The re-emergence of the experience economy



information desk

### INTRO & METHODOLOGY

## WHAT HAPPENS NOW?

We are at a turning point in human history. The events of 2020 – COVID-19, social and political turmoil, disinformation – have challenged us beyond measure. Through all of this chaos and uncertainty, experiences and connections have not been on hold, they've just looked different.

We're about to reemerge into a cultural renaissance with energy unlike anything seen before. So what happens to the experience economy now?

In this report, we'll glimpse into the future as seen through the lens of young people - young people who have evolved, envisioned, and changed the world during such a pivotal time. We look at a newly developed marriage between consumer identity and experiences, the intentionality with which young people will partake in events and seek out new experiences, and the key shifts in consumer perspective that will steer us into the next era of culture and the future of the experiential economy.



### VMG FUTURE OF EXPERIENCES STUDY:

8 Qualitative IDIs with Event & Experience Experts

3 Qualitative Inputs from Experiential Design Grad Students

Online Quantitative Survey with 1,069 Respondents Markets: US & UK Demographics: 47% Men, 50% Women, 3% Non-binary Generations: 70% Gen Z & Millennial Field Dates: Jan-Feb 2021

#### **SUPPORTING SOURCES:**

VMG Youth in Pandemic Research Series: March-Sept 2020, n=10,000+ Global youth respondents

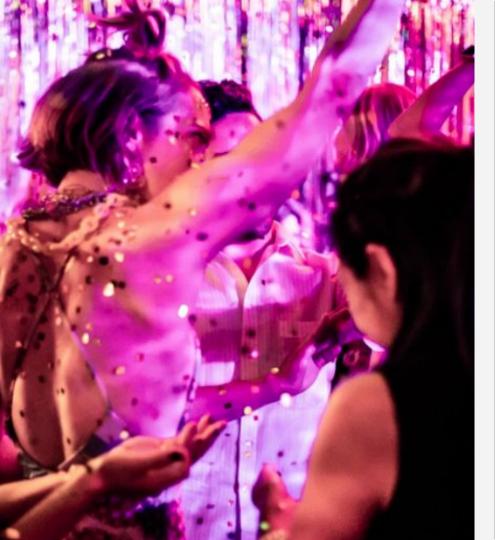
VMG's Proprietary Insights Communities: VICE Voices δ Mad Chatter





## A RESURGENCE OF IN-PERSON EXPERIENCES

AFTER MORE THAN A YEAR OF LIMITED IN-PERSON EVENTS, PENT UP ENERGY, IDEAS, AND EXPERIENCES ARE ON THE BRINK OF RELEASE. In-person experiences are about to return with even greater vivacity and young people are bracing themselves for their return to the physical world. With this excitement comes a profound sense of intentionality and motive. We believe a resurgence of seeking in-person experiences will start as early as this summer and continue through 2H of 2021.





of young people plan to return to festivals, concerts, national/world tours, plays, museums etc.

**66** People now understand the extreme importance of being together, and will certainly be flocking to events and public spaces.

– CHRISTINA LYONS, Program Chair, Graduate Exhibition & Experience Design, FIT

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## WE ARE ENTERING AN ERA OF BREAKTHROUGH CREATIVITY

AS YOUNG PEOPLE BEGIN TO MAKE CONTACT WITH EACH OTHER AND THE WORLD, THEY WILL BRING WITH THEM OVER A YEAR'S WORTH OF NEW THOUGHT AND CONSCIOUSNESS. With little stimulation from the outside world, creativity was a gateway to purpose and meaning. Young people got more creative with the way they prepared their food, designed the spaces in their homes, even with the way they dated. Many also began hosting their own social experiences or attending more DIY events.

As their creative worlds now collide, young people predict that the next chapter of the experiential world will be marked by breakthroughs in innovation.

## PREDICTION FOR THE FUTURE:

### THERE WILL BE CREATIVE BREAKTHROUGHS, AS PEOPLE SHARE THEIR EXPERIENCES AND IDEAS.

### **66** ONCE THE WORLD OPENS UP, THERE ARE GOING TO BE CREATIVE HOMECOMINGS EVERYWHERE.

– IMANI ELLIS, Founder & CEO, The Creative Collective

### **1** I THINK AFTER THE INITIAL HUMAN CONNECTION PERIOD, IT'S GOING TO BE A UNIQUE, ENLIGHTENED EXPERIENCE.

- DERRICK CHEUNG,

Nightlife Curator / Community Builder / DJ / Model

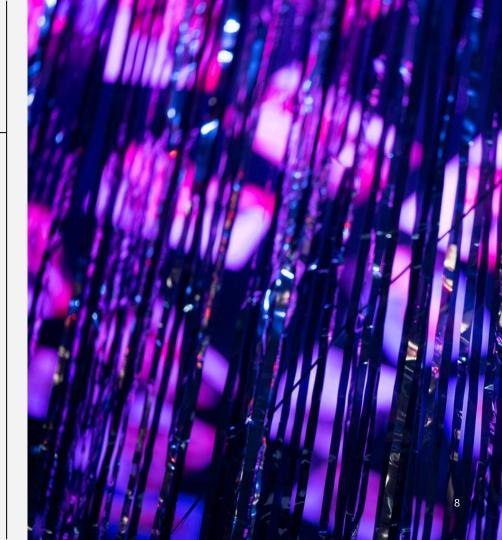


## **A WAY OUT**

Experiences will not just offer consumers a way out of their homes; they will offer consumers a way out of their minds.

The events of 2020 undoubtedly gave rise to a mental health crisis around the globe. They incited a reevaluation of what it means to truly be "well" and ignited an uncompromising pursuit of wellbeing. This pursuit has major implications for the experiential economy. Experiences will no longer be viewed simply as an enjoyable way to spend some time, but as an investment in longer term emotional fulfillment and personal growth.

With emotional wellbeing as the #1 focus of their lives, they may return to the same types of experiences but they will do so with a new perspective.







Throughout COVID-19, there were a +13 percentage point increase in those ranking "Emotional Wellbeing" as the #1 aspect of wellness they plan to focus on after the pandemic.

Source: VMG Youth in Pandemic Series

Those who plan to go out more attribute it to mental health:



It will be good for my **mental health to be around people again**  It will be good for my mental health to try new things

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## YOUNG PEOPLE MISS, FOR THE MOST PART, BREAKING FREE FROM E PSYCHOLOGICAL JAIL.

– DERRICK CHEUNG, Nightlife Curator / Community Builder / DJ / Model

# **NEW PERSPECTIVES**



# **NEM PERSPECTIVES**

# **VEW PERSPECTIVES**

With emotional wellbeing in the forefront of their minds, young people will return to experiences with a new point-of-view.

When designing future experiences, we need to root ourselves in these new mindsets that drive their decisions and set their expectations.

## **01 PEOPLE**

**BUILDING A SENSE OF BELONGING** 

## **02 PURPOSE**

MAKING A BIGGER IMPACT

## 03 PLAY

FREEING THEIR INNER CHILD



# NEW PERSPECTIVES

### Building a sense of belonging

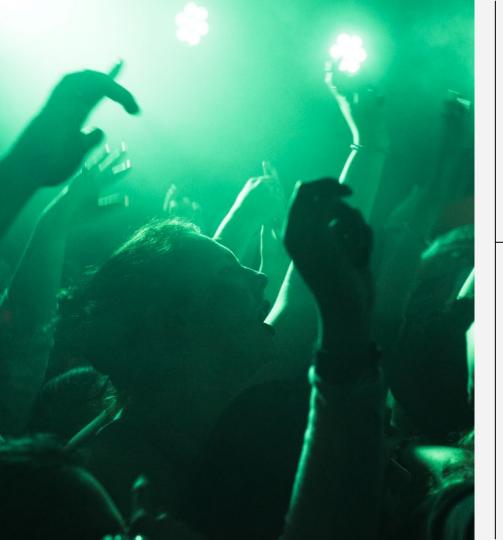
The value of human connection became acutely apparent in 2020, and this realization will not be lost on this generation of young people in the future. Having experienced the detriment of isolation and also witnessed the power of community, they will seek to strengthen their close ties and build meaningful new ones. They will seize the day they can come together again, sharing moments and building memories. They will also seek a deeper sense of belonging, gravitating to experiences that bring together people with shared values and facilitate more authentic and intimate connections.

### NEW PERSPECTIVES 01 PEOPLE

## HUMAN CONNECTION AS SELF-CARE

One of the biggest drivers to experiences will be the opportunity to share moments with others. This is not new for the experiential economy, but it will now be held to oath. Young people will prioritize human connection because they understand its deeper mental and emotional benefits.

As such, social experiences will be fundamentally associated with self-care, and will be attributed even higher value. While this is great news for the experiential industry, it will also hold brands and venues to higher standards and accountability. They must provide safe spaces not only as it pertains to health, but how it pertains to self, facilitating comfort and vulnerable human connection.



**66** Human connection. That is paramount. Young people have been robbed of live social connections when they need it most.

#### CHRISTINA LYONS,

Program Chair, Graduate Exhibition & Experience Design, FIT



(81% Gen Z)
What makes an experience
'fun' is the opportunity to
share moments with others.

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The events I choose to go to will be a safe space for myself and others to be ourselves.

## **PEOPLE ARE GOING** TO BEGIN ASKING THEMSELVES: WHO DOLWANT TO SELF-HEAL, GROW AND THRIVE

- CHAD ISSAQ, EVP PARTNERSHIP, Superfly

### **NEW PERSPECTIVES** 01 PEOPLE

## SEEKING COMMUNITY **& BELONGING**

Every interaction will play a role in building a space they feel they belong. It won't just be about who's on the main stage, but who's checking their tickets or taking their coats and how those people engage.

They must feel like being there is not necessarily being part of something big and splashy, but something intimate and personal. Many will seek to achieve this by prioritizing more local, community based events and spotlighting emerging talent.

### A shift to local:

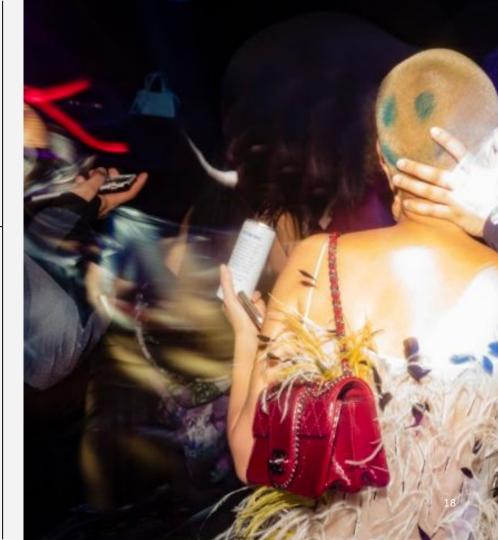




I will gravitate to smaller, more intimate and curated events.

I will consider the impact the event has on its

community when choosing whether or not to attend.



HOSTS, DOCENTS, ACTORS, AND FACILITATORS AT AN EVENT ARE CRUCIAL AND ARE NOW EXPECTED IN EXPERIENCES. THEY OFFER THE PERSONALIZED AND MEMORABLE EXPERIENCE ALL AUDIENCES ARE CRAVING.

- CHRISTINA LYONS,

Program Chair, Graduate Exhibition & Experience Design, FIT

YOU GET TO NOT ONLY EXPERIENCE THE EVENT, BUT YOU GET THE FEELING OF BELONGING TO A GROUP. THIS NOTION OF "BELONGING" IS HUGE FOR THE FUTURE OF EXPERIENCES.

- ANDRE PINARD,

Director Communities, Mindset & Culture, Adidas

### **NEW PERSPECTIVES** 01 PEOPLE

## VIRTUAL POCKETS OF BELONGING

Meaningful human connection will continue to be facilitated by the virtual landscape as well. While virtual events initially served to transport IRL experiences into a dorm room or living room, they now serve as infrastructure for communication and networking. Young people are not just watching concerts with the volume turned up on their headphones; they're meeting and interacting with other attendees. As a result, many virtual experiences have already established communities and a sense of belonging.

## 40%

deemed virtual events something they participated in 2020 that was **more meaningful** to them than years prior.

Many young people will continue to use virtual environments to build communities and meet new people. This is a benefit often overlooked. The most successful experience providers interact directly with participants, creating an invaluable feedback loop and deepening the relationship.

A big reason why some brands fail in virtual settings is because they're not speaking to the audience that's already on that specific platform. It's like this: a brand comes into a house that's already built up, and tries to put in its furniture - furniture that doesn't even fit through the DOOR. And then they set it up and they're like, "why isn't anyone sitting on my furniture?!" That's because not everything that's good will translate. There is a strong community on these platforms and they all speak different languages from each other, but the voices within each platform are very nuanced and organic/authentic... audiences can tell when brands simply buy in.

– DERRICK CHEUNG Nightlife Curator / Community Builder / DJ / Model **66** VIRTUALLY, WE HAVE BEEN ABLE TO HEAR MORE FEEDBACK FROM OUR COMMUNITY. AT A LIVE EVENT, YOU'RE SORT OF RUNNING AROUND MAKING SURE EVERYTHING'S RUNNING SMOOTHLY. YOU'RE NOT LISTENING TO THE AUDIENCE THE WAY WE'VE BEEN ABLE TO LISTEN NOW.

- STEVE BRAINZO, CEO, The Weird & The Wonderful & HE.SHE.THEY

**55** THE GREAT THING ABOUT OUR COMMUNITY IS THAT WE'RE ALWAYS TALKING TO THEM SO WE CAN ASK THEM WHAT THEY WANT.

- IMANI ELLIS,

Founder & CEO, The Creative Collective



# **O2 PURPOSE**

### Making a bigger impact

Being trapped indoors, and often inside their own minds, forced young people to imagine an escape. This escape was often found through meaning. They escaped uncertainty by inquiring and pursuing their life's purpose. They escaped suppression by elevating their voices and values. They escaped isolation by connecting in more meaningful ways with one another, with their communities, and with their world.

Moving forward, the greater purpose behind an event will be pivotal in order for it to truly matter. Young people will intentionally choose experiences that have a clear mission, or ones that help them advance their own. It must offer the consumer more than just something to do, but something to learn, take action, or grow from. This means the experience can't just be about the impact on the attendee, but the impact on its community, the environment, and in some cases - the world.

#### THIS ••• YEAR C **[]**]; P -SCONSI R **D** O S = **D** R SEETHAT PURPOSE-DRI TIAL AS WELL. EXPERIEN

– LAUREN AUSTIN, CHIEF CREATIVE OFFICER, MKG

### **NEW PERSPECTIVES** 02 PURPOSE

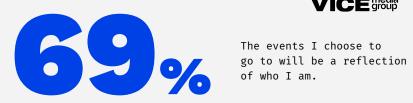
## EVENTS WILL HOLD A MIRROR TO CONSUMER IDENTITY

Young people, and Gen Z in particular, are proving to be the most self-aware generation to date. As they've deepened their understanding of themselves, they've also prepared to share that with the world. Young people know who they are and what they stand for, and will make decisions in alignment with that.

Many young people already believe that the events they go to say something about their interests, personalities, and lifestyle choices. As they return to live experiences, they will even more carefully curate their participation based on how the experience reflects on who they are and inspires who they want to become. People love to collect experience. We seek transformation and growth and new experiences give us that.

– LAUREN AUSTIN Chief Creative Officer, MKG







Whether intentional or not, the events I go to say something about my...



Interests Personality Lifestyle Choices

**66** I expect to see even more interest in young people to join a call to action. I think they will gravitate toward events where they can express their identity through a particular cause and share that through social media.

CHRISTINA LYONS, Program Chair, Graduate Exhibition & Experience Design, FIT

## 6 EVERY EVENT THAT WE DO, BY'S MORE THAN JUST A PARTY. IT'S A PARTY. BUT IT HAS VALUES.

– STEVE BRAINZO CEO, The Weird & The Wonderful & HE.SHE.THEY

### NEW PERSPECTIVES 02 PURPOSE

## A NEW LENS ON SOCIAL MEDIA

Attending events with a more intentional focus on identity and purpose means that what young people share on social media from those experiences will be more intentional too. This significantly increases the importance of social media in experiential settings.

#### Sharing experiences will no longer be about what they look like or where they go, but who they are and why they

**participated.** Social media won't be used to filter reality, but to share raw, unfiltered life experiences. By doing so, they feel more vulnerable and authentically connected, and are able to see one another for who they truly are and what they stand for.



believe social media will play a **BIGGER** role at events.



believe social media will play a **MORE IMPORTANT** role at events.





– CHAD ISSAQ EVP Partnerships, Superfly

i BELIEVE THAT SOCIAL MEDIA'S ROLE WILL CHANGE BY PEOPLE BECOMING AWARE AND REALIZING THE POWER OF WORDS, IMAGES AND OPINIONS THAT MOLD OUR REALITY.

> - BHAWIKA MISHRA Grad Student, FIT Exhibition & Experience Design

## **66 IT'S NOT ABOUT 'HOW DO I LOOK?' BUT 'WHAT AM I GOING TO CONTRIBUTE?' >>**

– ANDRE PINARD, <u>Director Communities, Mindset</u> & Culture, Adidas

# NEW PERSPECTIVES

Freeing their inner child

Having lived through some of the most tragic and challenging events of human history, it is safe to say that young people, inevitably, grew up fast. Experiences offer them ways to revive their inner child and relish in much needed play. With a laser focus on emotional wellbeing, young people will appreciate space to let their spirits run free, because it's fun, but also because they know it's good for them. Exploration, fantasy, and sensorial environments will be major attractions in the experiential economy of the future.



### **NEW PERSPECTIVES 03 PLAY**

## **SEEKING A** SENSORIAL PLAYGROUND

While young people are predominantly mission-driven and goal-oriented, they also understand the value of counter-balancing that with mental rest and rejuvenation. Experiences will offer them opportunities to untether their focused minds. They provide opportunities to explore new worlds, immerse themselves in sensorial environments, and embrace playful energy.

### What makes an experience fun:



### **EXPLORATION**

- Travel to an exciting destination
- Explore a cool venue
- Be in a beautiful / thoughtfully designed environment



### IMMERSION

- Feel the vibe/positive energy
- Experience something with all 5 senses
- Make something I can take home



### PLAY

- Dance Sing



### **5** YOUNG PEOPLE ARE GOING TO SEEK ART AND CREATIVITY AND THINGS TO LOOK AT BECAUSE THEY'VE BEEN MISSING IT FOR SO LONG.

– <u>DERRICK CHEUNG</u> Nightlife Curator / Community Builder / DJ / Model

### THE GOLDEN RULE OF EXHIBITION AND EXPERIENCE DESIGN IS: NEVER DESIGN ANYTHING IN SPATIAL ENVIRONMENTS THAT PEOPLE CAN DO AT HOME.

- CHRISTINA LYONS,

Program Chair, Graduate Exhibition & Experience Design, FIT



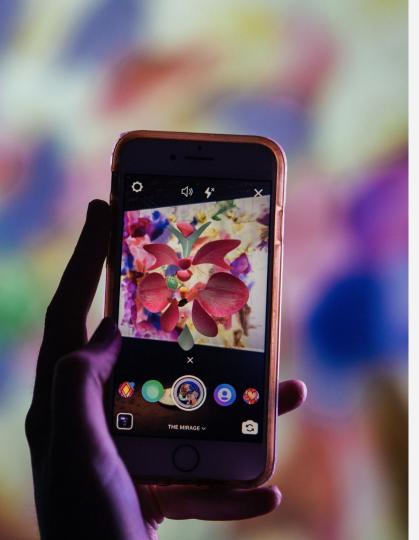
### **NEW PERSPECTIVES** 03 PLAY

## VIRTUAL WILL ELEVATE IRL

While the experiential industry will largely benefit from the reach and consumer engagement offered by virtual extensions, it will also be challenged by it. Access was already an unspoken motive for young people to hand over their credit cards; they craved the coveted, exclusive experience. But with virtual events opening doors to wider audiences, the in-person experience will have to offer something greater.

This means the **destination**, **design**, **and details of the environment** will play a more important role. It won't just be about giving them something to look at, but something to partake in with all of their senses. The intentional details - a scratch and sniff installation or message on the bathroom mirror - will make the in-person experience irreplaceable.





66 When we go to live events, we are looking for deeper connectivity with both the content and the people we go with.

#### KEITH COMLEY

Grad Student, FIT Exhibition & Experience Design

Virtual events...

are more **accessible** for those who can't go in person.



are convenient/give the attendee more control.



encourage more diverse/global conversations.

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**KEY TAKEAWAYS** 

### **56 FIND WAYS TO ENHANCE** PEOPLE'S LIVES. MAKE IT MAKE IT FASTER, **BEST SELF**

– ANDRE PINARD, Director Communities, Mindset & Culture, Adidas PEOPLE

PURPOSE

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### **KEY TAKEAWAYS**

## MAKING CONTACT WITH BRANDS

BUILD A SENSE OF BELONGING – Welcome guests as they are. Invite them to be their most authentic selves and share that with others. Offer personal interactions with event hosts, facilitators, etc., creating a more intimate sense of community.

TAP INTO YOUR VIRTUAL COMMUNITIES – Leverage the virtual landscape the same way as your consumers: to build community and meet new people. Get to know your attendees by asking questions, observing behaviors, and noticing what inspires a sense of belonging.

MAKE A MEANINGFUL IMPACT – Be clear on your brand's purpose. Consider the wider impact your experience has on the attendee, culture, and environment. Offer ways for the attendee to participate in a greater mission or pursue their own.

GIVE THEM A MESSAGE (VS. A BACKDROP) TO SHARE ON SOCIAL – Create content opportunities for the new, unfiltered lens of social media. Give them a story to tell about why they were there and what their experience stands for.

FREE THEIR INNER CHILD – Create a space that takes them on an imaginative, sensorial journey. Build a playground that ignites the spirit and inspires exploration, immersion, and play. Ultimately, have fun!

**ELEVATE THE IRL EXPERIENCE** – Ensure the IRL experience offers something unique and differentiated from its virtual extension. Be intentional with how the details of the design, destination, and opportunities for face-to-face connection make the in-person experience irreplaceable.

For more insights, please reach out to: <u>informationdesk@vice.com</u> For questions on VMG Experiential, please reach out to: <u>katherine.tooley@vice.com</u>

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