



Fathom

# Are You Experienced?

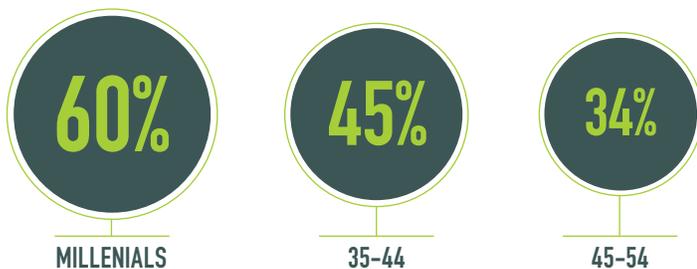
THE IMPORTANCE OF INTEGRATING EXPERIENCES INTO MARKETING

A tremendous volume of digital ink has been dedicated to detailing how Millennials covet experiences over material products.

What has been largely lost in this coverage is that the appetite for experiences has really grown across generational lines. The share of consumer spending on live experiences and events has increased 70% over the last three decades. Tellingly, just about everybody is sharing their experiences on social platforms, not just Millennials.



PERCENTAGE OF PEOPLE BY AGE WHO SHARE EXPERIENCES VIA SOCIAL MEDIA



At Fathom, we strive to go deeper, to move beyond the surface. For us, it's not enough to know experiences are appealing to most of the population. We want to know why. We want to unlock the real power of experiences and determine how we can translate our findings into more powerful marketing solutions on behalf of our client partners.

As we often do, we turn to science for answers. After sifting through reams of research, the answer is pretty simple: Happiness.

Experiences make us happy. In fact, science has proved that experiential purchases provide greater and more enduring satisfaction than material purchases.

Okay, but what triggers the happiness that is inherent in experiences? The answer comes in three parts:

## 1 CONNECTION

Experiences connect us to one another in powerful ways, more so than material purchases. For example, if you met a stranger and learned you had the same car, jacket or TV (material purchases), you would likely feel a connection to that person. If you purchased and enjoyed the same experience, such as eating at the same restaurant or attending the same concert (experiential purchases), the connection would be deeper, stronger.

## 2 WE ARE WHAT WE DO, NOT WHAT WE HAVE

Our possessions are clear markers of how we present ourselves to our friends, families and the world more generally. Yet, experiences combine to form our autobiography, our possessions do not; consequently, we assign more value to our experiences than our possessions.

## 3 STORY VALUE

Experiences prompt conversation and storytelling. Research illustrates that people talk more about experiential purchases than material purchases. Interestingly, people also report that talking about their experiences "adds more to their overall enjoyment of their [experiential] purchase than does talking about their material purchases." Now we are getting somewhere.

**EXPERIENCES HAVE SOCIAL CAPITAL AND THE VALUE OF THAT CURRENCY HAS INCREASED DRAMATICALLY IN THE ERA OF SOCIAL NETWORKS.**

So, what does all this mean for brands?

## BRAND AND PRODUCT ENGAGEMENTS GO A LOT FURTHER WHEN EMBEDDED IN A MEANINGFUL, VALUE-ADDED EXPERIENCE.

Studies suggest if an experiential element or accent is added to a material purchase, consumer satisfaction may increase and prove more enduring. We've embraced this approach and we've seen it pay off on behalf of our clients.

For example, years ago, Washington Mutual came to Fathom looking for ways to trigger consumers to open checking accounts in Chicago. Their previous efforts had been limited to in-store collateral and direct mail. Not surprisingly, their success rate hovered a bit below 1%. Fathom took the same offer – a free \$50 deposit when a new account was opened – but reworked the communication delivery system into an experience. Instead of handing out or mailing informational collateral to consumers, we slipped it inside wallets that we “lost” all around the streets of Chicago. Consumers literally discovered our messaging. Upon opening the wallet, consumers saw a \$50 bill that, upon closer inspect, was revealed to be faux currency that promoted the account-opening offer. In some cases, wallets included other local perks like tickets to sports events and concerts.



A simple experiential twist made all the difference for WaMu. Their conversion rate more than tripled and the field raved about the activation. Importantly, this simple WaMu experience had story value. Based on real-time intercepts, the vast majority of those finding the lost wallets were very likely to share their experiences with friends and family.

More recently we have worked with HyperSound, an audio innovation company that offers the ability to create isolated sound zones without audio bleed. In other words, audio messaging

can be focused in a specific area within a retail environment, dramatically altering the shopping experience with a simple yet specialized speaker. Executed properly, a mundane stroll through a retail environment can be transformed into a mini experience that profoundly impacts sales. A third-party study illustrated how sales increased an average of 26% (and up to 46%) across four different products when HyperSound technology was implemented. We share this example to reinforce that experiences can be quick and simple, yet remain powerful and effective.

As you evaluate your product and/or your latest marketing campaign, we implore you to ask, “Where’s the experience?” If you add an experiential element to your offering in some capacity, we guarantee better results. And if you can already respond in the affirmative to Jimi Hendrix’s question, we’re sure you’ll agree. 🎸

## SUMMARY

Experiences and experiential purchases have universal appeal and make us happy. This happiness even increases over time.

Weaving experiences into marketing has the potential to boost consumer satisfaction with a material purchase and trigger organic social sharing.

Make sure any experience tied to your marketing has story value. As humans, we’re hardwired to want to share our experiences.

Enable easy documentation and sharing of event experiences to ensure maximum amplification and reach.