a brand message, elements of interactivity, a targeted audience, and deliver it in a live setting to create a defined outcome—successful experiences are both art and science. Embracing experiential marketing requires a new way of thinking about marketing, creativity, and the role of media in the overall mix.

This may sound a bit uncomfortable for many marketers, because it requires changing some very established ways of thinking and branding methods. But those who have transitioned to an experiential marketing mindset are finding that any pains of change are outweighed by the benefits of more powerful marketing, more engaged customers, and better returns on marketing investments.

This book is the culmination of more than a decade spent working with some of the biggest brands in the world, interviewing hundreds of marketers, and documenting thousands of experiential marketing programs. Throughout our years covering the leaders of the experiential