

Consumer Experiential Marketing's 10-Year Growth Streak to End in 2020, as Event Marketing & Sponsorship Revenues to Plunge 15.2%; But Long-Term Trends Favor B2C Events

After a decade of consistent growth, global experiential marketing revenues are headed for an unprecedented 15.2% plunge in 2020, as the COVID-19 blowback deals a punishing blow to consumer event marketing and sponsorships, according to new a report by PQ Media.

STAMFORD, Conn. ([PRWEB](#)) July 21, 2020 -- After a decade of consistent growth, global experiential marketing revenues are headed for an unprecedented 15.2% plunge in 2020 to \$71.32 billion, as the economic blowback from COVID-19 has dealt a punishing blow to consumer event marketing and sponsorships, according to new research released today by [PQ Media](#), the leading provider of media econometrics.

Despite the global pandemic upending the consumer event markets in 2020, secular trends driving brand marketer spending and consumer media usage favor experiential marketing in the years ahead, as branded entertainment and content marketing have become more important components of cross-channel marketing campaigns. Accordingly, consumer experiential marketing is projected to rebound in 2021 with 6.1% growth worldwide, according to [PQ Media's Global Experiential Marketing Forecast 2020](#).

This year, however, the damage wrought by the novel coronavirus in such a short period is unparalleled in the history of advertising and marketing. Among the hardest hit consumer event markets has been the United States – the world's largest market accounting for nearly half of total revenues – where no experiential channel or category was spared the deep impact of COVID-19 and its aftershocks, which PQ Media expects to result in a 15.2% drop in US revenues this year.

Both major experiential channels, including consumer event marketing and event sponsorships, and all breakout categories therein – such as sports & entertainment, arts & festivals, causes & associations, and mobile road shows & viral events, among others – have suffered under the weight of emergency restrictions, like home quarantines and social distancing, adopted worldwide due to the rapid spread of COVID-19. As a result, nearly half of the 700+ consumer events tracked across the globe were either canceled, postponed, or rescheduled for 2021, including many large sponsored events, such as global concert tours and sports spectacles like the Summer Olympics in Tokyo.

Dozens of local and regional fairs, festivals and other grassroots events endured the same fate, such as the Beale Street Music Festival in Memphis, which was cancelled for the first time in its 43-year history. Iconic annual music, entertainment, and sporting events (and entire league schedules) were also canceled, postponed, or rescheduled for next year, including SXSW in Austin, the Cannes Film Festival in France, and the NCAA March Madness basketball tournament. Even political experiential marketing felt the brunt of the pandemic, as local elections, campaign rallies and fundraising events were postponed or, in some cases, moved online with marginal success.

As of June 30, COVID-19 cases worldwide totaled nearly 10.5 million with well over 500,000 deaths. Particularly hard hit were five of the world's largest media markets, including the US, Brazil, Russia, India, and the UK, which together accounted for two-thirds of all reported cases. Most countries, states, and municipalities in 2Q20 limited public gatherings to 5-10 people and closed many venues in which live events are held, from

outdoor stadiums and concert venues to indoor arenas, auditoriums, and malls.

The flash flood caused by the global pandemic in the first half of 2020 is expected to squelch a decade-long growth streak in consumer experiential marketing, one of the media industry's most consistent growth sectors, which also happened to be uniquely vulnerable to all the key countermeasures employed by governments to slow the spread of the coronavirus.

Global experiential marketing growth outpaced that of overall advertising and marketing industry, as well as nominal GDP by 1-3 percentage points throughout the 2014-19 period. Experiential marketing revenues increased 5.6% in 2019 to \$84.07 billion worldwide. Consumer event sponsorships was the larger of the two major channels at \$44.66 billion, while live consumer event marketing grew faster, up 7.1%. US experiential marketing revenues grew 6.8% to \$40.37 billion in 2019, according to the [Global Experiential Marketing Forecast 2020](#).

“Experiential marketing has steadily become more important to brands over the past decade because live experiences, such as music festivals and sporting events, provide excellent opportunities to engage younger, more mobile and tech-savvy demographics, such as Millennials and iGens. In more recent years, event marketers have also developed improved metrics to gauge various aspects of live experiences,” said [PQ Media CEO Patrick Quinn](#). “In the years ahead, we expect to see brands move beyond one-time brand activations to evolve their relationships with target audiences and diehard fans by using advanced smart technology marketing, tracking, and analysis tools to create more branded experiences that bridge the physical, digital and virtual spheres.”

There were several glimpses of these innovative tactics in the first half of 2020, including music events that went virtual through online videogames like Fortnite and NASCAR races that took place in e-sports leagues. Another inventive form of experiential marketing this year were various brand sponsorships that were integrated into Zoom videoconferences, such as Burger King's free burger offers.

“The strong desire to gain brand awareness among target audiences, create positive brand associations and, ultimately, produce sales lift will continue to favor consumer experiential marketing in the post-pandemic era,” Quinn said.

About the Report:

PQ Media's Global Experiential Marketing Forecast 2020 is the 8th edition in our biennial Global Branded Entertainment Series, which also includes the [Global Product Placement Forecast 2020](#). Experiential Marketing is broken down by two major channels – Live Consumer Events and Consumer Event Sponsorships – and this year's edition includes breakdowns of these channels by multiple categories, including Sports & Entertainment; Arts & Festivals; Causes & Associations; Mobile Road Shows & Viral Events; Grassroots Events; and College, Malls & Nightlife.

All site licenses to the new Global Experiential Marketing Forecast 2020 include two deliverables:

*Core PDF Report, delivering 281 slides of comprehensive data, analysis, charts and graphs covering each country, platform, channel and category, as well as in-depth profiles of the top 20 global markets;

*Deep-Dive Excel Databook, providing 100+ spreadsheet tabs with 100,000+ datasets and datapoints drilling



down into each country, platform, channel, and category for the entire 2014-24 period, with 5-year forecasts.

To download a free executive summary, table of contents, and sample datasets from the new report, click this link: <https://www.pqmedia.com/product/global-experiential-marketing-forecast-2020>.

About PQ Media:

[PQ Media](#) delivers strategic intelligence, data and analysis to the world's leading media and technology organizations through annual media forecast reports, custom drill-down research and on-demand strategic consulting. PQ Media uses a proprietary econometric methodology to define, segment, size, analyze and project the growth of several hundred traditional, digital, and alternative media by country, platform, channel, and demographic.



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