

MARKETING

## Experiential marketing should go beyond selling

September 28, 2016



*Cadillac CT6 through the eyes of Jason Wu*

By SARAH JONES

NEW YORK Experiential marketing provides brands a platform to make a multi-sensory impression on consumers, enabling marketers to reimagine an established brand or introduce a newcomer.

Subscribe to **Luxury Daily**  
Plus: Just released  
State of Luxury 2019 **Save \$246 ▶**

During a Brand Innovators panel hosted by Kinetic Worldwide on Sept. 27, marketers from Cadillac, Casper and Kellogg's shared the ways their companies had built physical touchpoints around their products, whether a restaurant or a community space in the heart of a city. As consumers migrate online, brands have been investing heavily in digital media, but establishing real-time interactions in the real world is still a vital piece of the brand building puzzle.

"Cadillac's brand promise is Dare greatly,' and we qualify that by saying this is about challenging the status quo, this is about driving the world forward, this is about tangible positive impact in the world," said Nathan Tan, associate director of brand partnerships & experiences at [Cadillac](#).

"That's a lot for a car company to live up to...we need to continually have a pipeline of substantiation of how we ourselves are doing that," he said. "That we're not just saying we are a brand for those who do that.

"Because I think today if you can't substantiate your brand promise, people will write it off pretty quickly as just marketing window dressing."

### Making a connection

Cadillac heralded its rebranding move from Detroit to New York by building itself a new home.

Part of its efforts to reach new generations of consumers with product expansions, Cadillac House speaks to Gen X and Gen Y clientele's interest in design.

Within the SoHo space, consumers can shop fashions in a pop-up in collaboration with the Council of Fashion Designers of America ([see story](#)), enjoy coffee at a caf or attend events. Designed to encourage lingering, an in-store art gallery invites visitors to immersive exhibits while some regulars have turned Cadillac House into their own public office space, resulting in an average dwell time of 30 minutes.

With the opening last year, Cadillac looked to luxury brands in other categories such as fashion, who have excelled at creating physical environments that evoke their world without having to explicitly display a brand name. Cadillac House similarly is not overtly logoed, but is intended to serve as a small representation of the Cadillac world.



*Inside Cadillac House*

Car purchases are typically a lengthy decision, with buyers only replacing their vehicles on average once every three years. Cadillac House offers the brand an opportunity to create a relationship with potential customers along the long purchase funnel in a low-pressure non-retail environment.

Whereas car buyers used to visit a dealership five times, today they only make one visit. A reflection of the importance of branding and relationship building throughout the funnel, in addition to looking at the number of cars sold, Cadillac is looking at KPIs such as engagement and earned media metrics.

Similarly to Cadillac, cereal brand Kellogg's decided to create a permanent experiential space where consumers could interact with its products in new ways. Kellogg's NYC in Times Square is an all-day restaurant devoted to the breakfast food, with a menu by chef and founder of Milk Bar Christina Tosi that reinvents classic cereals with added ingredients.

Compared to the larger Kellogg Company, the New York restaurant venture operates as a small business, under the direction of Journee's Co.create co-founders Anthony Rudolf, the former general manager of Per Se, and Sandra Di Capua. The restaurant's quick implementation of new ideas is teaching Kellogg's to be more nimble, according to Andrew Shripka, associate marketing director at Kellogg Company.



*Kellogg's NYC menu*

Rather than develop a permanent space, startup mattress brand Casper opted to take its bedding on the road. As an ecommerce company transitioning into a sleep lifestyle brand, offering a place for its social media audience could engage with product was a high priority.

Casper's director of experiential marketing Monica Brouwer explained that similarly to the automotive space, mattresses are high-consideration purchases made infrequently. The Casper Nap Tour brings the brand's mattresses and recently launched pillows on the road, enabling visitors to try them out in-person.

Diverting from the traditional mattress store setup that can feel awkward, Casper looked to Japanese pod hotels for

inspiration, giving each mattress its own compartment.

For Chanel, Kinetic Worldwide transformed a transit shelter in Chicago, adding a digital screen that traded social shares for a sample of its Chance scent. Similarly allowing consumers to stumble onto its brand, Marriott's Springhill Suites took over the security areas of an airport, creating a comfortable lounge in place of the typical hard furnishings.



*Chanel's out-of-home display for Chance*

#### Multichannel methods

For the wealthiest clientele, experiential marketing becomes even more important.

Sixty-eight percent of luxury industry insiders believe digital marketing is not an effective method to reach ultra-high-net-worth individuals, according to a report by Wealth-X.

While social media accounts and content rich Web sites can bolster brand awareness, they do not lead directly to sales or client acquisition for the wealthiest clients. To reach these important clients, providing unique experiences to the right people is still the best approach ([see story](#)).

Creating physical spaces offers a chance for interaction, but being tethered to a single location could lead to a limited audience. The panelists pointed to content and partnerships as opportunities to share brand experiences beyond their own spaces.

For Cadillac, this has meant pop-ups and events, such as opening its house to the CFDA as a venue for New York Fashion Week: Men's, while Casper looks to user-generated content to share with a larger crowd. Kellogg's NYC has turned into a story that was shared in local media across the United States, extending the restaurant past those served each day.

"It's not easy, and part of that is because when you create an experience like this how do you replicate that level of control of your environment and your story through other channels?" said Michael Lieberman, chief operating officer, North America, [tenthavenue](#). "You generally don't have that because advertising is based on adjacencies.

"So that's why, I know there's the one to many and one to one, but there's this core area of one to few," he said. "And one to few is not necessarily How do I build something, throw it on social media and hope to get a lot of hits?' It's 'How do I tailor the experience that I can completely control for environments where I lose just a little bit at a time, but can keep that core storytelling and get across those points?'

"[The panelists] have done things that give someone an experience that, even if it's not an immediate conversion, will change a mindset, will open doors, will really have an impact. Something that you don't necessarily get from that broad screen and mass advertising."