

# GRAND SLAM



American Express wrote the playbook on keeping the event portfolio fresh

BY SANDRA O'LOUGHLIN

**COURTING FANS:** American Express this year enters its 20th year as a US Open sponsor.





It is a piece of plastic with a string of numbers and an expiration date stamped across the bottom.

For credit card companies, marketing is about humanizing the product and creating emotional connections that lead to preference. After all, most people have multiple credit cards in their wallets. Getting them to consistently choose the same one—that’s what it’s all about. How do you get people to realize that one card is different from all the others? That your card is worth the cost of an annual membership fee? That using your card leads to rewards, stellar customer service and special access to concerts, sporting events and exclusive fashion shows?

At American Express, experiential marketing has long been a driving force in making that connection and maintaining that purchase preference. The compa-

ny’s engaging campaigns have taken the concept of sponsorship, which 15 years ago entailed little more than naming rights and signage, to a whole new level. Its entertainment campaigns have changed the game. Amex retail programs generate lifts and the brand has long used singular event campaigns to drive both customer retention and acquisition at the same time. And make no mistake: the company ushered in the era of “digital plus live” amplification.

Despite its successes, Amex continues to raise the bar, defining and redefining experiential marketing for the rest of us.

Through partnerships with properties in three areas that its cardmembers are passionate about—fashion, sports and entertainment—Amex sponsors major events like the U.S. Opens for tennis and golf, the Ryder Cup, Fashion Week and the Tribeca Film Festival. Some

**TEAM AMEX:** The American Express Entertainment and Sports Access Team (From left) Carrie Hucko, Lauren Angeloni, David Eisenberg, Sheri Reagan, Rich Lehrfeld, Deborah Curtis, Alexander Chang, Michele Carr, Kecia Voorhees, Walter Frye, Susanna Courier and Caitlin Lowie



CHRISTOPHER LANE



**NICE SWING:**  
Amex sponsored an interactive PGA learning center, offered cardmembers handheld TVs and free golf lessons

of the on-site activities are free and open to all while other experiences are designed for card carriers only. Amex also sponsors its own proprietary events, such as its Unstaged concert series.

Now, through social media, Amex can amplify those experiences, extending the excitement beyond the music hall, runway and sports venue to reach people around the globe.

### THE EXPERIENTIAL EVOLUTION

It began 12 years ago when Rich Lehrfeld, now vp of global media, sponsorship and experiential marketing, returned to New York from a stint in London with the company and started engaging the entertainment space. At the time, Amex had relationships with SFX (later renamed Live Nation), US Open tennis and world golf championship properties, but not much more.

“The first thing I wanted to understand was the customer and the consumer and American Express’s role in helping deliver real value and service and benefits,” Lehrfeld says. “We did have in our event work a principle of delivering service and benefits in our golf platforms and our US Open tennis platform, but I wanted to overlay that on a value proposition. We had a good amount of data and analytics about how our customers were engaging with these things, understanding who they were and what these things were doing for them.”

Lehrfeld soon discovered that people who engaged with these programs were some of Amex’s best customers, and as they engaged their loyalty went up dramatically. “So my next thought was how do we grow to scale and make it part of a value proposition at American Express,” he says. “It makes it much more valuable and impactful if we can make this a part of our company, a part of the value that we provide every single day and not just a thing that sits out there with the US Open or our golf event.”

Amex, in alliance with SFX and Ticketmaster in 2000, launched “Summer Concerts in Blue,” a program that offered consumers using the new Blue from American Express card early access to tickets, killer seats and special experiences. An early on-sale for a summer concert series at Jones Beach Theater, in Wantagh, NY, which sold tens of thousands of tickets, was the first taste of success, an indicator that Lehrfeld was on to something.

Amex also produced one of the first large-scale proprietary events, a free concert in Central Park by Sheryl Crow & Friends, that included Eric Clapton, Keith Richards, Sarah McLachlan and others, also to promote the Blue card. The concert was “trimulcast” on FOX, the SFX Radio Network and on the web at blueconcerts.com. “We realized there is a place for partnering with incredible partners like the US Tennis Association, but also that we could create something on our own if we needed to in the right instance,” Lehrfeld says.

A third milestone in the sponsorship evolution in 2004 brought the US Open from Queens into New York City’s Rockefeller Center and Madison Square Park via public view-



**LOOKIN' GOOD:** Cardmembers view the catwalk from Amex's Skybox during Fashion Week.

ing events. Both locations became replicas of the Tennis Center with stadium seating, giant screens featuring live simulcasts and skills clinics and other activities. “We realized the live event experience didn’t have to be contained in that event,” he says. “We can bring it out in many different places and do many different things.”

Today, Lehrfeld runs Amex’s global media and global sponsorships departments, a team of about 24 people. Under his leadership, Amex has developed partnerships with the USTA, NBA, USGA, PGA of America, IMG Fashion Week, AEG Properties, Frontline Management and more. Five veeps report to him, including two on the sponsorship side, Deb Curtis, vp-entertainment marketing and sponsorship, who manages the areas of fashion, film, music, theater, family and culture, and Alex Chang, vp-sports and entertainment, who along with sports manages relationships with venues such as the new Barclays Center in Brooklyn, the United Center in Chicago, American Airlines Arena in Miami and Staples Center in Los Angeles.

There are so many programs and partnerships that Lehrfeld is reluctant to identify favorites (“They’re like my children,” he demurs), but he does point to the Tribeca Film Festival launch right after Sept. 11 as a special moment. “We had been looking for something to help downtown, where we are located, and had been doing programs to help the merchants there, but wanted something that supported the community and could be meaningful to our employees,” he says.

Fashion Week is another, which Amex has been engaging

since 2007 and is a natural fit with its female customer base and its retail merchant partners. “Our cardmembers were really desiring to have an intimate experience with fashion, and since Fashion Week is an industry event, we were trying to figure out ways we could deliver—in a more scalable way—access for them,” he says.

#### DELIVERING ACCESS

In the fall, cardmembers had access to the American Express Skybox at Lincoln Center, a lounge perched high above the runways of Mercedes-Benz Fashion Week hosted by former Vogue associate publisher Lottie Oakley, where attendees mingled with trendsetters such as chef Todd English and designer Naeem Khan. They could attend a cardmember-only fashion show featuring fashions by designer Rachel Zoe or meet-and-greets and beauty styling sessions with emerging designers such as Peter Som and Jeremy Scott. “That direct interaction between designer and fashion fan is very exciting and a value for both,” Curtis says.

That same focus—getting people into events and then providing the best experience possible—ties to sports as well. At last year’s US Open, Amex created 20,000 square feet of interactive fan activities. Attendees could have their tennis swing analyzed and receive tips on how to improve their game, play virtual tennis with friends, view live programming on an on-site full-sized tennis court, and more. Cardmembers received complimentary radios that offered live play-by-play commentary by tennis courts.



Ditto for the 2012 Ryder Cup, which took place at Medinah Country Club outside of Chicago where Amex sponsored an interactive PGA Learning Center complete with a golf fitness studio, complimentary swing analysis and a Ryder Cup museum. Card carriers at the golf event kept up to date with hand-held TVs or watched live broadcasts at the Cardmember Club with its view of the fifth hole tee shot landing area.

While early sale tickets are available to all cardmembers, those with premium cards get access to best seats and other on-site amenities. At the US Open, for example, Platinum and Centurion members could enter the American Express suite for a customized experience, perhaps watching the game with Chris Evert or John McEnroe. "It's not just about giving stuff away," says Chris Weil, chairman and ceo at 25-year handling agency Momentum, which oversees the music, entertainment and sports experiences, including those for high-level members and membership rewards activations. "Our job is to create value and service for the cost of membership."

And that's true even for sports and entertainment events held at its venue partners. Take the new, billion-dollar, 18,000-seat Barclays Center in Brooklyn, for example, where some people go for the Nets games and others for concerts by the likes of Jay-Z or Andrea Bocelli. "A big focus for us going forward is to provide a more consistent experience, services and benefits at the venue regardless of what they are there for," Chang says. "Today we help them with ticket access, and that is great, but we want to do more."

An integral part of the on-site experience is customer service, an opportunity to connect and engage one-on-one with cardmembers and prospectives. Since the end of 2011 and all last year, Amex's customer care professionals, as it calls its service reps, were on hand at Fashion Week, the US Opens for golf and tennis and the Ryder Cup to answer questions about cardmembers' accounts but also about the venue and the event. The customer care professionals were located in Amex's main sponsorship footprint but also in booths throughout the grounds of the events.

"We have people calling in millions of times per year and spend all this money on marketing and advertising, and here is this beautiful opportunity to have a conversation with them, not so much to service them, but to engage with them, to get to know them a little bit more, how they use their product and

**HIGH NOTE:** Amex's Unstaged digital music series showcased concerts by Coldplay, Usher and other artists.

make sure they are getting everything out of it that they can," says Valdy Dobrila, vp-customer experience at American Express World Service, its customer service organization. "We call it relationship care."

Dobrila says most of the stories that came out of these experiential servicing locations have been around issues that have nothing to do with Amex and its card products, but they solidify consumer loyalty to the brand. In one case, Amex helped retrieve the keys of a cardmember from a cab he took to the US Open; in another, it printed the tickets for someone who didn't even purchase them with an Amex card. "They see us in a whole new light, as kind of partners in life with them," he says. "They'll never think about trading from us."

#### ADDING DIGITAL, SOCIAL AND MOBILE

As Amex looks to take its events to the next level, that means, no surprise here, going digital. "Live is incredible, and we do a wonderful job with it, but you can only scale so much from a resource perspective and engage enough people," Lehrfeld admits. "The future for us and for a lot of people is in the digital, social and mobile spaces."

In a sense, then, the future is already here for Amex, as it has already incorporated digital elements into its sponsorship activations through content and special offers. At Mercedes-Benz Fashion Week this year, for example, its lobby display featured Instagram Towers populated with street-style images from photographer, illustrator and author Garance Doré. Fashion fans from around the country also submitted images via Instagram using #AmexFashion. At this year's US Open at The Olympic Club in San Francisco, a digital concierge provided Amex cardmembers a customized experience with suggestions on where to find the best action, concessions and course services, all based on personal preferences. Free US Open iPhone and Android apps offered live streaming of ESPN radio coverage, real-time scores, course information, social networking, news and photos. As the way that people engage with sports is changing, going beyond the TV screen to their tablet and live streaming, Amex is looking at digital extensions and complements to the sports experience via life

apps and second screen devices.

This last March, in a concert by Jay-Z at South by Southwest Interactive, Amex announced a social media marketing promotion called Sync that allows members to turn customized Twitter hashtags into savings from brands such as Best Buy, McDonald's, Whole Foods Market and others that load directly to their cards. The concert was broadcast live at [youtube.com/americanexpress](http://youtube.com/americanexpress) and on VEVO, but the only way into the live event was by engaging through Twitter. "Social media is where American Express cardmembers are, so we have to be there," says Momentum's Weil.

Besides Twitter, cardmembers also can sync their cards with Foursquare and Facebook to receive benefits. For example, those who spent \$30 on lunch at the US Open this past year, (which isn't hard to do), received a \$10 credit on their card.

But perhaps the best example is American Express Unstaged, a digital music series created in 2010 in partnership with VEVO and YouTube. Unstaged showcases artists with well-known filmmakers directing live streams of the concerts, which take place in landmark venues around the world. Spike Lee directed John Legend and The Roots at New York City's Terminal 5, Kenny Ortega directed Sugarland at New York City's Best Buy Theater, David Lynch directed Duran Duran at the Mayan Theater in L.A. A concert with Coldplay performing from a bullring in Madrid, directed by photographer Anton Corbijn, is the largest single artist music event in history, garnering 22 million views. Since its launch Unstaged has generated more than 70 million total views. And, in an interesting twist, artists are embracing Unstaged as a marketing platform to sell and distribute their music. Three of them (Arcade Fire, Sugarland and Coldplay) who performed as part of Unstaged during the week of their album launch, saw their albums soar to No. 1.

"What American Express has done in the music space has been groundbreaking and has changed the role that brands play in music," says Weil, citing its work from that first concert for Blue in 1999 to Unstaged. "It has stepped in where labels aren't anymore in promoting and marketing and connecting with fans."

As Weil puts it, it's all about creating genuine experiences. "It's not about Amex," he says. "It's Amex bringing interesting, new content that taps into our cardmembers' passion points, what they care about, and that is what gives Amex the right to have a conversation with them, as opposed to just pushing a message."

A concert in June featured Usher in a high-energy performance of his new album *Looking 4 Myself* that was directed by filmmaker Hamish Hamilton and live streamed from the Hammersmith Apollo in London. Fans could watch the concert on YouTube, on VEVO's free mobile apps and VEVO's Xbox Live app. But a new in-venue stage display with state-of-the-art LCD screens and new technology not only took this performance to the world, but also brought the world onto the stage as fans virtually appeared with Usher during key

moments of the show.

Before the show, fans could visit [amexunstaged.com/usher](http://amexunstaged.com/usher) to create a customized digital dancer featuring some of Usher's dance moves. A selection of these fan-submitted dancers then took to the stage in a two-way live and digital montage as Usher performed his hit single, "Scream." Fans also could submit questions to him at [americanexpressentertainment.com](http://americanexpressentertainment.com). Usher answered the question that received the most votes from Amex fans, and the winner received two tickets and backstage passes to an upcoming Usher performance. During the concert, select fan tweets containing #AmexUNSTAGED appeared in an interactive visual installation that reacted to Usher's dance movements on the stage display.

Post-show, Usher's performance was rebroadcast for 12 hours on YouTube, and fans could watch clips on Twitter and Xbox Live, via the VEVO app. As if that weren't enough, cardmembers could download a free copy of "Scream" and fans who registered for Amex's digital prepaid card Serve received a \$25 statement credit when they spent \$25 or more on their first purchase. Those who synced their Amex card with their Facebook, Twitter or Foursquare accounts at [sync.americanexpress.com](http://sync.americanexpress.com) also received savings.

"It is very easy to put a logo on something and call it a day," says Curtis. "For us, it really is all about the value we are bringing to our prospective customers, our cardmembers and the industries we serve."

So, what's in it for Amex? For one thing, the live streams also provide a communications platform for offers that consumers may want to take advantage of, such as free downloads or early ticket sales or opportunities to sync their cards to their social networks for savings and other rewards. And, cardmembers who partake in events and spend more on their cards are more loyal and better advocates and ultimately bring Amex to the top of wallet.

But it's not all about glitzy fashion shows and top-notch sporting and music events. In 2010, Amex launched Small Business Saturday, a program to help local retailers get people into their shops the day after Black Friday. Amex rewards its cardmembers with a \$25 shopping credit for spending \$25 in a single in-store transaction at a qualified merchant, creating a marketing engine for small businesses and, hopefully, more action at the cash register. This year more than 350 small business organizations supported the initiative and more than 50 chambers of commerce organized events and activities.

Still, for Lehrfeld, the No. 1 lesson learned in his tenure with the company is that it all begins with the customer. "It's not about pushing your brand in front of their face," he says. "It is about enhancing and benefitting their life, engaging and interacting with them when they are receptive, happy and open, bringing the physical and digital to life in a meaningful way where you create wonderful memories for people that they can share with their loved ones and friends. Focus on the customer and the consumer, and you won't go wrong." **EM**