How phygital marketing can boost your brand: 4 key benefits

The world of marketing is constantly evolving, and so are the expectations of consumers. Today, customers want more than just a product or service; they want an immersive and engaging experience that connects them with the brand on a deeper level. This is where phygital marketing comes in.

Temps de lecture : minute

18 May 2023

Phygital marketing is the integration of physical and digital elements in a marketing strategy, creating a seamless and interactive customer journey across multiple touchpoints. Phygital marketing combines the best of both worlds: the convenience and personalisation of digital channels, and the sensory and emotional appeal of offline interactions.

According to <u>analytics</u> by Google, 63% of shopping begins online, and 82% of customers will browse on mobile even while they're in a physical store, looking for reviews or deals even before speaking with a sales associate.

An advantage of using multichannel marketing was noted many years ago. In 2014, MasterCard's <u>data</u> revealed that omnichannel customers, who purchased from a certain retailer across multiple channels, had an average spending that was 250% higher than that of single-channel customers.

But why should you adopt a phygital marketing approach for your brand?

Here are four benefits that phygital marketing can offer you.

1. Enhance customer loyalty and retention

A phygital approach can enable you create memorable and meaningful experiences for your customers, increasing their satisfaction and loyalty. By offering them a consistent and customised experience across different platforms, you can build trust and rapport with your customers, and encourage them to keep in touch with your brand.

Starbucks is a textbook example of this. It uses a mobile app to offer rewards and discounts to its loyal customers, while also allowing them to order ahead and skip the line at its coffee shops.

2. Increase brand awareness and reach

You can expand your audience and attract new customers by leveraging the power of social media and word-of-mouth. By creating captivating and shareable content you can generate buzz and viral exposure for your brand. Done well, this is a chance for brands to experiments with entirely new ways to add an innovative touch to brand campaigns.

One successful case to mention is a phygital campaign by Nike called "Nike Unlimited Stadium". This campaign was created on the stadium in Manila, where runners could race against their digital avatars on a giant LED screen, while also sharing their results on social media.

3. Boost sales and conversions

Phygital marketing can help you drive more sales and conversions, providing your customers with more information and options to make informed decisions. By using data and analytics to understand your customers' interests and behaviour, you can offer them personalised recommendations that match their needs and wants.

A pantheon of mobile apps in the beauty industry immediately springs to mind, which illustrates the point far better than a lengthy discourse. For instance, Sephora uses its "Virtual Artist" app to allow customers to try on different makeup products virtually, while also providing them with product reviews and ratings.

4. Gain a competitive edge in branding

A combination of offline and online instruments in your marketing mix can help you stand out from the crowd and differentiate your brand from your competitors. By using cutting-edge technology and creative solutions to enhance your brand, you can create a distinctive brand identity and image that resonates with your customers. This approach can give you a massive strategic advantage over the mast majority of rival brands.

IKEA exemplifies the convergence of smart online and offline marketing tactics throughout the customer journey. Communicating and relating to customers, IKEA uses its "IKEA Place" app to allow them to visualise how different furniture items would look in their homes, using augmented reality.

Of course, these four benefits are not the only advantages that your brand can get by by adopting a phygital marketing approach. But the blend of offline and online strategies can create a holistic and integrated customer experience that delivers value and delight to your customers, while also boosting your brand's performance and image.

<u>Svetlana Stotskaya</u> is a consultant with deep expertise in strategic marketing and brand management.