

Recap 1

▪ What is linking value

- To satisfy their desire for communities, postmodern individuals seek products and services less for their use value than for their linking value.
- The linking value is the value of the brand and its related products and services for the construction, development, or maintenance of the interpersonal link. Can be formal or informal, stimulated or supported by a firm's marketing endeavors or independently by a number of independent consumers.
- The linking value reaches its most organized expressions in brand configurations such as brand communities, subcultures of consumption and cultures of consumption

▪ Subcultures, brand communities, and the differences between them

- Subculture of consumption comes into existence as people identify with certain objects or consumption activities and, through those objects or activities, identify with other people. The unifying consumption patterns are governed by a unique ethos or set of common values. The structure of the subculture, which governs social interactions within it, and which we now address, is a direct reflection of the commitment of individuals to the ethos.
 - Ethos: Set of core values that is interpreted by groups in a manner that is contextually consistent with prevailing life structures (e.g., occupation, family)
- In Brand communities there exists:
 - consciousness of kind: the intrinsic connection that members feel toward one another, and the collective sense of difference from others not in the community.
 - Presence of shared rituals and traditions preserve the community's shared history, culture, and consciousness.
 - Sense of moral responsibility, a sense of duty or obligation to the community as a whole, and to its individual members
 - Generalized responsibility: when people contribute to the group without any particular expectation of immediate payback
- The difference between the two:
 - Subcultures are a way of life centered around "a religious icon around which an entire ideology of consumption is articulated"
 - Subcultures are less frequent than communities
 - In communities, brand meanings are socially negotiated, rather than delivered unaltered from content to context
 - Subcultures highlight the transformation of the self, and communities the creation of collective identities

- **Pools, webs, and hubs**



Pools

People have loose associations with others in the community and strong associations with the shared activity, goals, or values. The activity, goals, or belief is key to this affiliation.

Examples:

Apple evangelists

Right-wing Republicans

Ironman triathletes



Webs

People have strong one to one relationships with others in the community who have a similar set of needs. The other people are key to this affiliation.

Examples:

Facebook

Cancer Survivors Network

Hash House Harriers



Hubs

People have strong connections to a central person in the community and weaker associations to others in the community. The central person is key to this affiliation.

Examples:

Hannah Montana

Oprah

Deepak Chopra

- **7 myths and the strategic implications**

- Brand community is a *business strategy*
 - Cultivate a community-supporting company culture
 - Organize a company around community
- Brand communities exist to *serve the people*
 - Need to support the people and create linking value
 - Could be expand people’s skills, social network, provide affective value, etc.
 - Need to focus on understanding and “helping” consumers rather than showcasing your brand
- Cultivate the community and the brand will grow
- Communities are political
 - In-group vs. out-group dynamics
 - “Transformation of the self” and community hierarchy
- Open up and let go (a bit)
 - Brand managers become community co-creators
 - Create conditions in which the community can thrive and flourish
 - Stay attuned to opportunities to meet community needs
 - What script are you in? How can you leverage new scripts?
- Social networks are one of several tools
 - Leverage the offline world, e.g., place attachment and third places (TV adverts, mass media, celebrities, known bloggers, dermatologists, in-store interaction opportunities)
 - What are the needs of members?

➤ Everyone plays a role

- How can marketers support each role?

Mentor: Teaches others and shares expertise

Learner: Enjoys learning and seeks self-improvement

Back-Up: Acts as a safety net for others when they try new things

Partner: Encourages, shares, and motivates

Storyteller: Spreads the community's story throughout the group

Historian: Preserves community memory; codifies rituals and rites

Hero: Acts as a role model within the community

Celebrity: Serves as a figurehead or icon of what the community represents

Decision Maker: Makes choices affecting the community's structure and function

Provider: Hosts and takes care of other members

Greeter: Welcomes new members into the community

Guide: Helps new members navigate the culture

Catalyst: Introduces members to new people and ideas

Performer: Takes the spotlight

Supporter: Participates passively as an audience for others

Ambassador: Promotes the community to outsiders

Accountant: Keeps track of people's participation

Talent Scout: Recruits new members

▪ **What is co-creation**

➤ *Joint* creation of value by the company and the customer

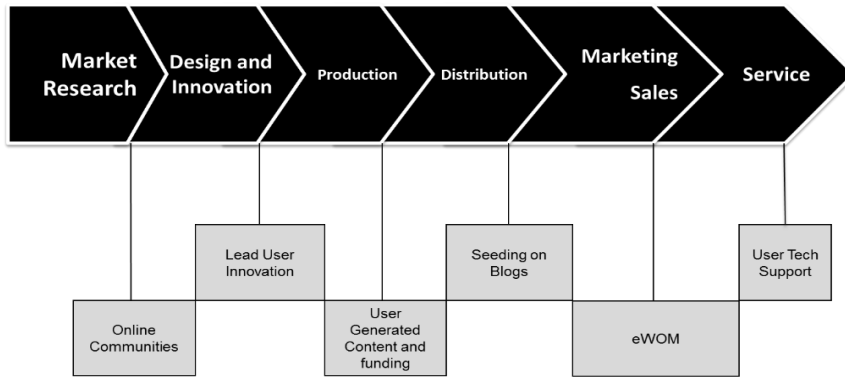
What can consumers do:

- Generate ideas
- Enrich and improve the ideas, raise questions or concerns and name potential fields of applications
- Test products (beta)
- Make products
- Talk about and share ads, ideas, products
- Review products and services
- Create content
- Crowdfund
- Provide support to others
- Participate and companies aggregate (Google and the flu)

➤ What can be co-created?

- Market research
- Products and innovations
- IMC: Ads and ad campaigns
- Experiences and services
- Funding
- Customer support

▪ **Co-creation and the value chain**



▪ **Drivers of co-creation**

- Create a gathering place
- Encourage consumer to co-create brand meanings
- Provide parameters that allow for collaboration
- Create evangelizing opportunities
- Provide justifying norms
- Encourage members to stake their domains
- Embed celebratory occasions
- Facilitate badging
- Document everything
- Allow for brand/product customization
- Solicit and distribute grooming trips
- Encourage commodification
- Study

▪ **Implications of all of this for marketers**

- As anything else, co-creation need to be effectively strategized
- With consumers and competitors in mind
- With clear, SMART objectives
- And while keeping RACE in mind, or another strategic framework

Recap 2

- **Difference between cultural and traditional branding**
 - Traditional view is based on product benefits
 - Post-modern view is based on mythic images and meanings
 - Brand image is more than images built on product attributes
 - It is a matter of perceived meanings and cultural mythologies
 - Successful brands tell *resonant stories* that consumers can use to perform their identities and rebut identity-threats

- **Why is cultural branding relevant online?**
 - “knowingly or unknowingly, intentionally or unintentionally, we regard our possessions as parts of ourselves” (Belk 1988)
 - “Consumers construct identities by digitally associating themselves with signs, symbols, material objects, and places” (Gilly and Schau 2009)
 - Including, of course, brands and products
 - Online, we construct our (sometimes multiple) identities
 - Through what we post, the feedback we receive, our interactions
 - We (re) shape our memories

- **Holt’s 5 steps (and vocabulary) to conduct a cultural branding strategy**
 - Map the cultural orthodoxy.
 - In cultural branding, the brand promotes an innovative ideology that breaks with category conventions. To do that, it first needs to identify which conventions to leapfrog
 - Locate the cultural opportunity.
 - disruptions in society cause an orthodoxy to lose traction. Consumers begin searching for alternatives, which opens up an opportunity for innovative brands to push forward a new ideology in their categories.
 - Target the crowdculture.
 - Dove and the body positive crowd
 - Axe and the lad crowd
 - Diffuse the new ideology.
 - Chipotle promoted preindustrial food ideology with two films...ey exploded on social media because they were myths that passionately captured the ideology of the burgeoning preindustrial food crowdculture
 - Innovate continually, using cultural flashpoints.
 - Particularly intriguing or contentious issues that dominate the media discourse related to an ideology

- That's what Ben & Jerry's did so well in championing its sustainable business philosophy. The company used new-product introductions to playfully spar with the Reagan administration on timely issues such as nuclear weapons, the destruction of the rain forests, and the war on drugs.

▪ **Doppelganger brand**

- The emergence of doppelganger brand images creates an ideological battlefield that pitch a brand against groups of consumers
- Need to address the cultural tension to revitalize the brand
- Social media listening and data mining can help identify cultural cues that might cause a threat to a brand
- As well as brand avoiders who might either devise or diffuse doppelganger brands



▪ **What is viral marketing (Kaplan and Haenlein 2011)**

- electronic word-of-mouth whereby some form of marketing message related to a company, brand, or product is transmitted in an exponentially growing way—often through the use of social media applications

▪ **How to conduct viral marketing (Mekanism 3-pronged approach)**

- Role of the content
 - Storytelling
 - Set up: Introduction of characters and plot
 - Development: Problem or conflict
 - Climax: Resolution of the conflict
 - Stories allows the sharing of viral ads to gain status and social capital from acquaintances; i.e. bestows status to the sharer
- Managing social media platforms
 - Importance of weak ties and strong ties
 - recommendation cascades
- Initial marketing campaign is effective at an early stage of the product growth cycle
 - Afterward, strong and weak ties become the main forces propelling growth
 - Propagation is dominated by weak and strong WOM, vs. advertising

- **Who are influencers and their role in a viral marketing campaign (opinion leaders, maven, hubs, communities)**
 - Use of influencers here reduced the uncertainty associated with viral marketing and “transforms” viral advertising from a risky ‘earned media’, where consumer attention is earned by the advertiser, into a lower risk ‘paid media’, where consumer attention is purchased.
 - In sum, influencers (can) play a sizeable role in viral advertising and Mekanism figured that out.
 - This shifts the emphasis of the company as a manager of a network of influencers
 - Help guarantee that a campaign will have a minimal critical mass of viewers exposed
 - General definition of influencers:
 - Are convincing
 - Know a lot on the product/market
 - Have a large number of social ties
 - Opinion leaders
 - People who have influence
 - Market mavens
 - individuals who have information about many kinds of products, places to shop, and other facets of the market, and initiate discussions with and respond to information requests from other consumers
 - Hubs (persons)
 - People with a large number of ties
 - Tend to adopt earlier in the diffusion process because are exposed to large amount of information
 - Offer accurate success vs. failure predictions early on in the diffusion process
 - Two types:
 - Innovative hubs: Greater impact on speed of adoption
 - Follower hubs: Greater impact on total number of adoptions
 - Communities
 - Small and large
 - Specific interests
 - Centered around products or brands

Recap 3

- **5 steps of 'typical approach to market research'**
 - Define your problem and research objectives
 - Develop a research plan for data collection
 - Implement, collect, and analyze
 - Interpret, report and adapt
 - Update your plan
- **4 motivations (assess, segment, relate, discover)**
 - Assess: monitoring what's happening in the social world to uncover sentiment regarding your products, services, markets campaigns, employees and partner
 - Segment: categorize your audience by geography, demographics, influencers, recommenders, detractors, users and prospective users.
 - Relate: Generate insights, tied segments to an array of variables (e.g., brands, sentiments, behaviors), and drive goal-oriented strategies
 - Discover: discover the "unknown unknowns" among social media topics and consumers
- **Understanding of objectives and goals of why do research online**
 - Generate new leads
 - Attract new consumers
 - Engage existing customers
 - Identify influencers
 - Identify segments and create appropriate personas
 - Discover (and strategize accordingly) communities
 - Improve customer service, care, feedback
 - HR
 - Innovation and value creation
 - Keep up with what people are saying about you
 - Identify best practices, rules, norms and conventions
 - Useful for ...
 - Content marketing strategy
 - Social media strategy
 - Branding strategy
 - SEO strategy (eg keyword identification)
 - Identify threats and brand image inflection points
 - Etc.

- **What is a persona**

- Personas are a design tool that facilitate the communication around specific segments throughout an organization
- It is an “hypothetical individual that takes on the characteristics of real consumers”
- They facilitate the identification of trends, consumer characteristics, and needs of varied segments and help represent consumers throughout the design process

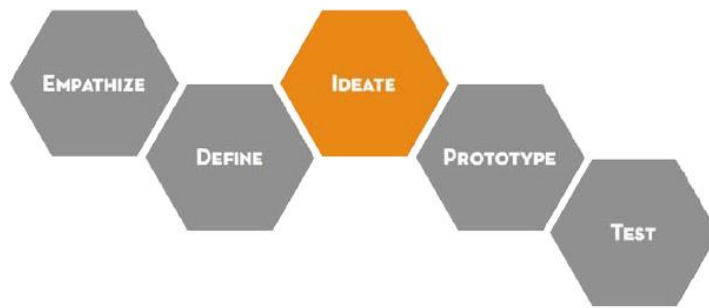
- **What is social media listening**

- tracking online conversations about a specific phrase, word, or brand. A social listening platform provides the basic capability of systematically collecting online conversations about a specific phrase, word, or brand and is able to provide some degree of insights through the analysis of those conversations.
- You can listen to ...
 - Your own brand’s name (include misspells)
 - Your competitors (include misspells)
 - Industry, surrounding movements and buzzwords
 - Brand slogans
 - Campaign names or keywords
 - Popular related consumer-generated and competition specific hashtags
 - Specific products
 - Emotions and sentiments
 - Keep track of your consumers (Feedback, critics, opportunities, conversations, and engagement)
- *Who’s* is saying what *Where*
 - Competitors, communities, consumers, leads
 - Geographic location
 - Online location

- **What is design thinking**

- A set of principles
- Organized around customer insights
- To provide a (initially narrow and simple) value proposition to benefit customer *experience* (vs. product) through emotional *and* functional appeals
- Relying on multiple iterations and prototyping

- **Stanford d-school 5 steps to design thinking and understanding of each step**



- **Empathy**

- Empathy is the foundation of a human-centered design process. To empathize, we:
- Observe. View users and their behavior in the context of their lives.
- Engage. Interact with and interview users through both scheduled and short ‘intercept’ encounters.
- Immerse. Experience what your user experiences.
- Why?
 - Uncover needs that people have which they may or may not be aware of
 - Guide innovation efforts
 - Identify the right users to design for
 - Discover the emotions that guide behaviors

- **Define**

- Unpack and synthesize your empathy findings into compelling needs and insights
- Scope a specific and meaningful challenge
- Develop a deep understanding of your users and the design space
- Come up with an actionable problem statement: **your point of view**
 - a guiding statement that focuses on specific users, and insights and needs
- Why?
 - Explicitly expresses the problem you are striving to address through your efforts
 - Provide focus and frames the problem
 - Informs criteria for evaluation

- **Ideate**

- Idea generation
- Brainstorming
- Explore a wide solution space
- Create ideas for prototypes
- Why?
 - Step beyond obvious solutions and thus increase the innovation potential of your solution set
 - Harness the collective perspectives and strengths of your teams
 - Uncover unexpected areas of exploration
 - Create fluency (volume) and flexibility (variety) in your innovation options
 - Get obvious solutions out of your heads, and drive your team beyond them

- Prototype
 - the iterative generation of artifacts intended to answer questions that get you closer to your final solution
 - can be anything that a user can interact with
 - Test variable with each prototype
 - Build with the user in mind
 - Why?
 - Build to think
 - Communication and converse
 - Fail quickly and cheaply
 - Test possibilities
 - Manage the solution-building process
- Test
 - Solicit feedback
 - Within a real context
 - Show don't tell
 - Create a test experience
 - Ask users to compare
 - Why?
 - Refine prototypes and solutions
 - Learn more about your users
 - Refine your point of view

Recap 4

- **What is growth hacking**
 - “Growth hackers are a hybrid of marketer and coder, one who looks at the traditional question of “How do I get customers for my product?” and answers with A/B tests, landing pages, viral factor, email deliverability, and Open Graph. On top of this, they layer the discipline of direct marketing, with its emphasis on quantitative measurement, scenario modeling via spreadsheets, and a lot of database queries”. – Andrew Chen
 - “A mindset which focuses marketing activities on increasing the scale and profitability of a business through testing and improving techniques for improving the value of audience touchpoints across the customer lifecycle of Reach, Interactions, Conversion and Engagement.”– Dave Chaffey
- **Main points of growth hacking (e.g., narrow focus, focus on analytics, ...)**
 - Narrow focus
 - Orchestrated around product features
 - Ingenious avenues/channels for growth
 - Focused on analytics
 - Tied to actionable smart goals
 - With kpi, metrics to measure goal attainment

- **Able to use at least 3 examples of growth hacks**

- AirBnB autoposted on Craigslist
- Mint sign-up page on blogs
- Zynga built on top of Facebook
- Dropbox+OkC: Easy/Animated/Fun/Reminded sign-up process
- Paypal: 10\$ incentive (see also Uber)
- Retention figures: Facebook (30 friends), Twitter (5-10)
- Offer recommendations
- Dropbox: 500 mb on referrals
- Hotmail: PS I love you. Get your free email from Hotmail.
- Living Social: Free stuff when 3 referrals (see also about any group buy website)

- **Product-market fit**

- Product/market fit means being in a good market with a product that can satisfy that market.”.
- Creating a so called minimum viable product that addresses and solves a problem or need that exists.
- The degree to which a product satisfies a strong market demand.
- Rules of thumb:
 - 40% of your customer base would be disappointed if your product wasn't offered anymore
 - 40% consider your product as a must have

- **AARRR steps and what they mean**

- Acquisition: Come
 - “Acquire” consumers from different channels
 - Starting point to analyze efficiency and success of your marketing channels
 - What initiatives are working
 - Where is your traffic coming from (high volume)
 - How much is your traffic costing you (low cost)
 - Follow consumers from their original source throughout the process to rank sources in terms of acquisition – conversion – engagement (best conversion)
 - Tools to better acquisitions
 - Proper marketing initiatives
 - A/B testing on landing pages

- Activation: Use
 - Consumers are satisfied with their first visit
 - They do something on your site
 - A/B testing of landing pages
 - Concentrate on content and features that increase conversion
 - Provide a mobile compatible and seamless website

- Retention: Stay
 - Consumers come back
 - Sign-up on activation
 - Automate emails on 3/7/30 days; weekly/monthly status/event-based
 - Proposed conversion criteria
 - Best-performing (% of site visits)
 - Largest-volume (ranked)
 - Lowest-cost
 - Look at:
 - Audience segments (who are you retaining?)
 - Channel source (from which channel?)
 - Landing pages (landing where?)
 - Campaigns (from which campaign?)
 - Types of metrics and measurements
 - Qualitative
 - Usability testing and session monitoring: what are users doing, where do they have problems (or where do they get excited), based on small samples
 - Quantitative
 - Traffic analysis and user engagement: usage and conversion (e.g., conversion per source, top converting pages, cost per conversion), bounce rate, exit pages, etc.
 - Comparative
 - A/B or multivariate testing: figure out what works best
 - Competitive
 - Monitor competitors: channels, keywords, segments, satisfaction, best practices

- Referral: Refer
 - Consumers refer others to your page/product
 - When your product doesn't suck
 - Use embedded sharing features

- Revenue: Buy
 - Consumers are turned into \$\$ (or something you can leverage into \$\$)

Sample midterm questions:

Open-ended questions

- Distinguish between brand community and subculture of consumption
- What does 'cultural orthodoxy' means?
- Name and explain the importance of the three components of Mekanism's approach to viral marketing

Multiple choice questions:

Which of the following four 'steps' are not part of Holt's cultural branding approach?

1. Map the cultural orthodoxy
2. Locate the cultural opportunity
3. Leverage symbolic brand meanings
4. Diffuse the new ideology

Which of the following four 'stepps' are not part of Berger's STEPPS (circle all that applies)?

1. Stories
2. Success
3. Public
4. Stake
5. Persuasion

Kaplan and Haenlein conceptualize viral marketing as the combination of social media, exponential growth and ... ?? Identify the missing third element of Kaplan and Haenlein's conceptualization of viral marketing:

1. Influencers
2. Platforms
3. Word of mouth
4. Sharing