FOR MEMBERS ONLY

The Event & Experiential Marketing Industry Forecast & Best Practices Study

EventTrack 2018

SEVENTH ANNUAL EDITION

Survey of Consumers & Brands on the Impact of Event and Experiential Marketing

special report by

eventmarketer

MOSAIC

EventTrack 2018

Table of Contents

EventTrack
2018

Introduction

EventTrack: The Event & Experiential Marketing Industry Forecast & Best Practices Study – analysis of consumers and brands on the impact of event and experiential marketing

Welcome to the seventh edition of the Mosaic and Event Marketer EventTrack Study, which uniquely monitors the growth and expansion of the experiential marketing industry. EventTrack is unique in analyzing the industry from the perspective of both leading brands and consumers.

New in this year's report is analysis of admission fee-based events. Some of the key areas studied in the report include:

- How events and experiences significantly improve brand perception and drive sales
- What consumers value most at events and experiences
- What motivates consumers to participate and purchase
- How events and experiences change brand perception
- What makes events memorable to consumers
- The biggest opportunities for brands
- Brands' budget growth outlook
- And many more insights and benchmarks

The analysis is based on surveys of a wide cross-section of consumers as well as leading event marketing brand executives. The brand survey respondents represent many of the largest corporations with experiential marketing programs in the world.

Mosaic and Event Marketer thank all of the respondents for their invaluable contribution to the study.

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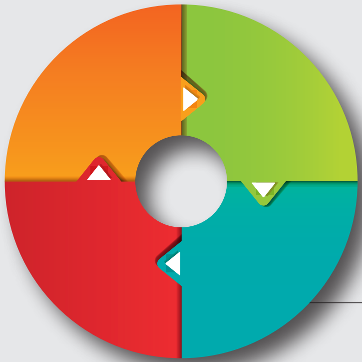
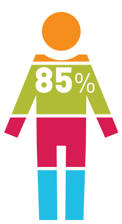
Executive Summary



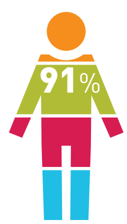
There are four overarching key insights from the new EventTrack survey of consumers and brands.

Key Insight #1: *Events and experiences work very powerfully to drive sales – and significantly improve how consumers feel about and perceive brands.*

Eighty-five percent of consumers are likely to purchase after participating in events and experiences, and over 90% have more positive feelings about brands after attending.



% of consumers likely to purchase after participating in events and experiences

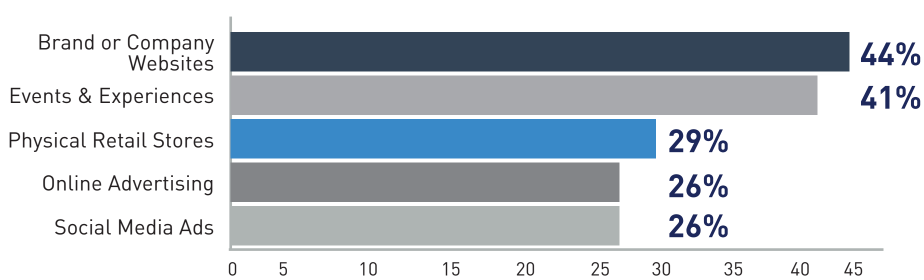


% of consumers with more positive feelings about brands after attending events and experiences

Key Insight #2: *Event and experiential marketing continues to break away from other advertising and marketing channels in terms of effectiveness and value to consumers.*

By a significant margin, consumers say the top two advertising channels that best help them understand the benefits of products and services are brand websites and events and experiences. Essentially all other marketing channels and brand-controlled information sources are considered secondary to consumers.

Consumers Rate the Best Advertising Methods to Understand Product Benefits



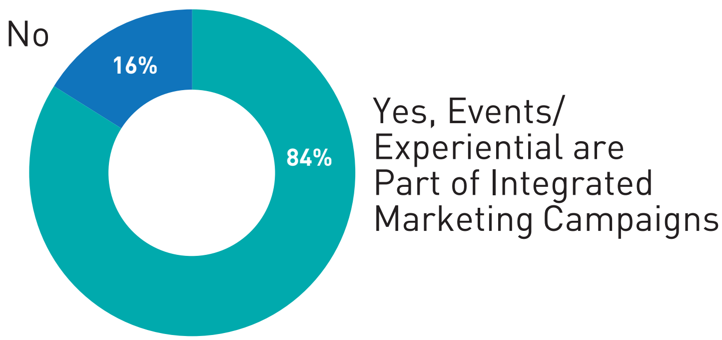
Corporate marketing teams continue to invest in events and experiential. Marketers continue to shift events and experiential from a focus on raising brand awareness and simply displaying products in front of consumers, to become a critical channel that drives sales and closely integrates with other campaigns.

EXECUTIVE SUMMARY

Key Insight #3: *Events and experiences are a key part of integrated marketing campaigns at 84% of brands.*

The findings show the trend is to integrate events and experiences more closely with wider corporate marketing campaigns. As one brand event marketing executive wrote in the survey, their biggest opportunity is "full integration of messaging and execution throughout all programs and communications organization-wide with a defined strategic goal."

Is Event and Experiential Marketing a Key Part of Integrated Marketing Campaigns?



Key Insight #4: *Event and experiential marketing continues to shift from a focus on raising brand awareness to sales and measurement.*

This is a continuation of a long-term trend. The top two performance metrics event and experiential teams provide to senior management are sales impact reports and social media activity and digital engagement assessments.

As other marketing channels and media are being disrupted by technology and rapid shifts in consumer buying and media consumption habits, events and experiential marketing has become more important to corporate marketing teams and more highly valued by consumers.

Additional Key Consumer Survey Findings

What Most influences Decision to Purchase at Events and Experiences

The primary purchase decision factor by far is getting a sample or seeing a product demonstration, according to nearly half of consumers. Better understanding the product and receiving a coupon or discount are also influential.

	Consumers %
Sampled, used or saw a demonstration of the product	47%
Had a better understanding of the product from the event	16%
Coupon offering a discount	11%

One-Third of Consumers Have Paid an Admission Fee to Attend a Brand Event

Overall, one-third of consumers have paid an admission fee to attend at least one event put on by a brand in the last year. The most common type of fee-based event and experience are exclusive concerts, followed by branded events.

Consumers Recommend How to Improve Brand Events and Experiences

The survey asked consumers to describe a particularly memorable event or experience that they attended. Based on the consumers' responses, some of the key themes and recommendations that resonate for brands include:

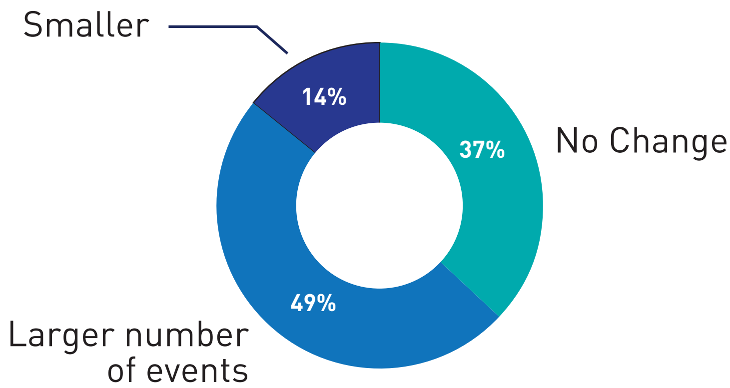
- Make the experience welcoming
- Know the audience
- Provide interactive games or competitions
- Inform and educate
- Show how the product works
- Provide samples
- Staff events and experiences with knowledgeable brand ambassadors
- Provide a sense of discovery
- Offer an emotional tie
- Be entertaining

About the Consumer Survey Respondents: The consumer respondents are split 50%/50% by gender. The consumers are also evenly split between being based in the U.S. and Canada. The age ranges are in thirds: 18 to 24 years old (33% of the respondents); 25 to 34 (33%), and 35 to 54 (33%). The most often attended type of events and experiences are in-store demonstration or sampling experiences, according to the consumer survey respondents.

Additional Key Brand Survey Findings

Eighty-Six Percent of Brands are Increasing or Managing the Same Number of Events and Experiences in 2018 vs. 2017

A significant 86% of the brand respondents say they will execute more or the same number of event and experiential programs this year compared to 2017.

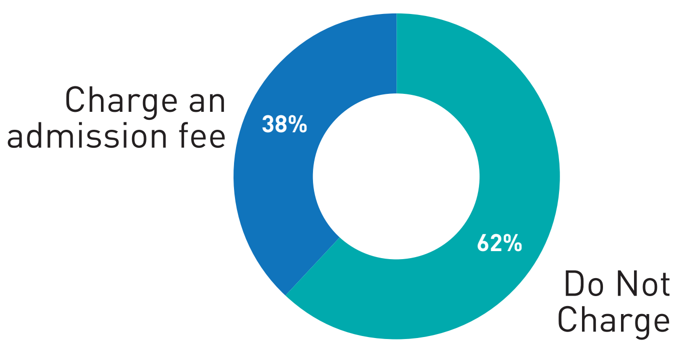


Event and Experiential Budgets are Expected to Increase by 5.6% in 2018

Brands are increasing their event and experiential marketing budgets on average by a healthy 5.6% in 2018, according to the brand survey respondents.

Nearly Four Out of Ten Brands are Charging Consumers to Attend Events and Experiences

Thirty-eight percent of brands provide events and experiences that attendees pay to attend/engage.



EventTrack 2018

EXECUTIVE SUMMARY

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Brand Marketers Describe Their Biggest Event and Experiential Marketing Opportunities

The survey asked brands: What are the biggest opportunities for your organization's event and experiential marketing programs? The key themes around the biggest opportunities from the verbatim responses include:

- More data capture and improved measurement
- Generating and leveraging content developed around events and experiences
- Planning more effectively and being more strategic
- Leveraging technology
- Creating more experiential activities

Select comments from brand marketers include:

- "Aligning internal resources (budget, employee activation) and external groups (customers and influencers) with cause marketing events."
- "Better measurement and better conversion from data capture to retail."
- "Consumer experience with products/services is what moves the needle, over more traditional advertising practices."
- "Engaging audiences with a higher LTV (Lifetime Value) to the company and expending the genres/passion points around our events."
- "Experiences as content, marriage of events plus social, and opportunities for digital integration and synergy."
- "Develop better downstream content from events."
- "Single market activations that can blossom into multi-market and national tours."
- "Truly amplifying our message and extending our reach."

About the Brand Survey Respondents: The survey respondents are primarily large companies in information technology, consumer products, entertainment and media, automotive, mobile telecommunications, medical and pharmaceutical, and financial services. Twenty-four percent of the brands deploy event and experiential marketing budgets over $10 million. In terms of total company revenue, 19% are over $1 billion and the same percentage (19%) generate between $100 million and $1 billion in gross revenue.

The findings in this Executive Summary provide only a small portion of the insights from the study. The next sections are packed with additional insights, data and benchmarks.

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About Mosaic

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Mosaic is among the fastest growing marketing agencies in North America. Utilizing its People as Media™ approach, Mosaic delivers fully integrated solu¬tions that connect with consumers at every point along the path to purchase. With Brand Ambassadors at the core of every experience, Mosaic executes thousands of consumer events and retail visits across North America each year, making one-to-one consumer connections in store, online and in the community.

Mosaic's U.S. operations are headquartered in Dallas, Texas, with offices in Chicago, Illinois, and Bentonville, Arkansas. Its Canadian operations are head¬quartered in Mississauga, Ontario, with offices in Toronto, Ontario and Laval, Quebec. Recently acquired by Acosta Sales & Marketing, Mosaic now operates under Acosta's marketing arm, AMG.

Dallas
220 East Las Colinas Blvd
Irving, TX 75039
Phone: 800.364.1812

Chicago
320 N Elizabeth Street
Chicago, IL 60607
Phone: 312.526.3126

Mississauga
2700 Matheson Blvd East
West Tower, 2nd Floor
Mississauga, Ontario L4W 4V9
Phone: 905.238.8422

Laval
2500, Boul. Daniel-Johnson
Bureau 230
Laval, Quebec H7T 2P6
Phone: 450.686.0142

Toronto
100 Liberty Street
Suite 100
Toronto, Ontario M6K 3L7
Phone: 905.238.8422

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