

Your Brand's Roadmap to SXSW

With foot traffic totaling more than 345K in 2023, SXSW remains a festival juggernaut.

Its decades-long history of attracting attendees from all over the world (126 countries outside of the U.S.), brands have been enticed to sponsor, activate, pitch, or partake in discussions to reach & resonate with their target audiences.

Beyond its music & film festivals, SXSW's focus on professional development, creative ideation & tech innovation has made its demographics appealing to both B2B & B2C brands. And the demographics are impressive: Almost half of 2023's participants self-identify as making more than \$150K per year, and 51% say they're either the ultimate decision maker or play a significant decision-making role.

Yet, there are handfuls of social media accounts chronicling free shows, food, drinks & activations across SXSW's festivals—and over the years, brand-side marketers have questioned whether the massive investment (often ranging from \$250K to \$1M or more) delivers enough brand & business impact to add it to their event portfolio.

SXSW's cultural & inspiration-led festival atmosphere—and its multitude of brand activations—are fittingly splashed around the Texas capital whose tagline is "Keep Austin Weird." Here's how you can decide if your brand can benefit from activating at an event like SXSW—and how you can "get weird" to make the most out of your experience investment.

What to Consider When You're Considering SXSW

Mega brands like Google to small startups attend SXSW—and activations that find their niche & lean into festivalization with strategy & creativity can generate impact. But how do you know if this event is the right fit for your event portfolio?

We take a systematic approach to analyze a brand's event portfolio using quantifiable criteria, including stakeholder interviews

& KPI development. You

can start by aligning your stakeholders' KPIs & brand goals to what incites your audience to show up & engage.

Take stock of your brand territories & audience segments, mapping out how shifting audience behaviors align with your brand goals. From here, you can gain a clearer picture if an event like SXSW is the right investment—or if those dollars are best used elsewhere.

For SXSW attendees, top priorities include discovering business opportunities, career development, and connecting with existing clients & partners. Only 18% say their SXSW focus was launching or promoting a new product—so if you're hoping to unveil a new solution, this event is likely not the fit for you. Likewise, if you're aiming to grab Gen-Z attention, only 7% of 2023's attendees were ages 21 to 25.

Ask yourself:

- What do I want to accomplish with this activation?
- · How much is my investment vs. my projected return?
- $\boldsymbol{\cdot}$ What audience segments am I targeting—and are they at this event?
- · What are my audiences expecting out of this event?
- How does my activation fit into SXSW's brand community?
- How does this activation tie into the rest of my portfolio—and are there ways to extend the engagement around this activation?

Once you've decided that SXSW is the event for you to activate...

1. Find your "weird" to maximize impact.

Discover what makes your brand different—but don't force it. Think of your brand's "weird" as your authenticity & uniqueness—something that every brand, regardless of industry vertical or audience—can lean into. SXSW attendees want to see brands be real, so don't over-architect your brand's story or the experience of inviting participants into it.

Finding your "weird" requires you to find the nexus of activation whitespace with an experience that meets your audience's behavior keys, interests, challenges & engagement preferences.

From there, employ risk mitigation strategies & investment capitalization suggestions to get the most out of your activation spend.

- Struggling with a limited budget? Create a stunt with amplification potential.
- Don't have a brand footprint? Leverage digital content & street team takeover tactics to reach your audience segments.
- Low brand awareness? Lean into the mystery of your brand & offerings, capturing consumer attention through curiosity.

2. Capitalize on emotion to WOW your audiences with weird.

An eye-catching activation or stunt might briefly capture the attention of partipants, but if they can't figure out what you're doing, why your brand is doing it, and—most importantly—what's in it for them, your buzz will be short-lived.

Guerilla marketing activations can also be risky, because rather than having an audience converge in one spot for an immersive experience, your audience might get distracted on a quest that sends them across Austin's downtown & instead stray toward a different activation.

Being weird for weird's sake might drive more eyeballs, press & conversation over your brand, but to WOW with weird is strategic. It connects your activation to clear brand objectives & an audience journey—whether you want audiences to engage, talk about, purchase, become a fan or advocate for you.

Ensuring return on your activation requires efforts to achieve brand impact & attendee impact:

WOW

Attendee Impact: WOW with Emotion

Your brand's ability to thrive in a competitive marketplace is directly impacted by your audience's level of experience deficit & overall well-being. And today's audiences—who are facing larger levels of anxiety, loneliness & disconnectedness—want to feel something from brand activations. A Wunderman Thompson report revealed 83% of people actively seek out experiences that bring them joy & happiness.

And with good reason: Dacher Keltner, professor of psychology at the University of California, Berkeley, says the science behind experiencing awe shows it might be "an essential pathway to physical and mental well-being."

Leaning into emotion is especially crucial at cultural events such as SXSW: A study of brand activations across music festivals revealed that 93% of marketers focused on creating experiences which elicit "hedonic, pleasurable feelings" in attendees, favoring emotional response over fulfilling a functional purpose. At the same time, 64% of marketers created activations that induce high interaction & engagement, playing off the heightened emotions of participants to increase engagement.

But not every activation that plays on an audience emotion will be impactful or memorable. Wunderman Thompson reported that 61% of people say that brands aren't "doing anything original these days."

Today's audiences are looking for either fresh, immersive experiences that heighten emotions or experiences that deeply engage through nostalgia & shared memories that help to forge emotional connections.

The science behind experiencing **awe** shows it might be "an essential pathway to physical and mental well-being."

—Dacher Keltner, Professor of Psychology, University of California, Berkeley





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Tech that WOWs—and Connects

Looking to hop on the growing bandwagon of Virtual Reality (VR) & Augmented Reality (AR) tech? You can stand out, but make sure your digital connects audiences with your brand. Otherwise, your tech is just cool for the sake of being cool.

At SXSW 2022, Ally Financial, DC Comics & WarnerMedia joined forces for a partnership that combined experiential tech and engaged important social & cultural conversations. The three legacy brands combined their power to unveil a first-of-its-kind Snapchat AR experience, Milestone ARchives. The activation offered attendees the opportunity to celebrate & support Black & diverse creators by learning their backstories & stepping into their shoes via a Snapchat lense.

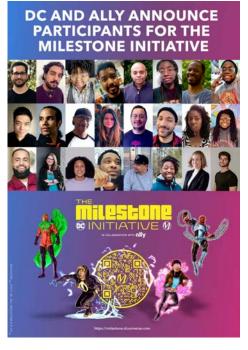


Image via DC Comics



Brand Impact: Tying Emotion to Action

Brand-side marketers should remember that audience participation enables you to move beyond impressions & make memories, which starts to create real brand affinity.

Not every engagement is created equal, nor does it encourage active participation (where consumers seek out engagement & even initiate brand contact). Start by getting on your audience's terms. Meet your consumers at their level & remember why they're attending SXSW (to have fun, interact, connect, network & be inspired).

Give them a reason to give your brand their attention & time (via creating moments & experiences that are worth the time invested in the interaction). This is even more important at festivals like SXSW, which often require waiting in long lines to attend parties & activations.

Remember, activations are your opportunity to show your audiences who you are as a brand in real-time. You want to stand out, but to truly WOW with weird requires substance behind the sparkle & flash. Event Marketer reported that experiential marketing activations deliver 65% of a brand's total marketing ROI, with 85% of consumers likely to purchase after participating in a brand experience.

"After" is the key—don't expect SXSW audiences to clamor over purchasing your brand's products & services on site. "The quality of conversations may be high, but the immediacy of requirements is low; people tend to be in a learning (and inspiration) mindset, rather than a buying one," Kate Fulford-Brown, Head of Client & Commercial for 2LK, told The Drum.

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Source: Event Marketer

3. Be weird together through the power of brand community.

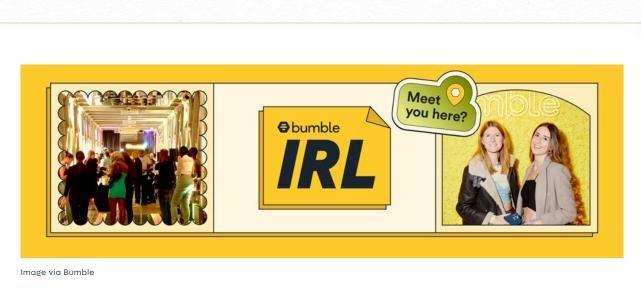
In a sea of marketing stunts, branded sponsorships, business pitches & messaging, it's crucial that you're not simply adding to the roar of a crowded festival space like a carnival barker. You want to invite your audience into a memorable experience, engage with them, & keep positive sentiment going by extending your activation past the moment of "experience."

More than 71% of event organizers struggle to prove the ROI of in-person events to their stakeholders—and brand-side marketers are challenged to reconciling a return on business goals with the importance of positioning your brand as an audience connection facilitator.

Overcome the challenge of proving impact by understanding your audience segments & how each activation builds relationships that can develop into a thriving brand community, showing long-term returns that continue to boost your bottom line.

Bumble capitalized on connection through its IRL activation at SXSW 2018—one that fans are still talking about years later. The dating app took over Austin's Fair Market & attendees could go on five-minute mini-golf dates, meet with experts to spruce up their elevator pitches, and take professional profile photos. Bumble's theme was "Empowering Connections." Not only did they bring their app's experience to attendees, they also demonstrated the value of their product via the user experience in real-time. Bumble's IRL events are now on tour globally.

An active brand community isn't just a "nice to have"—it's a crucial element of increasing customer lifetime value. When built & consistently nurtured, a brand community can serve as your business' flywheel for audience development, brand loyalty & brand advocacy.





Putting your audience in the center of your experience design positions you to **WOW with your weird** & helps you hit the mark at the event.

The Power of Brand Community

Each brand activation & experience can build or strengthen crucial customer relationships, which lead to measurable bottom-line gains.

- Roughly 50% of a company's revenue comes from approximately 8% of their most loyal customers.
- Retaining existing customers can increase profitability—by 25% to 95%.
- Repeat customers spend an average of 67% more, vs. new customers.

Putting your audience in the center of your experience design positions you to WOW with weird & helps you hit the mark at the event. But marry an understanding of your audience's current behaviors & your long-term brand KPIs to create calls to action

that extend the impact of your activation long after SXSW ends. Don't go straight to sales. Instead, keep your audiences positively associating with your brand, while you identify the best time to fit into their purchase cycle.

Sometimes, all you have to do is ask or remind them:

- Prompt attendees to scan a QR code or ask for their information (provide value in exchange for their data).
- Invite existing customers, influencers & advocates ahead of time, offering incentives for word-ofmouth sharing (which organically extends your reach).
- Map your audience touchpoint lifecycle & identify areas (in-person or digitally) to engage with them throughout the year.



We can help you maximize your event investment with a strategic roadmap for success.

Let's Talk

CITATIONS

Bizzabo: The Events Industry's Top Marketing Statistics, Trends and Data
Event Marketer: EventTrack: The Event & Experiential Marketing Industry Forecast & Best Practices Study
EventMarketer: BRANDS CELEBRATE THE IN-PERSON RETURN OF SXSW WITH A FLURRY OF EXPERIENTIAL ACTIVITY
Harvard Business Review: The Value of Keeping the Right Customers
KPMG: The Truth About Customer Loyalty
Livelnnovation.org: An Analysis of Brand Activations: The Case of Music Festivals
Noëma Magazine: Finding Awe Amid Everyday Splendor
SXSW: 2023 Demographics Report

The Drum: Is SXSW worth the trip? A field guide for UK agencies Wunderman Thompson: The Age of Re-enchantment

