FEATURE

A new age of storytelling

How digital reality could help marketers tell better stories

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BRAND MARKETERS KNOW emotional connection can drive business results and that good storytelling can be key to building emotional connections. Since time immemorial, stories have been at the core of our human experience, the tool we use to shape our identities and make sense of events and the world around us. When told well, stories can inspire loyalty and spark social movements; they have even been shown to change the very neural pathways in our brains.

Now, with the rapid advancement of digital reality, we appear to be at the beginning of a new era in storytelling. Through increasingly immersive and self-directed experiences, digital reality—augmented, virtual, and mixed reality, and 360-degree videos—is cracking wide open our understanding of storytelling due to its unique ability to merge the roles of the listener and the storyteller. As a result, the emotional responses have been shown to be much more powerful than any other storytelling medium that has come before. And while the elements that make stories resonate aren’t likely to change, for marketers to fully realize the opportunity digital reality presents, we may need a new storytelling language—one that deconstructs and recomposes the elements of story for this new and powerful medium.

Ultimately, digital reality could push us to tell brand stories even more through influence, than control. To navigate this shift, marketers will likely need a clearer understanding of the elements and layers within and around stories, so they can reconfigure how they apply them with digital reality. In this article, we aim to help marketers clarify their understanding of how some of the most powerful customer experiences relate to storytelling and how stories can build toward broader and more powerful narratives. We will then look at some examples of brands that are using digital reality storytelling to build their brand and deliver business results.

By forcing us to deconstruct our understanding of stories, digital reality may actually help us become better storytellers for our customers, no matter which medium we choose.

Unpacking the layers: Connecting experience, story, and narrative

“How do we tell a story for the audience when the audience is present within it?”

— Katy Newton, A Storyteller’s Guide to the Virtual Reality Audience

Because the customer is gaining increasing control of a brand story’s outcome through digital reality, marketers should become much more attuned to which stories their customers will want to complete, and then create experiences that help them get there. But first, what is a story, really? For this discussion, we define a story as a series of experiences that moves a person from one state—whether emotional, physical, or psychological—to another (see sidebar, “The connection between experiences, story, and narrative”). Traditional media has only allowed us to recount stories. Now, with digital reality, we can...
create stories that unfold in real time, where context matters and the participant can “tell their own story” in an interactive and immersive way.

Regardless of medium, experienced brand storytellers know how to align their brand with stories and larger narratives—systems of stories that establish broader meaning or identity. Digital reality takes this to another level of importance by merging listener and storyteller. So, to be successful in building brands with this medium, marketers will likely have to select experiences that can influence or fulfill a story their customer wants to participate in. Why is this important? Research has shown that the more closely connected a customer’s identity is to the brand, the more loyal they are likely to become.8

One example of this has been National Geographic. It has used virtual reality (VR) and 360-degree videos to drive its brand narrative of adventure and exploration. By creating a series of immersive travel experiences, National Geographic aims to turn its readers into the subject of the story. By delivering content that is less about relaying a reporter’s insights, National Geographic readers have the ability to develop their own through near-first-hand experiences—for instance, what it’s like to have an African elephant charging at them or coming up close and personal with a lion.9 And so, by turning their reader into the hero of their own stories through the use of VR, National Geographic tries to become a part of its readers’ identity—a powerful relationship with strong correlation to brand loyalty.10

In contrast, many brands today experiment with digital reality applications in ways that aren’t connected to a story. There are a whole host of filters and interactions available that have received attention due to their novelty—but making a splash in this way can only last for so long before your audience becomes accustomed to these experiences. That’s why, as Colum Slevin, head of AR/VR experiences at Facebook, says, “Storytelling, and not novelty or dazzle, is what’s going to drive us down the path to mass adoption.”11

Understanding if and how you’re creating the through line between experiences, story, and narrative

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**THE CONNECTION BETWEEN EXPERIENCES, STORY, AND NARRATIVE**

We understand storytelling in three basic layers: experience, story, and narrative. When carefully orchestrated, storytelling can build a powerful and authentic connection between your brand and your customer, no matter the medium or channel.

**Experience:** A lived event or moment within a larger story that can influence a story's outcome. Experiences that connect to a story are more memorable and more emotionally powerful.

**Story:** A linked series of events that takes a character from one state to another.

**Narrative:** A system of stories that links values and events to establish broader cultural meaning.

“For marketers, the hero in the Hero’s Journey is your customer. Think about how they traverse their world every day and what information they need to succeed and be the “hero” in their story, then use that to inspire your stories.”

— Brian Solis, author and analyst at Altimeter Group12
narrative is just one very important piece of creating powerful brand storytelling. But it’s not the whole story; in the next section, we will explore how to select the right stories for your brand to explore.

Brands beware: Stay true to the role your customer wants you to play

Creating experiences that place your brand within your customer’s story can clearly be powerful. However, just because you can identify the link to a powerful story doesn’t mean you should play a role in it. Identifying the right story and the right role for your brand to play within can be critical. Choosing the wrong story or the wrong role for your brand to play can appear tone-deaf, inauthentic, or (at worst) could turn a brand storytelling effort into a cringe-worthy viral sensation.

To avoid that, brands should select the story and role that they play based on three key qualities: credibility, permission, and authenticity.

CREDIBILITY: IS THE STORY/ NARRATIVE ONE THAT YOUR CUSTOMER BELIEVES IN AND FEELS PERSONALLY INVESTED IN?

The world is full of potential stories, and one step in identifying the right one for your brand is to find the stories your customer already cares about. By telling stories that demonstrate shared values between the brand and your customer, you build credibility. They can be personal stories that contribute to your customer’s identity. They can be institutional stories that show how a brand makes a difference in an area that customers believe in, the way TOMS used 360-degree videos to bring customers along to deliver shoes to children who needed them. They could also be social stories that align with cultural narratives, in the way Apple leveraged the powerful narrative of individualism in its iconic 1984 ad that is considered by many to be one of the greatest ads of all time.

Whatever the story, your target audience needs to believe in the value behind it—this is the first step.

PERMISSION: WHAT ROLE DOES YOUR CUSTOMER WANT YOU TO PLAY?

Of course, just because your customers care about a story does not mean that they want you to participate in that story. This is where it’s important to be realistic about the level of permission your brand carries. Recently, we’ve seen many stumbles as it’s become more common for brands to try and align themselves with social movements. Such attempts can typically be successful only when a brand has an authentic role to play—for example, Dove’s Real Beauty campaign aligned with the body positivity movement that has been growing over the last decade. By trying to position itself as a brand that contributes to self-care and aims to reveal inner beauty, instead of only surface-level appearance, their customers could resolve their own tension between the two messages circulating socially.

Finding the role your brand has permission to play can be easier when you remember that your customer is the hero of your brand narrative, not the other way around. And so, among the vast number of stories your customer cares about, recognize that positioning your brand in the hero role should be rare. Look for opportunities in those where your customer already sees you playing a supporting role—these will likely be more powerful.

Brands should select the story and role that they play based on three key qualities: credibility, permission, and authenticity.
AUTHENTICITY: IS THE WAY YOU’RE SHOWING UP TRUE TO YOUR BRAND AND ITS VALUES?

Even if you have permission to play a role in a customer story, that doesn’t mean that will help you build the value and narrative you are aiming for. In the drive toward customer-centricity, it can be alluring to chase whims of public opinion, but the long-term character of your brand should not be overlooked for shorter-term opportunities. It’s important to remember that brands need to create these narratives with consistency over time.

This is especially difficult to navigate when testing new channels for customer engagement. For example, should brands that normally have a high touch and personal buying experience create an augmented reality (AR) buying experience that may reduce that luxury feel? Or could they use immersive technologies to create an in-store experience that creates a new level of luxury and choice? Gucci’s spring 2018 campaign gave customers access to exclusive augmented and virtual experiences when they purchased an item at select stores. This was Gucci’s effort to maintain its exclusivity, while exploring new technology to build its brand story.16

This isn’t a perfect science. What is important to remember is that marketers should address how and where their brand shows up with care first and technology second. If only led by the possibility and the opportunity, without being conscious of the brand reputation, you might end up losing emotional connection instead of gaining it.

Digital reality: The empathy engine drives marketing results

When this technology is used in a way that is connected to story, it has been referred to by many as the empathy engine.17 And that seems to be driving results for marketers who are harnessing the powerful connection to story.

“It’s a machine, but inside of it, it feels like real life, it feels like truth.”
— Chris Milk, How Virtual Reality Can Create the Ultimate Empathy Machine18

Military recruiting. The US Navy used a VR experience to drive recruiting. Via a traveling trailer called Nimitz, recruiters offered VR experiences at school, community, and industry events, allowing potential recruits to experience what it’s like to be on a covert mission.19 The Navy reports that because of this experience, 20 percent of people who said that they weren’t interested in joining the Navy before the VR experience changed their minds afterward. In the time since the Navy began using VR, their potential recruits have reportedly doubled,20 demonstrating that offering a new personal experience can have the power to change how someone thinks of their future.

Charitable donations. Using empathy to help build connections between people whose lives are drastically different has been used by multiple charities to help drive donations. At the 2015 World Economic Forum, the company Vrse showed a film called Clouds Over Sidra, which allowed viewers an immersive experience into life in a UN refugee camp. The personal connection that viewers gained led to a reported US$3.8 billion in donations—and inspired the United Nations to launch a VR division due to its success.21

Behavior change. The Environmental Defense Fund (EDF) created a VR experience to help educate diverse audiences within the oil and gas industry on the steps they can take to reduce methane emissions, an invisible odorless gas thought to be responsible for up to 25 percent of global warming today.22 By putting individuals into a simulated environment, the EDF was able to contextualize complex information, make it more relatable, and thus more easily demonstrate some of the solutions. Isabel Mogstad of the EDF explains,
“Virtual reality is an incredible way to communicate technically complex global issues to a diverse audience. And creating that learned experience without words and really imprinting that message and that call to action through activity and through visualization really means that the takeaways from this experience are going back home with every user.”

**Furniture retail.** Even less immersive examples of using digital reality can have significant impact on the bottom line of a business when they are connected to a customer’s personal story. The online furniture retail sector in particular has been reaping benefits. Long challenged by the difficulty many customers have in imagining how larger products will look in their own homes, placing products via AR has provided an enormously successful solution. This experience is less simple than it may seem: It brings a product into customers’ everyday life, helping them to imagine it as a part of their home life where so much of their personal story plays out. Much like touching an object exponentially increases your likelihood of buying, seeing an object in your life also tends to increase your affinity and likeliness to buy.

The results of efforts like this have been impressive. The use of AR apps in this sector has coincided with a striking increase in online furniture sales—between 2018 and 2022, online sales for furniture are expected to achieve an annual growth rate of nearly 12 percent. This segment of the online retail industry has been slower to move toward online purchases, and it is thought that the rise of AR experiences has contributed significantly to this growth.

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**Unleashing the opportunity: Grounded in fundamentals, it may be time to experiment**

Digital reality storytelling is still very much in its early days, but it is already demonstrating big results for many marketers and businesses that are using this medium to build their brand. Compared to traditional media, stories told with VR are often rated to be more trustworthy, and that the more immersive the experience, the stronger the emotional reactions typically are to that experience. This holds a lot of opportunity for marketers. But of course, the danger of experimenting with new technologies is that if you aren’t thoughtful about the application, it can lead to damage. Therefore, a balance of brand storytelling fundamentals and a re-orchestration of its elements is important to be successful. And so, as you’re experimenting with this potential, remember to consider the following:

- **Be thoughtful in applying digital reality to a larger story.** Applications of new technology will in most cases be more impactful when they drive deeper connections through story, instead of relying on novelty.

- **Understand which layer of story you’re connecting to.** Are you telling the full story, or are you creating an experience that contributes to a broader story or narrative? Remember that experiences that don’t relate to a broader story can be considered a “gimmick,” and over time, they typically provide diminishing returns.
• **Make sure your customer has a reason to be invested in the story you are aligning your brand with.** Is this a personal aspiration, a cultural narrative, or a brand value that has a tribe behind it?

• **Don’t try to make your brand fit into a story or role it doesn’t have permission for.** Are you realistic about your brand’s role? Do your customers really agree? Are you being authentic to your brand?

• **Ensure that the way your brand is showing up aligns with the broader brand narrative, even if you might have permission to be there.** Is the experience you’re creating deterring from a core brand value, or building it? Experimenting with new ways of showing up is good, but it’s important to be conscious and monitor the results.

As digital reality technology matures, customers are expected to increasingly find themselves in the driver’s seat of brand experiences; marketers will likely find themselves in even less control of the stories they want to tell. Clinging tightly to the understanding that story should unite all your brand experiences could help maintain the guardrails that may be needed to explore the power of digital reality for connecting with customers.
Endnotes

18. Ibid.
20. Ibid.
21. Abe Streep, “Crisis and opportunity: How one VR startup is capturing the 360-degree reality of the world’s most vulnerable people,” Wired, July 15, 2016.
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25. Sonsev, “How augmented reality is giving furniture a boost in sales.”

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Digital Reality represents the next digital transformation. It changes how we engage with technology, through augmented, virtual, and mixed reality; 360-degree video; and immersive experiences that are at once intuitive and data-rich, and which put the human user at the center of design. For more information, visit us on https://www2.deloitte.com/us/en/pages/consulting/topics/digital-reality.html.
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