

AN e-BURST OF INSPIRATION FROM THE BEST BOOKS

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Foreword by Don Tapscott

# CROWDSOURCING YOUR BRAND

How to Tap Customer Desire



Press Delivers *elements*

FINANCIAL TIMES

# Crowdsourcing Your Brand

## *How to Tap Customer Desire*

**Barry Libert and Jon Spector**

There are several ways your company can tap the priceless desire of customers to expand your product or service base. Here are a few examples.

### MasterCard

The advertising side of marketing has also tapped the online community for help in selling services and products. A pioneer in that regard was MasterCard, which invited visitors to its Web site to create their own versions of the highly successful “priceless” ads. Winners have been aired on television and posted on the [www.priceless.com](http://www.priceless.com) site, where visitors are urged to vote for their favorites. Although no cash prizes were offered, the contest drew more than 100,000 entries.

A recent incarnation of the priceless promotion was a contest for college students, inviting them to write an essay and create a video about some aspect of their hometown that would make people want to visit. The winner was to spend the summer traveling around the world visiting some of these “priceless” places.

According to Joyce King Thomas, chief creative officer of MasterCard’s advertising agency, McCann Erickson, “The campaign was interactive from the beginning. People wrote their own posters, made their own films, and did parodies.”

Thomas and MasterCard could not have been thrilled by the parodies, thousands of which flooded Web sites; many of them were profane or obscene. “You’re tapping into that consumer desire to have a piece of it,” says Lawrence Flanagan, executive vice president and chief marketing officer at MasterCard worldwide. “You have to take the good with the bad.”

In another contest tapping the online community, this time sponsored by USA Network, visitors to the company Web site were urged to upload videos of themselves as potential characters on USA Network shows; the winner appeared in a commercial and in an online series. The goal, according to Chris McCumber, a marketing vice president, was to allow members of the network’s community to be “a part of the brand.”

### **Tap the Talent**

Any sizeable community has large numbers of talented people—writers, artists, photographers—who are eager to see their work on display. When they invited their communities to create and upload videos, MasterCard and USA Network were well aware that a substantial number of the entries would be of little quality and less value. But they wanted to get these contestants to help in the process of binding customers and potential customers to their products and organizations. And they succeeded.

## Narrow the Target

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To reduce the number of off-subject and off-color videos uploaded, Yahoo! reached out to customers of a particular brand rather than the whole world of its Web site. Yahoo! Music urged fans of Shakira to turn out their own version of her video “Hips Don’t Lie” and avoided the “priceless” problem. “I call it participation marketing,” says Cammie Dunaway, chief marketing officer for Yahoo! “Allow them to help you shape the brand experience.”

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*“Never write an advertisement which you wouldn’t want your family to read. You wouldn’t tell lies to your own wife. Don’t tell them to mine.”*

—David Ogilvy, Legendary Adman

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## Circuit City, Overstock.com, Macy’s, Sears, and More

The list of companies that have opened their Web pages to customer product reviews grows daily—and, on the face of it, that’s pretty strange. Question: Since when have business leaders been willing to countenance, much less sponsor, the appearance of negative as well as positive comments about their products in public? Answer: Since they began to recognize that their customers wanted to speak their minds about products they care about. And since they learned that authentic customer reviews lure serious spenders to their sites and increase sales.

One 2006 study found that 77 percent of Internet shoppers depended upon customer reviews, and half described the reviews as “critical” to their purchases. In other words, members of the communities of customers at these stores are telling other customers which products to buy, and the other customers are buying them—a prime instance of crowdsourcing as marketing tool.

Along with the proliferation of customer product reviews on merchant Web sites has come a variety of independent third-party sites that offer the same service. Each provides a somewhat different spin.

Reevo.com, for example, works directly with some of Great Britain’s largest online retailers, such as Dixons and Jessops. It contacts people who have made a purchase at one of those sites and asks them to give the item a mark from 1 to 10 in assorted categories of interest.

One of the charms of the Reevo site is that reviews on quality, ease of use, and the like are shown as they are written by the customer so the visitor gets all sorts of down-to-earth, practical comments—“The screen scratches very easily,” for example, or “The camera is a silly shape to have swinging round your neck.”

When we visited the site, we found that Colin of Newcastle Upon Tyne had given his new Samsung HDTV-ready, LCD model a 9 (as did seven out of eight others surveyed, by the way), saying the picture and sound quality were “excellent.” However, “by the time the TV [was] fully set up,” Colin warned, the “stand had become rocky even when [the] fittings [were] re-tightened.” Besides Colin’s Samsung report, more than 300 other television reviews were listed, covering 38 brands.

Clicking on “Vacuum Cleaners” brought up 116 reviews of 20 brands, including one by David from Glasgow, who wasn’t all that thrilled with the Bosch model he had chosen. David gave it a 3, citing a “poorly designed bagless dust box” that “clogs up very quickly (a sweet wrapper can foul it 100 percent).” He went on to say that the thing was “difficult to empty, and the plastic tags have broken already.” Other Bosch models ranked much higher with those who volunteered their opinions.

Reevoo emphasizes that, unlike product reviews on other sites, such as Amazon, its system virtually weeds out spam and overly flattering comments from the manufacturer disguised as unbiased customer comments. The company never pays its reviewers, on the theory that when money changes hands, bias can sneak in and compromise the quality of the appraisal.

Reevoo, which was founded in 2004, collects a fee from its partner retailers for being able to display the ReevooMark on their Web sites. As of spring 2007, the company had carried 60 million reviews and ratings.

Angieslist.com, based in Indianapolis, charges its 500,000 members \$10 to join and \$6 a month for the privilege of reading other members’ reviews of local service businesses, from plumbers and electricians to nail parlors and dogwalkers. It has chapters in more than 100 cities.

Other privileges of Angie’s List membership include a local monthly magazine (which evolved from a newsletter), discounts at some companies, and a call-in service to help find the right provider in an emergency, such as with a broken water pipe. On the basis of their individual experience, members rate a service provider from A to F on such factors as price, quality, punctuality, and responsiveness. They

also fill out reports describing the particular job, which can be most revealing. One comment by a member who hired someone to prepare a home for sale, including painting, plaster work, and new flooring: “What was to be a 3- to 5-day job turned into a 37-day nightmare.”

The founder of the site, Angie Hicks, has spent more than a decade organizing what she calls a homeowners’ grapevine online. When members are looking for, say, a roofer, they can click on that category for a list of local roofers that have been rated, along with such data as their current grade and whether they offer any Angie’s List discounts. Clicking on the individual company name opens a full profile.

## Honesty Pays

Enticing your online community to write customer reviews of your products can deliver a powerful marketing tool, but it can quickly turn sour if customers suspect you’ve planted all those positive reviews. Overstock.com had that sort of problem: Customer reviewers wanted to know why their upbeat comments were showing up on the site, but not their negative ones. It turned out that the critical comments were being deep-sixed by managers in charge of the under-the-gun product lines. (Incidentally, Overstock leveraged its review system by stocking up on and promoting items that got very high ratings.) If you open your site to customer reviewers, you have to be willing to take the negative with the positive—that’s the trade-off for gaining the trust and loyalty of your customers.

## Make Your (Multiple) Choice

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If you want to include customer reviews in your company's operations, you can go in two basic directions: Hire an outsider or go it alone. Using an outsider risks losing control of the process, so you would have to set up mechanisms within your company to closely supervise your supplier. Going it alone requires that you have employees assigned to your Web site who can be counted on to monitor comments for irrelevant or objectionable content while making sure not to lose negative reviews. The success of a review page rests in part on the clarity and completeness of the introduction and explanations. In that regard, we tilt toward getting best-practice advice from outside experts.

The growth and public popularity of customer reviews and the other examples of crowdsource marketing speak directly to a basic change in the nature of the relationship between you and your customer. The old commercial model in which you presented the products for sale and the customer simply chose among them is fast eroding. Today the customer is increasingly calling the shots. He telling the world whether he likes or hates particular products he's tried. If you invite him, he's also up for making a few suggestions on how you might improve a product. Tomorrow he will insist on your coming up with new products that precisely meet his taste, telling you how they should be marketed and distributed, and proclaiming how well you've handled those tasks.

You can try to hold back the tide, maintaining your old way of doing business. You can find out what the customer wants and provide it.



Or, best of all, you can determine where he's headed and get there ahead of him.



If you liked this Element, you might like the book  
by Barry Libert and Jon Spector, *We Are Smarter Than Me:  
How to Unleash the Power of Crowds in Your Business*

(Wharton School Publishing, ISBN: 978-0-13-224479-4).

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