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HOW MKG SURVIVED THE PANDEMIC—AND GOT STRONGER

MKG is 2023 A-List Experiential Agency of the Year

By <u>Jack Neff.</u> Published on March 13, 2023.



Lauren Austin, chief creative officer and Christine Capone, president, of experiential marketing agency MKG. Credit: MKG

The pandemic was a life-threatening experience for many experiential marketing agencies, but it ultimately helped MKG build a stronger business that combines physical and virtual events that lean more heavily than ever on social media.

COVID "broke our business, and the past three years we've been doing everything we can to build our business back up," said Christine Capone, president. "But what we did see is people miss gathering in a really big way. And the minute we were allowed to do it again, the floodgates really opened. Brands wanted to be out there saying something that was important, and they wanted an agency partner that could help them do that."

Not surprisingly, Meta was all in on combining physical events with the metaverse. MKG set up an experiential "brand reveal" to creators and the press at VidCon 2022, where Meta's Facebook, Instagram and augmented and virtual reality offerings showed up as one Meta with unified messaging.

That ranged from a Creators Lounge and Pool at the Anaheim Hyatt to an Instagram Night Out party. But it also included a surreal "metaverse meadow" with custom AR catwalks, a light-shifting stage and projection art. Of creators interviewed at the event, 93% came away with a more positive opinion of Meta.

MKG has "worked with every corner of Meta to understand the brand's ethos, our products and services and our priorities to create meaningful, impactful experiences," Cameron Mercer, Meta's director of experiential marketing, said in a statement.

The agency gets similar praise from another giant digital media client. "They understand our brand and have helped us as we've developed and evolved what a Google experience looks, sounds and feels like," said Michelle Z. Rosen Sapir, group business lead for brand and reputation events at Google.

For HBO Max, MKG promoted the second season of its series "The Flight Attendant" by creating and hosting The Preflight Lounge as a refuge during the Coachella music festival. It brought to life themes from the series, including wellness, mental health and sobriety aimed at cutting through the festival's "boozy noise."

And the agency reached beyond the festival via press outreach, influencer marketing, media via iHeart Radio and multicultural-focused social media. The activation contributed to a 2 percentage-point increase in awareness of the series among people ages 18-64 nationwide to 31%, according to MKG. That helped "The Flight Attendant" become HBO Max's top returning original series during its premiere week.

With the return of events such as Coachella in full swing, MKG has done well to never have fully shifted to virtual, said Lauren Austin, chief creative officer. "If you're in Japan and love sneaker culture and want to attend Comic-Con but can't, a hybrid experience is amazing," she said. "But it doesn't take the place of actual real-life experience. We never fully bought into it or pivoted our business, but we're a stronger agency going forward because we're able to create much more integrated experiences."

At the same time, the pandemic "allowed us to rebuild in a really smart way," Austin said. "We didn't go back to 2019. There was a point in time during the pandemic when we were only doing virtual digital experiences, and we made a point to really diversify our capabilities strategically."

MKG finished 2022 with 42% revenue growth to \$41 million, the highest for revenue and cash flow in its history. Eleven new clients generated 15% of revenue, including HBO, WMX, Beis, Spotify and the U.S. Tennis Association. Work with existing clients Meta and Google was ahead of the agency's goals by 92% and 42%, respectively.