marketing to a
COMMUNITY
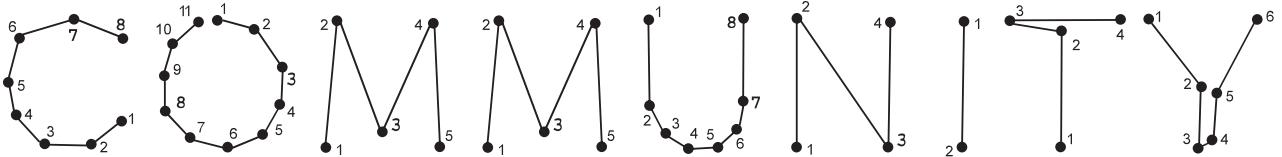
As more consumers connect to the social Web—and as their connections deepen and their interconnections multiply—they grow more powerful. A company pushing weak merchandise is far less likely to be able to hide behind catchy advertising and attractive packaging. The release of a bad product can be followed by a chain reaction capable of reaching millions of people—instantly. Bloggers post negative reviews, twitterers and Facebook users link to the posts from their profiles, and, before you know it, prospects are suddenly nowhere to be found.

The pen may have been mightier than the proverbial sword, but word of mouth can kick that pen's ass. Just ask executives at consumer-packaged-goods giant Nestlé (see "Crashing the Community," Insight, page 14). But does word of mouth end the age-old tug of war between buyer and seller? Have companies thrown their hands up in surrender as they pledge to forevermore release goods of exclusively high quality at exclusively low prices?

Keep dreaming. Consumers may own the conversation, but companies keep trying to control it. Instead of catering to the whims of the social Web, many companies have decided to create brand-specific online destinations where they're able to monitor (and, in some unfortunate cases, try

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BY JUAN MARTINEZ

to control) conversations about their own products on their own turf under their own rules.

According to research conducted by the industry trade group Word of Mouth Marketing Association (WOMMA), the average consumer mentions specific brands more than 90 times per week in conversations with friends, family, and coworkers. That frequency wouldn't matter much if recommendations didn't factor heavily into whether customers buy products, but a study taken by Econsultancy last year shows that 90 percent of consumers online trust recommendations from people they know; 70 percent trust the opinions of strangers. Applied to Facebook's 400 million users, that means approximately 280 million of them value the expressed opinions of people they don't even know. *[For more on the value of recommendations, see industry*

expert Paul Greenberg's Connect columns "A Company Like Me" (July 2008) and "Managing Social Customers for Profit" (August 2009).]

Companies have been monitoring conversations on the social Web—using products from vendors such as Radian6, Visible Technologies, Scout Labs, and Alterian—hoping to understand and capitalize on sentiment, but watching the conversation and responding to it someplace else (on Web sites, in commercials, via press releases, etc.) isn't fast enough to keep up. If businesses can't insert themselves into negative conversations immediately, the bad publicity will often "go viral"—spiraling out of control, "infecting" one community after another like a contagion. A product can be completely misrepresented (or accurately maligned more widely) by the time they act.

Branded communities are valuable because the information generated there is almost 100 percent

brand-specific, argues Aaron Strout, chief marketing officer of Powered, which builds and executes social media programs to address not only branded communities but also earned media, Facebook and mobile applications, and content marketing.

"In a brand-online community, the brand controls the terms, rules, regulations, and the flow of the conversation," he asserts. In Nestlé's case, he says, "the negative PR that swirled around from activity that manifested itself on a social channel [made it] hard to quickly get the troops amassed and figure out what to do."

Communities built by Powered, he says, help preempt negative publicity. "If you've been having a regular conversation with detractors, competitors, partners, and enthusiasts, and you've satisfied them by providing great content [within your community], all of a sudden you have people who feel that they have an inside track.

infiltrating the community

When customers gather in social networks beyond the brand's control, the marketing effort has to adapt

brand-online community is a great place for a company to engage consumers—but where does a marketer go when the opinions he seeks aren't those of brand enthusiasts? Monitoring social media sites such as Facebook or Twitter may be sufficient to judge customer sentiment; these sites can also provide companies a place to form fan pages and product groups. But companies monitoring these sites are engaging mostly with customers who already have some familiarity with their product. What's the alternative if the goal is to tap a new pool of prospective customers? A site such as Gather.com allows a company to gain access to and interact with customers who may fit its target demographic but may not have experience with its product.

Launched in 2005, Gather.com was originally intended as a social network

where people could connect around a shared passion. Unlike Facebook, which connects members with people they already know, Gather.com connects people based on their similar interests. The 8.1 million unique visitors each month—an 800 percent increase over last year—share expertise, advice, and views on a variety of topics, and are compensated for the content they provide based on popularity, according to the site.

With such a rapidly growing network, Gather.com is a prime spot for marketers introducing (or reintroducing) products. Although the majority of Gather.com conversations are not product-related, marketers have begun using the site to offer members free samples in exchange for honest feedback. The feedback provided by a Gather member is automatically shared with the member's friends, and if those people comment on that

feedback, *their* friends can also see the conversation, and so on, and so on.

"People like to try new experiences," says Gather Chief Executive Officer Tom Gerace. "We all love to learn about when our friends have good and bad experiences. This enables us to make better decisions in our own lives."

For marketers (and to satisfy the requirements of the Federal Trade Commission) Gather allows complete transparency between customer opinion and potential leads. The first paragraph any member publishes about a product must disclose that the member has been given a free sample or experience.

"Even if they've gotten a token freebie we want to make sure we're above board at all times," Gerace claims. "We want honest feedback—good and bad."

Several Gather campaigns have already produced results. Last year,

You can clarify what the problems [are]…. It's not you pushing your agenda—it's [others within] the community telling someone what they want to hear."

For Atkins, a company specializing in nutrition information, Powered helped create a brand-online community where customers can find everything from nutrition advice to Body-Mass Index calculators to product reviews. Strout recalls the original Atkins Web site as a flat learning center with an abundance of content but not a lot of conversation capability. Atkins customers had a propensity to create content, he says, so Powered decided to facilitate a blog in the hopes that Atkins could elevate the conversation.

"Powered's platform let us put up courses that people can interact with, provide answers to frequently asked questions, take quizzes, put up videos of how to do the diet correctly," says Allen Silken, Atkins' senior director of marketing . "They provide me with research

from surveys and studies they conduct that tell us what people are saying about certain products."

Like Strout, Silken also uses a militaristic metaphor to describe members of an online community. His customers, he says, are the "army of advocates" that are the support system for Atkins' marketing efforts—and there's no better marketing campaign than real users coming back and providing testimonials of weight loss.

But as staunch as their support can be, customers can also tell businesses when their products aren't meeting expectations.

"Make a mistake and they'll tell you everything you're doing wrong," Silken says. "They tend to rise up and vocalize it."

Dell Online is perhaps the brand-online community most accommodating to user suggestion (and correction). Noticing as far back as 1995 that customers on AOL and CompuServe were having conversations

Gather ran a promotion designed to drive awareness of Del Monte canned fruits and vegetables, and generate conversations aligning the brand with messages of nutrition and value. For the campaign, Gather created a sponsorship within its "Family Channel," the site's primary destination for everything family-related; identified appropriate members to participate in Del Monte product reviews; and included brand messaging of nutrition and value in a series of discussions. By the end of the promotion, the campaign produced more than 4 million ad impressions and more than 1.6 million engagement impressions of branded programming content, and Del Monte saw purchase intent grow by 38 percent (in a survey conducted by Gather).

Stouffer's saw similar results from its Gather campaign, a promotion designed to increase awareness; position Stouffer's as a great-tasting, time-saving option for dinner; and integrate the brand into Gather.com conversations in fun, relevant, and believable ways. In order to achieve

these goals, Gather created discussion topics related to key positioning elements of the Stouffer's campaign, including "special dinner moments" and "spending less time at the stove and more with your family." Gather also distributed store coupons to members who then published their

"WE WANT HONEST FEEDBACK—GOOD AND BAD."

reviews on Gather. As a result of the campaign, hundreds of members discussed positive experiences with Stouffer's and recommended favorite entrees. Recommendations showed up in member feeds more than 800,000 times. Stouffer's also received more than 8 million impressions through run-of-site Gather.com ads, Gather emails, weekly newsletters, marketing modules, and branded content.

"Marketers have realized that when consumers have a conversation with or about a brand, that conversation

has a far greater impact on their purchase intent than if they simply see an ad for that brand," Gerace contends. "One of the most trustworthy methods of marketing is a recommendation from a friend. Brands that get into the discussion and get real people to talk about or with them in a visible space can have a meaningful impact on their results…and those conversations grow exponentially and that influence spreads."

Gerace acknowledges that Gather.com isn't the only place for companies to directly engage with, and market to, customers. He cites Best Buy Chief Marketing Officer Barry Judge and Scott Monty, the head of social media at Ford Motor Co., as successful examples of Twitter engagement.

"We've already been doing this," Gerace argues, referring to engagement marketing. "It's no different than when the butcher let you try a piece of ham so your mom would buy it, or when Baskin-Robbins gave you the sample spoon to figure out your favorite flavor."

about Dell products, the company decided it would rather have those conversations occur on Dell.com.

After first creating online support forums where experts engaged with customers who had questions or issues about Dell products, in 2006 Dell started getting engaged with outreach. The company was listening to customer conversations spanning the Web and was able to build a small team to reach out directly to those customers to connect, engage, and converse with them. In doing so, Dell was able to attract participation on its site, where a community took root—in fact, *several* communities. There's one for general consumers, for small businesses, for customers in the education market, and its largest enterprise customers. Dell claims to have made 3.5 million connections across the Web so far, and just one of its many virtual watercoolers—the online community forum—has more than one million members.

In 2007, Dell launched the Salesforce.com-powered IdeaStorm as "a way to talk directly with our custom-

likely to be relevant. Mehta calls the new feature a "really nice way to marry what the community wants to tell us with what we want to know."

Dell claims its community outclasses many others because customers feel no restrictions on their input. But any successful community also offers a sense of belonging. Mehta recalls a meeting Dell had with some of its community VIPs last fall. "We flew in people who've been on our online community forums for more than a decade," he says. "There were some people there who have helped 35,000 customers, and you can only imagine how many they've impacted by their solutions. We asked them why they do this. Now, some of them are still Dell customers, some have moved on [to other products], but [what we've found is that] they're still helping because there's still this underlying culture that sits within communities that's all about helpfulness and sharing."

A major factor in that culture is user-generated content that goes beyond responding to questions. "Our

"THE COMMUNITY IS NOT OWNED BY THE ENGINEERS BUT BY THE COMMUNITY DESIGNERS...[WHO] GROW WITH AND RESPOND TO THEIR COMMUNITY AS IT CHANGES."

ers," according to the Web site. The community was created to give customers a place to conduct online brainstorming sessions, to share ideas, and to collaborate with Dell. The company says its goal through IdeaStorm is "to hear what new products or services you'd like to see Dell develop. We hope this site fosters a candid and robust conversation about your ideas."

On IdeaStorm, members are allowed to view and post suggestions to Dell. They are also allowed to vote up or vote down what they like or dislike. In its three years, IdeaStorm has had more than 10,000 ideas posted and has, more impressively, implemented nearly 400 ideas. One example? "There was feedback from the Linux community for us to have an offering in that space," says Manish Mehta, Dell Online's vice president of global online. "We made changes in keyboard design and layout as well." *[For more on customer-driven innovation, see "Where Does Innovation Come From?" in The Innovation Issue of January 2010.]*

In addition to IdeaStorm, Dell introduced Storm Sessions in December 2009. Unlike IdeaStorm, which allows users to comment on anything and everything, Storm Sessions is more targeted. Dell posts a topic and asks customers for feedback. If Dell has a particular area it's interested in getting suggestions about it will send out a Storm Session to a particular segment of the community—the segment to which that Session is most

capability…lives within the Web site," says Sam Decker, chief marketing officer of Bazaarvoice, a provider of solutions for ratings and reviews. "When you see reviews or you see customer-generated Q&A or people sharing stories, we're behind the scenes…. And not just from a technology perspective. We do the moderation. We consult on getting more participation and on what to do with the content. We provide analytics, reports, and alerts. I often call what we do 'a Trojan horse for customer centricity.'" *[For more on user-generated content, see "Power to the People," December 2007.]*

Decker predicts that the successful manufacturer of the future will be the one that can collect, amplify, and act on user-generated content better than its competition can. Although many brands may have enough consumer enthusiasm and passion to warrant the effort required by a brand-online community, the reality is that 99 percent of customers are going to company sites to accomplish an objective. The goal of anyone involved in community-building is to find ways to make sure their customers achieve these objectives.

What should the ideal brand-online community comprise? John Kembel, vice president of social solutions at RightNow Technologies, has observed that most community platforms in the industry are built by integrating point solutions—a forum, an ideas application, and a blog. "I call that a Web suite of integrated apps,"

he says, adding that his company's offering is a true platform in that it actually incorporates the basic ingredients of community: "Memberships, networks, the ability to share info, run permissions—it's substantially more configurable, and the shape of the community is not owned by the engineers but by the community designers. What that gives people is the ability to grow with and respond to their community as it changes." *[For a different take, see " 8 Characteristics of True Community," page 28.]*

Kembel likens brand-online communities to gardens—you don't just launch them, you grow them. That, he says, is what RightNow was able to do on behalf of client Environmental Data Resources (see "A Community in Crisis," Real ROI, page 45). "The fundamentals of [a brand-online community]," Kembel says, "[are] to be able to be shaped and architected for support, loyalty, marketplace, insight, and innovation."

The Indianapolis Symphony Orchestra (ISO) is another organization in the midst of "gardening" its brand-online community. Using ExactTarget technology, ISO received nearly 20,000 visits to its blog in April, users streamed more than 43,000 songs from ISO's digital library, and blast-email subscribers are now generating 40 percent of ticket purchases.

"[This] is leading directly to commerce," says Mark Newman, ISO's director of marketing. "Before, we sent mass email blasts in a blast-and-pray approach. We figured if we sent it to more and more email addresses we were bound to get good results. The exact opposite was happening. What we learned was, if we target our emails, and qualify the recipients of those emails, we'll see great returns, and that's what's happening."

ISO is now involved with InstantEncore.com, an interactive community where fans can preview the music of upcoming concerts, request the music they'd like to hear played, and provide feedback on what they've already heard. The connection to fans also serves a very practical purpose for ISO. Thanks to its mSymphony program, ISO is able to send members text-message alerts—particularly useful during ISO's March Symphony on the Prairie series at an outdoor band shell on Indianapolis' north side.

"If someone is coming from the south side [she may] look out the window and see that it's raining," Newman says. "We had two instances where there was imminent bad weather on the south side of town [and not on the north side]. We reached a certain point in the day when we knew it was all clear and we sent a message notifying fans."

In her keynote address at the recent Interactive Retailing 2010 conference in New York, Mindy Grossman, chief executive officer of Home Shopping Network, said

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that marketers needed to embrace "the new world of consumer centricity." It is her opinion that transparency and community are vital to today's shopper. The goals of today's marketer, she explained, are to develop adaptability and responsiveness to change; to facilitate the free exchange of information and ideas; to remove barriers and replace them with interaction and networking; to encourage collaboration and strategic alliances; and to leverage technology and innovation. Businesses can approach these goals by simply monitoring and leveraging conversations on external communities and public social networking sites—see "Infiltrating the Community," page 34—but mere monitoring is too passive for most marketers. They want to enable the conversation, facilitate it, and ultimately capitalize on it, all on their own turf. Ⓒ

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