



# A retail marketer's guide to satisfying experience-hungry shoppers



# What's inside

Introduction	3
Shoppers want more personalized interactions	4
Gaming features drive shopper engagement	7
Consumers are eager to shop with AR and VR	10
NFTs and the metaverse pique shoppers' interest	13
Brands in China are leading the way	16
Key takeaways	17

# Introduction

As commerce continues to evolve into an integrated mix of online and in-person shopping, it's becoming harder for brands to reach new audiences and stand out on the digital (or in-store) shelf.

Gone are the days when offering a stellar product is enough to lure and satisfy shoppers.

What shoppers want now are memorable and unique experiences. So, it's up to brands and retailers to rise to the occasion and adapt to the experience economy.



**The term “experience economy,” first coined by the *Harvard Business Review* nearly 25 years ago, refers to an economy where goods and services are combined and sold to create a memorable experience.<sup>1</sup>**

Many consumers—especially ones from younger generations—seek out experiences from brands. Three-quarters (75%) of millennials say they actually value experiences over things.<sup>2</sup>

And social media is adding fuel to the experience economy fire. 🔥

Whether it's a visit to the trendiest new restaurant, a trip to Paris, or a favorite new outfit, the “pics on social or it didn't happen” trend always applies.

Posting social images helps consumers connect with friends, influencers, and brands. Nearly half (49%) of millennials admit to attending events just so they have something to share on social media.

But when it comes to shopping, experiences matter more than just about anything else.

Almost all (98%) of consumers value experience over price in certain instances.<sup>3</sup>

So, how can you act on the experience economy and deliver the experiences that shoppers crave? What technology or programs should you prioritize?

This guide offers a unique perspective to help brands navigate the experience economy. It explores five shopping experiences consumers value, as well as how brands are adapting their marketing strategy to satisfy experience-hungry shoppers.



**98%**  
**of consumers value experiences over price in certain instances<sup>3</sup>**



# Shoppers want more personalized interactions

Personalization refers to leveraging customer data to get to know shoppers and deliver tailored messaging about the products and services they care most about. Shoppers are increasingly willing to share information about their preferences with their favorite brands in exchange for deals and exclusive offers. They appreciate brands and retailers that take the time to learn about their needs and take steps to meet those needs.

Consumers are also growing to expect personalized experiences.

25%

of consumers say they're interested in personalization in shopping<sup>4</sup>

Top-notch personalization drives more conversions, consumer engagement, and better business outcomes. The fastest-growing companies drive 40% more of their revenue from personalization than slower-growing organizations.<sup>4</sup>

## What kind of personalized experiences are shoppers looking for?

### Loyalty programs

Discounts, free samples, and exclusive access from brands via loyalty programs encourage shoppers to become repeat customers.

Most shoppers (80%) have spent more money with a brand to unlock a reward.<sup>4</sup>

### Personal one-to-one communication

Shoppers want brands to know them. They expect product recommendations, tailored messages (especially via email), targeted promotions, and recognition when they reach loyalty milestones.



70%

of millennials find irrelevant emails from brands frustrating<sup>5</sup>



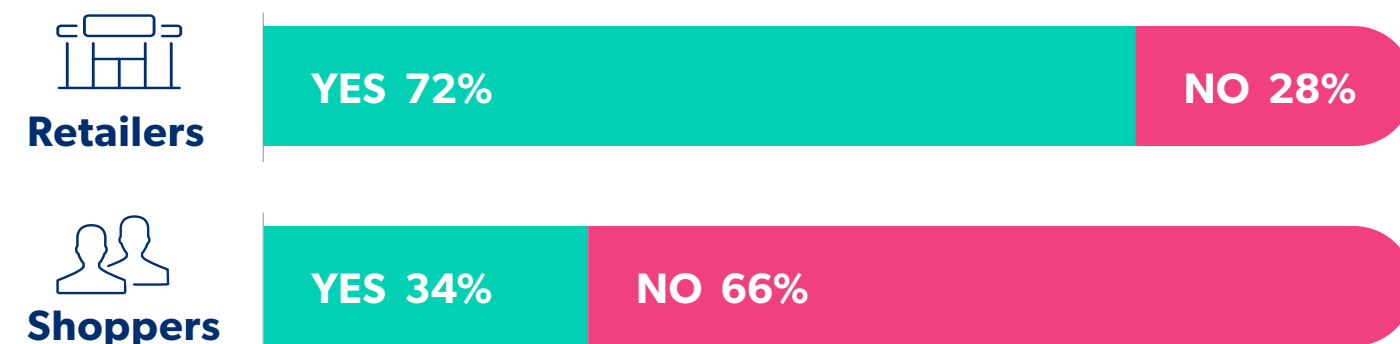
# How marketing teams are prioritizing personalization

Nearly 40% of marketing decision-makers ranked personalization as the most important consumer experience in the next year. But there's still a gap in perception between brands and shoppers.

While 72% of retailers believe they're excelling at personalization in their marketing, just 34% of customers agree.<sup>6</sup>

Shoppers and brands also disagree about the importance of personalized email communication. Nearly one-third of shoppers (32%) say personalized emails are important, compared to only 8% of brands.<sup>5</sup>

## Are retailers excelling at personalized marketing?<sup>6</sup>



## Areas of opportunity for brands

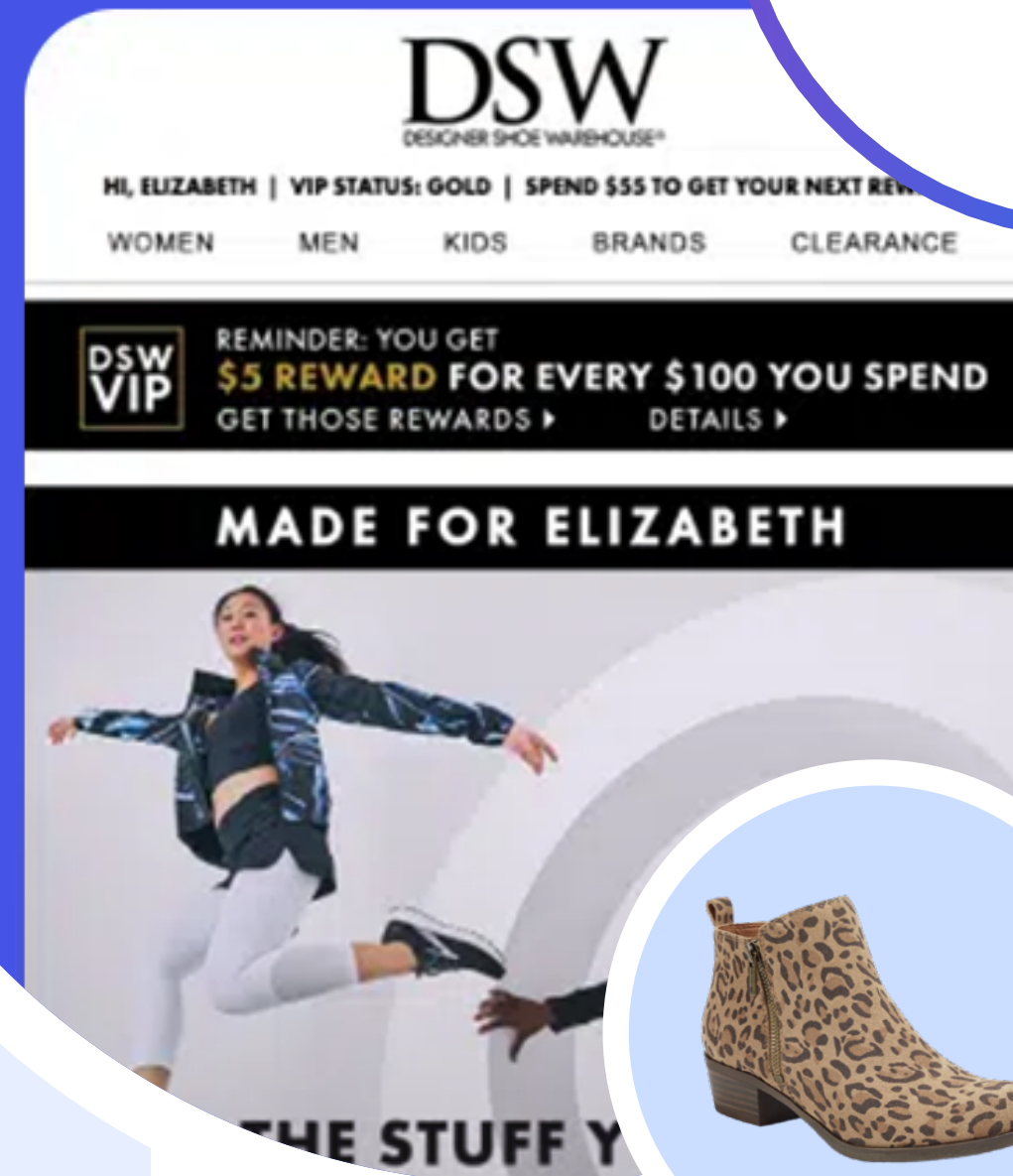
- 01** Re-examine personalization efforts to better align with shoppers' preferences
- 02** Focus on delivering the right content through the right channel at the right time
- 03** Use tailored offerings and purchasing incentives, like discounts, in exchange for personal information

👋 Hi Jamie! Digging the new hat?  
Check out shirts to match and take  
50% off as our way of saying "Thanks!"

# Brand spotlight: DSW

Any retailer or brand wanting to follow DSW's lead on personalization has big shoes to fill.<sup>7</sup> The footwear retailer's winning strategy blends in-store and online shopping experiences and personalized communications.

DSW®



The brand uses catchy email subject lines, like "Open for your midweek pick-me-up," to grab shoppers' attention and entice them to open the message. Each month, DSW sends VIP statement emails with personalized loyalty offers and reminders about how many points a shopper has earned.

DSW asks new customers to share details about themselves when they sign up for the loyalty program. The company uses that information to personalize content and offers.

These communications focus on personalizing the customer experience from the beginning and making shoppers feel appreciated and valued at each touchpoint.



# Gaming features drive shopper engagement

Have you ever thought about what makes games like Wordle so popular? They grab players' attention with a low learning curve and the ability to share their results—and earn some bragging rights. They're also just fun!

Incorporating gaming elements, like earning badges or scoring points, into shopping helps brands and retailers stand out in the experience economy. These features are memorable and boost shopper loyalty.

**70%** of shoppers want gaming elements incorporated into online shopping<sup>4</sup>

**42%** of shoppers want gaming elements incorporated into online shopping<sup>4</sup>

**36%** would like gaming elements while shopping in-store<sup>4</sup>

Gaming features also help attract younger shoppers. More than 80% of Gen Zers play mobile games often and 70% of millennials play daily. About 70% of consumers from both generations also shop via their phones up to four times a week.<sup>8</sup>

## What elements of gamification do shoppers care most about?

Unlocking a discount or reward is what shoppers see as the biggest advantage of gamification in shopping. Others want to join and engage with communities focused on products and brands or to connect directly with the brand.

**To unlock a discount, shoppers are familiar with gaming elements, like:<sup>4</sup>**

- Rewards programs 49%
- Watching an ad 46%
- Referring friends and family 43%
- Signing up for a newsletter 43%
- Engaging with brands on social 40%
- Playing a game 40%

Along with earning points or progressing through a reward program's tiers, shoppers enjoy visuals showcasing their progress like leaderboards or countdowns.

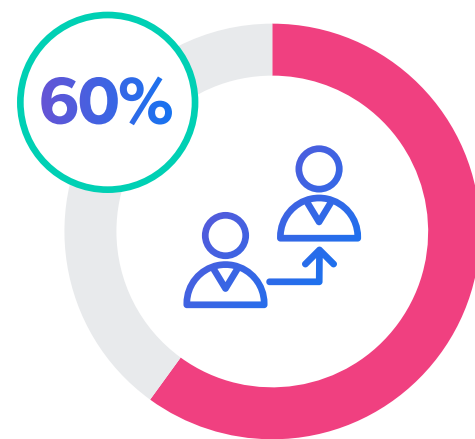


# How marketing teams are prioritizing gamification

Global brands see value in adding or upgrading gamification elements to reach shoppers in the experience economy.

Over half of brands are considering features to enhance the customer experience, like encouraging friend and family referrals and newsletter sign-ups to unlock rewards.

## What brands think will engage and entertain customers<sup>5</sup>



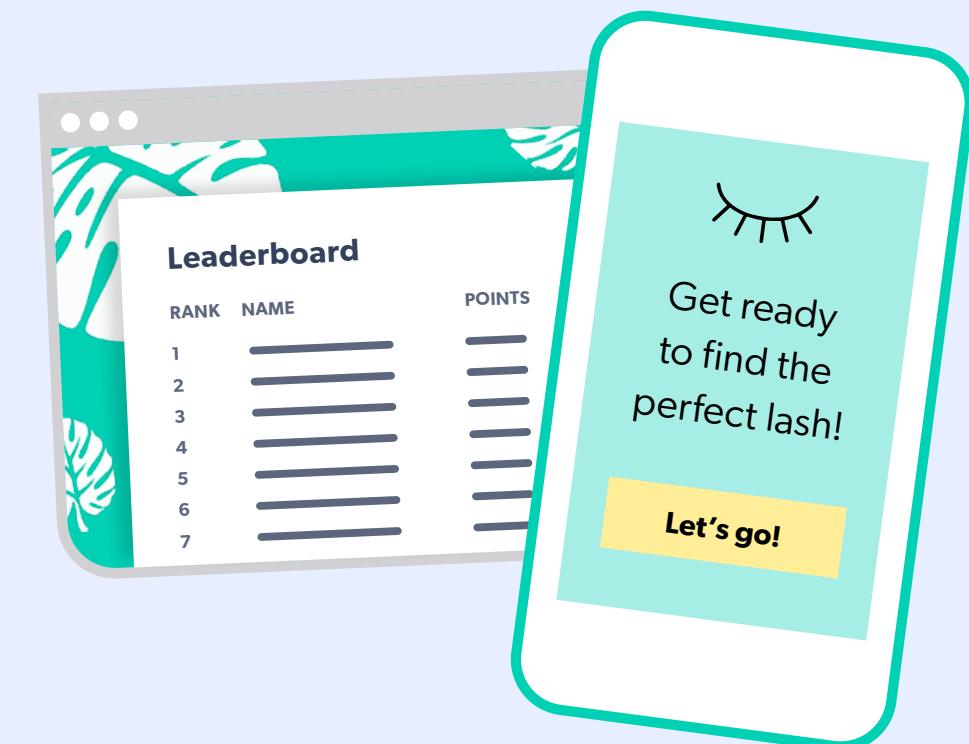
**Referring friends and family to unlock rewards**



**Signing up for newsletters to unlock rewards**

## Areas of opportunity for brands

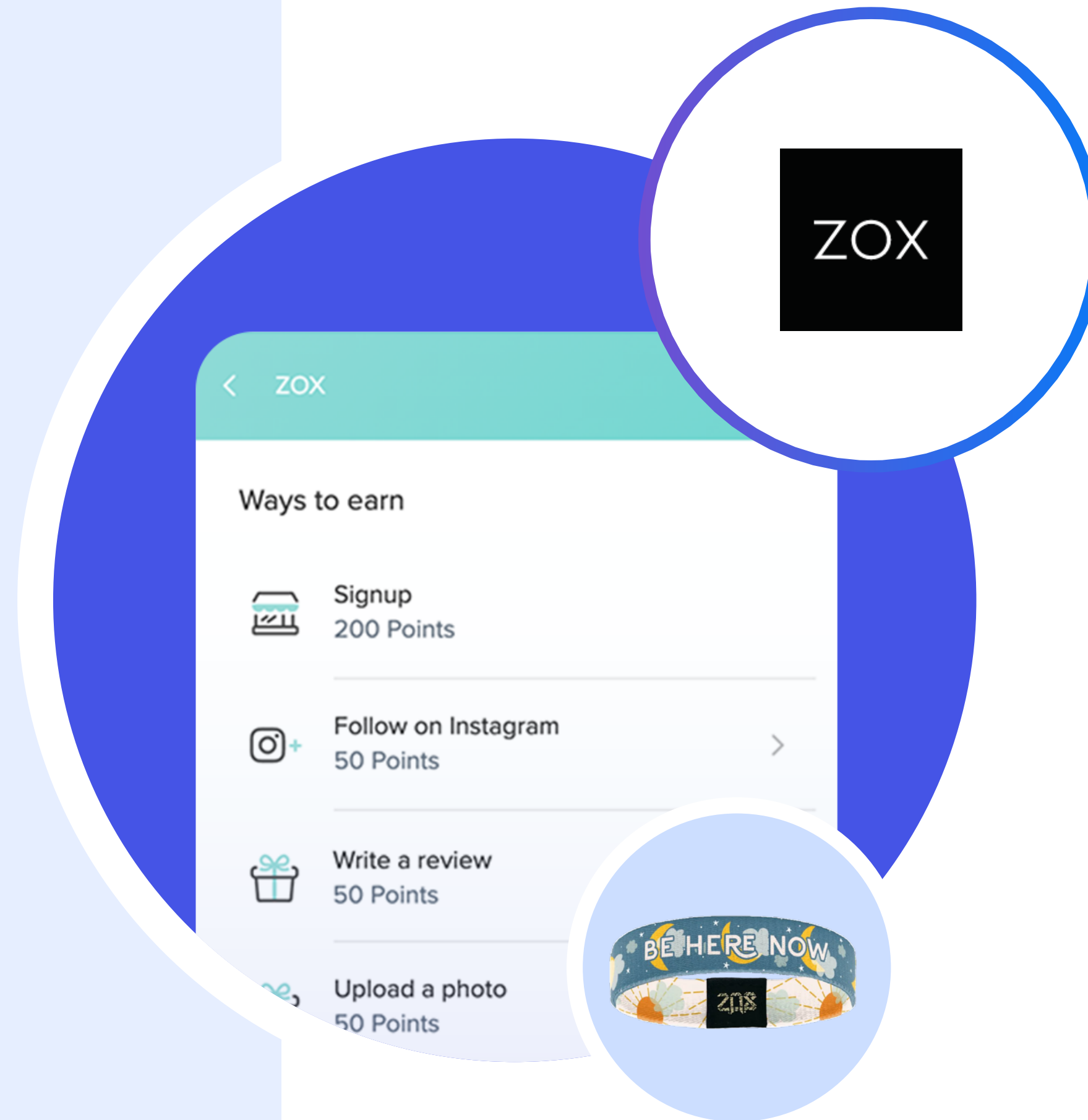
- 01** Let customers earn points for specific actions, like submitting a product review
- 02** Leverage online quizzes to engage and entertain customers—and collect data
- 03** Bring gaming in-store by featuring a loyalty program leaderboard





# Brand spotlight: ZOX

Self-described as “little hugs for your wrist meant to uplift and encourage,” Zox wristbands feature motivational words and sayings. The brand also gives customers lots of opportunities to earn rewards.



Shoppers can earn points for actions, like signing up on Zox’s website, liking the brand on Facebook, following Zox on Instagram and Twitter, writing a review, and submitting a photo or video. Points can be redeemed for discounts on orders. As they spend more, shoppers can progress through different VIP tiers.

Zox also offers clubs, where members can access exclusive sections of its website. Collector cards, exclusive designs, and limited-edition products are available, too. The brand also donates proceeds from sales to the Thirst Project, which promotes clean drinking water.

# Consumers are eager to shop with AR and VR

Augmented reality (AR) and virtual reality (VR) have most commonly been used in gaming. Remember the Pokemon Go craze? But, these technologies can be leveraged in the experience economy to give consumers a memorable shopping session.

When asked what shopping experiences they're most looking forward to in the future, 43% of consumers cited VR and 33% said AR.<sup>4</sup> This presents a major opportunity for brands to reach shoppers on mobile devices, which are most often used to access the technology.

42%

**of shoppers say they haven't yet used AR or VR while shopping<sup>4</sup>**

Of those that have used the technology, an equal number (35%) have used it in-store and online.<sup>4</sup>

The immersive experiences that VR and AR offer can create an emotional connection with consumers, boost sales, and drive brand buzz. Brands can experience 94% higher conversion rates when consumers interact with products linked to AR experiences.<sup>9</sup>

## What aspects of AR and VR do shoppers care most about?

Most consumers use AR and VR simply because it's fun. While the technologies' gamification properties are most widely known, 76% of people want to use AR as a "practical tool" in their daily lives, like shopping.

VR and AR have been most commonly used in shopping via virtual furniture tools, virtual fitting rooms, and virtual makeup tools.

### What shoppers are most likely to buy using AR and VR<sup>4</sup>

- Clothing 32%
- Electronics 19%
- Health and beauty products 14%

Consumers prefer to access AR and VR on their smartphones, followed by their laptops and tablets. Almost 60% also want to use AR and VR in stores.<sup>4</sup>

74%

**of consumers are excited that brands are enhancing online shopping experiences with AR and VR<sup>4</sup>**





# How marketing teams are prioritizing AR and VR

Many brands are already leveraging AR and VR, with about half of global brands (49%) saying they offer AR and VR experiences for shoppers.<sup>5</sup>

Nearly a quarter (22%) of brands don't offer AR or VR experiences but say they will soon.<sup>5</sup>

Social media is the channel that most brands are eyeing to offer AR or VR experiences to consumers. In-store experiences are the No. 2 choice for AR or VR.

More than half (60%) of brands plan to integrate either AR or VR technology into their in-store experiences.<sup>5</sup>

Are brands offering AR or VR experiences for shoppers?<sup>5</sup>



## Areas of opportunity for brands

- 01 Use AR or VR for brand storytelling to create an emotional connection with consumers
- 02 Explore opportunities to incorporate AR experiences with product packaging
- 03 Leverage in-store AR or VR experiences to entertain shoppers and drive traffic to digital channels



# Brand spotlight: TOMS

To showcase its mission, TOMS creates in-store VR experiences known as “Giving Trips.”<sup>10</sup> TOMS founder Blake Mycoskie said the campaigns give the customers the experience that they’re always asking for—to see the difference the company makes in real people’s lives.



TOMS embraces 1:1 marketing, where for every pair of shoes purchased, one is donated to someone in need. Through one VR experience, customers had the chance to travel to Peru to meet a child who received a pair of shoes through the brand’s giving strategy and see its impact.

The campaigns generate brand buzz for TOMS, positive brand recognition, and encourage consumers to purchase and engage with the brand on social media—and let them experience firsthand how they’re helping with each purchase.



# NFTs and the metaverse pique shoppers' interest

The metaverse and NFTs have made headlines and generated plenty of buzz recently. You've probably heard about Snoop Dogg's new music video shot in the metaverse<sup>11</sup> and seen other celebrities like Justin Bieber and Paris Hilton touting NFTs on social media.<sup>12</sup>

While just about everyone is aware of the metaverse and NFTs, not everyone understands them or how they work. This is an opportunity for retailers and brands to seize. These innovations are expected to play central roles in the shopping experiences of the future.<sup>13</sup>

Retailers and brands, including Gucci and P&G, are already embracing NFTs and the metaverse. But, there's still plenty of room for others to tap into these trends and reach shoppers looking for unique experiences.

## What do shoppers think about NFTs and the metaverse?

More than a third of consumers think they'll spend an hour or two a month shopping in the metaverse. The same number think they'll spend an equal amount of time each month shopping online or in-store. Shoppers view the metaverse as a place for retailers and brands to provide unique, memorable, and personalized experiences.

### Why will people shop in the metaverse?<sup>4</sup>

- 53% to try a new experience
- 45% to discover new products

### When will shoppers buy NFTs?<sup>4</sup>

- 76% will buy an NFT at some point
- 49% plan to buy one in the next 12 months
- 27% will buy one in the next few years

**70%**  
of consumers think the metaverse will bring greater personalization to shopping experiences<sup>4</sup>

# How marketing teams are prioritizing NFTs and the metaverse

Most marketers have a plan or strategy for how their brand will operate in the metaverse. Global brands view shopping as one of the most appealing elements of the metaverse. But, most say a realistic timeframe for offering shopping experiences in the virtual world is one to two years.

Nearly half of global brands (42%) plan to invest in media spend in the metaverse, and 32% will invest but not for at least 12 months.<sup>5</sup>

What's the most appealing aspect of the metaverse for global brands?<sup>5</sup>

- Networking and socializing 26%
- Shopping experiences 24%
- Community building 19%

About half of marketers have a plan for leveraging NFTs. More than a third will offer NFTs in the next 12 months. NFTs will be used by 48% of global brands to provide customers with special perks and promote brand loyalty.<sup>5</sup>

What's the most appealing aspect of the metaverse for global brands?<sup>5</sup>



**26%**

Networking and socializing

**24%**

Shopping experiences

**19%**

Community building

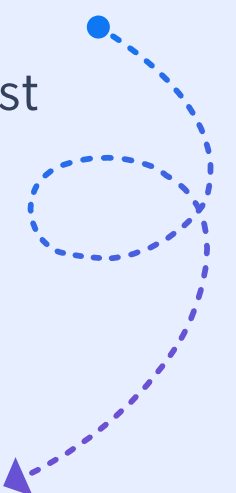
## Areas of opportunity for brands

**01** Experiment with your brand presence in the metaverse, even if it's sponsorship of an event

**02** Leverage NFTs in brand loyalty programs as a potential reward

**03** Consider polling fans to ask which brand experience excites them most in the metaverse

≡ Poll





# Brand spotlight: Nike

Several brands and retailers are already wading into the metaverse and offering NFTs. Nike is one that's leading the way.



In November 2021, the brand launched Nikeland, a virtual world that's home to Nike buildings, fields, and areas for players to compete in games like tag and dodgeball.<sup>14</sup> Nike also launched a virtual showroom, where users can dress their avatars in the brand's gear and browse the company's newest products, which are modeled after real-life items.

Nikeland has been a hit. Within the first few months of its launch, nearly 7 million users have dropped by its metaverse space.<sup>15</sup>

Nike also recently purchased RTFKT Studios, a company that makes NFTs and sneakers, and debuted a collection called CryptoKicks, which it auctioned off as NFTs.<sup>16</sup> The collection was customizable with shoppers choosing the color of the brand's iconic Swoosh logo, heel, straps, and tongue. The NFTs have sold for tens of thousands of dollars.



# Brands in China are leading the way

China is leading the way in digital shopping trends and adapting to the experience economy. The reason? Shoppers in China overwhelmingly prefer to shop online.

Globally, most shoppers still prefer to shop in-store at least sometimes. But in China, 54% of consumers would rather shop digitally and just 16% prefer physical stores.<sup>17</sup> In 2022, it's estimated that 46% of China's \$6 trillion-plus retail sales will come from online channels.



bazaarvoice®

## How are brands in China investing in the experience economy?



In China, 92% of brands are planning a strategic merger or acquisition in the next 12 months to take advantage of consumer experience trends.<sup>5</sup> That's significantly higher than any other market.

Brands in China are also more likely than those in other countries to be preparing for trends like the metaverse and NFTs. Nearly all brands in China have a plan or strategy for operating in the metaverse and leveraging NFTs over the next 12 months. A large majority (94%) of brands in China are planning to invest in media spend in the metaverse.

Nearly all brands (97%), plan to use NFTs to offer customers special perks and promote brand loyalty.<sup>5</sup>

Almost all brands in China already offer AR or VR to their customers. And, they're more likely than those in other markets to integrate the technology into in-store experiences.

Gamification is also being embraced at higher rates with 92% of brands in China saying "playing a game to unlock rewards" is the feature they're considering to enhance the customer experience.<sup>5</sup>

**To get a leg up in the experience economy, global brands can look to China to better understand which tactics work best to engage and entertain shoppers in their industry.**

# Key takeaways

Always think about how to personalize the shopper experience

Most consumers are interested in personalized experiences. Taking time to learn about and respond to their needs will boost sales and customer loyalty.

Experiment with new technology to engage shoppers in different ways

Shoppers are excited about using augmented reality and virtual reality in their shopping tools. These technologies give brands an opportunity to reach shoppers in unique ways.

Look to those who are leading in the experience economy

China is leading the way in digital shopping trends. Examine what tools the country's brands are embracing and implement them into your own strategies.

Get ahead by investing in emerging innovations

Shoppers are excited about the metaverse and NFTs. While some brands are already experimenting with these innovations, the field is open for new companies to jump in.

Find ways to make shopping fun

Shopping should be entertaining and adding gaming elements into commerce ups the fun factor. Gamification helps brands stand out while delivering unique experiences.



# Ready to position your brand for the future of commerce?

Bazaarvoice is co-creating the future of commerce with more than 12,000 brands and retailers (our clients). Meet shoppers where they are with the right content and product experiences to win on the digital shelf.

**Get started today**

bazaarvoice®





# References

1. Gilmore, James and Pine, Joseph “Welcome to the Experience Economy.” *Harvard Business Review*. July-August 1998.  
[hbr.org/1998/07/welcome-to-the-experience-economy](https://hbr.org/1998/07/welcome-to-the-experience-economy)
2. Grate, Rachel. “New Data on Millennials Reveals What Draws Them to Events.” Eventbrite. June 22, 2017.  
[eventbrite.com/blog/millennials-event-trends-ds00/](https://eventbrite.com/blog/millennials-event-trends-ds00/)
3. Bazaarvoice survey conducted by Savanta of 10,000 consumers in Australia, Canada, China, France, Germany, the U.K., and the U.S. 2022.
4. “70% of Millennials Dislike Irrelevant Emails.” Retail TouchPoints.  
[retailtouchpoints.com/resources/70-of-millennials-dislike-irrelevant-emails](https://retailtouchpoints.com/resources/70-of-millennials-dislike-irrelevant-emails)
5. Bazaarvoice survey conducted by Savanta of 197 decision-makers in China, Germany, France, North America, and the U.K. 2022.
6. “Retail Personalization Index 2022: Reshaping Retail.” Sailthru and Liveclicker.  
[sailthru.com/personalization-index/](https://sailthru.com/personalization-index/)
7. DSW Overview. Sailthru. 2022  
[sailthru.com/personalization-index/dsw/](https://sailthru.com/personalization-index/dsw/)
8. Baca, Lauren. “Who is the Modern Mobile Gamer?” Tapjoy. January 20, 2022.  
[tapjoy.com/resources/modern-mobile-gamer-5-year-anniversary-2022/](https://tapjoy.com/resources/modern-mobile-gamer-5-year-anniversary-2022/)
9. “The Next Inflection Point: More Than 100 Million Consumers Are Shopping with AR,” Snapchat. May 13, 2021.  
[forbusiness.snapchat.com/blog/the-next-inflection-point-more-than-100-million-consumers-are-shopping-with-ar](https://forbusiness.snapchat.com/blog/the-next-inflection-point-more-than-100-million-consumers-are-shopping-with-ar)
10. “In-store virtual reality with TOMS,” USA Today. August 13, 2015.  
[youtube.com/watch?v=NmYKrwEX9Mk](https://youtube.com/watch?v=NmYKrwEX9Mk)
11. Gilbert, Ben. “Watch Snoop Dogg go all-in on crypto and the metaverse in his new music video.” Business Insider. April 2022.  
[businessinsider.com/watch-snoop-dogg-new-music-video-crypto-nfts-2022-4](https://businessinsider.com/watch-snoop-dogg-new-music-video-crypto-nfts-2022-4)
12. Olen, Viviana and Harkins, Matt. “Celebrities love NFTs, Soon You Will Too.” Vulture. February 10, 2022.  
[vulture.com/2022/02/celebrity-nft-craze.html](https://vulture.com/2022/02/celebrity-nft-craze.html)
13. “The State of Fashion 2022.” The Business of Fashion and McKinsey & Company.  
[mckinsey.com/~media/mckinsey/industries/retail/our%20insights/state%20of%20fashion/2022/the-state-of-fashion-2022.pdf](https://mckinsey.com/~media/mckinsey/industries/retail/our%20insights/state%20of%20fashion/2022/the-state-of-fashion-2022.pdf)
14. Golden, Jessica. “Nike teams up with Roblox to create a virtual world called Nikeland.” CNBC. November 18, 2021.  
[cnbc.com/2021/11/18/nike-teams-up-with-roblox-to-create-a-virtual-world-called-nikeland-.html](https://cnbc.com/2021/11/18/nike-teams-up-with-roblox-to-create-a-virtual-world-called-nikeland-.html)
15. Sutcliffe, Chris. “Nearly 7 million people have visited Nike’s metaverse store.” The Drum. March 22, 2022.  
[thedrum.com/news/2022/03/22/nearly-7-million-people-have-visited-nike-s-metaverse-store](https://thedrum.com/news/2022/03/22/nearly-7-million-people-have-visited-nike-s-metaverse-store)
16. Brooks, Khristopher J. “Nike’s new NFT sneakers are selling for more than \$100,000.” CBS News. April 28, 2022.  
[cbsnews.com/news/nike-cryptokicks-nft-blockchain-metaverse-rtfkt/](https://cbsnews.com/news/nike-cryptokicks-nft-blockchain-metaverse-rtfkt/)
17. Lebow, Sara. “A glimpse into the minds of China’s shoppers.” Insider Intelligence and eMarketer. March 21, 2022.  
[insiderintelligence.com/content/china-shoppers](https://insiderintelligence.com/content/china-shoppers)



Thousands of the world's leading brands and retailers trust Bazaarvoice technology, services, and expertise to drive revenue, extend reach, gain actionable insights, and create loyal advocates. Bazaarvoice's extensive global retail, social, and search syndication network, product-passionate community, and enterprise-level technology provide the tools brands and retailers need to create smarter shopper experiences across the entire customer journey.

**BAZAARVOICE.COM**

**Making shopping smarter.**

© 2022 BAZAARVOICE, INC.