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Consumer Empowerment Reloaded: Why Your Customers Should Drive Your Marketing

by Paul Marsden and Martin Oetting

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Mention the words "consumer empowerment" to marketers, and most will shrink away from you like a vampire from light. Conjuring up all sorts of evils, consumer empowerment is considered a stake in the heart of marketing.

PVRs, pop-up blockers and on-demand media empower people to avoid advertising and make a mockery of advertising scheduling. Consumer blogs, forums and review sites give consumers a global voice that can determine the fate of a brand. (Just say iPod Nano or Kryptonite Locks to marketers and watch them cower.) The myriad product and service choices available empowers consumers to switch products on the most fleeting of whims.

Letting Consumers Call the Shots

So consumer empowerment means bad news for marketing, right?

Surprisingly, no. Marketers have come up with an ingenious way of harnessing consumer empowerment to unlock sales growth for their brands. The solution is simple—go with the flow and really empower consumers. Let them call the shots on your marketing and innovation. Don't just listen to them through classic market research, but actually empower consumers to cast deciding votes on what gets done.

Call it the Big Brother Effect, Audience Participation or simply Consumer Empowerment... the result is the same: armies of loyal sales-boosting word-of-mouth advocates.

Here are a few guidelines on how to organize a simple consumer empowerment program designed to unlock growth in your own company:

- First, set up a simple poll—online, SMS, telephone, or on interactive TV—that allows consumers to vote on some aspect of your product or marketing. It could be a vote on which fashion model or background music to use in an ad, or a poll on the packaging, name or design of the product itself, or a vote between variants for promotional posters, merchandise, logos or taglines.
- The key is to keep it so simple that people can make their wishes known by a simple click of a mouse, remote control button, call or text message—hassle-free voting is what they will want.
- Keep options to a minimum—by only having two options to vote from, you'll keep at least half of your voters happy when you act on their wishes. Alternatively, you

can always go ahead with both variants, and make everybody happy.

- Invite consumers from your target market to participate in the poll. Opinion leading consumers and brand fans are a priority, but all target consumers should be welcome. After all, numbers are important—the more participants, the more advocates, the bigger the impact on sales.
- Nonetheless, try to give the poll an air of exclusivity, creating the impression for voters that they are VIPs—very influential persons. When you exclude people outside your target market, the participants will feel special and privileged, and this will help foster loyalty and advocacy.
- Finally, when the votes are in, act on them—and let voters know you have acted on them.

Consumer Empowerment: The Tremor Experience

Procter & Gamble, the household brands giant, is embracing consumer empowerment with fervor, inviting consumers to cast deciding votes on which new product variants it will launch. For example, a recent VIP vote allowed consumers to choose the latest Crest toothpaste flavor. In terms of boosting sales, consumer empowerment has been so successful for P&G that the company is rolling out, in the US, a national consumer empowerment panel of 750,000 opinion leading teens and moms.

Codenamed "Tremor," the online panel allows consumers to vote and call the shots on the firm's marketing through simple online polls. In controlled tests, P&G has measured the sales impact of consumer empowerment through VIP votes: a cool 10-30 percent boost in sales. Other brands are now queuing up to use the Tremor panel, paying up to \$1 million for the privilege.

Recent consumer empowerment initiatives run through Tremor include the following:

- Helping develop Vanilla Coke's "Nothing Else Like It" billboard campaign and come up with intriguing messages to appear on promotional heat-sensitive cans
- Voting on launching Snoop Dogg's new line of shoes
- Advising on the trailer for the movie Biker Boyz
- Choosing which Herbal Essence commercial to air for promoting Fruit Fusions Tropical Showers
- Recommending which fashion model to use in a Pantene commercial
- Selecting backing music for a Pringles advertisement
- Picking models for a body-spray calendar
- Helping design the new Crest Spinbrush
- Voting on a T-shirt design for Vans "Warped Tour" concert
- Naming the DreamWorks SKG movie Eurotrip
- Choosing the logo for the teen movie Win a Date with Tad Hamilton!

The Science Bit: The Hawthorne Effect

Why should letting consumers call the shots on your marketing drive sales? To answer this question, we need to understand a powerful phenomenon called the Hawthorne Effect.

The Hawthorne Effect takes its name from the town of Hawthorne, near Chicago. In the 1930s, at a Western Electric production plant, researchers from Harvard Business School found that giving employees a sneak peek at new working conditions (as well as a say in how they would be implemented) systematically increased productivity.

For example, working in brighter lighting conditions solicited positive employee feedback and resulted in higher productivity. But so did research trials testing softer lighting with employees. Research trials of shorter working hours boosted productivity, but then so did trials of longer working hours.

The researchers realized that these productivity jumps had nothing to do with what was being trialed, and everything to do with running research trials that give participants a sneak preview of something new, and a say in how it was to be rolled out. Empowering employees in this way created a sense of involvement and ownership that resulted in goodwill, advocacy and enhanced productivity.

Researchers labeled it the Hawthorne Effect: the effect of pre-launch research trials that give research participants a say in what happens, triggering loyalty, goodwill and advocacy.

Why Hawthorne Means Sales Growth

When used in marketing, the Hawthorne Effect can transform research participants into loyal and active advocates of whatever it is they are trialing. And since we know that the number of consumer advocates that a brand recruits determines the sales growth of that brand (as measured by the NPS, or Net-Promoter Score), such consumer empowerment drives brand growth.

In practice, this relationship between empowerment, advocacy and growth means that marketers now have a simple solution for unlocking growth—letting the consumers call the shots. Empowering consumers by letting them vote on anything from innovation to advertising, marketers can create an "I did that" effect among target consumers that stimulates advocacy and drives demand.

Consumer Empowerment in Action

Consumer empowerment may be new, but it is catching on fast. The list of brands harnessing the Hawthorne Effect to drive sales, often through simple, scalable and cost-effective online polling, is getting longer by the day:

- Converse, Cadillac and Mercedes all create growth-generating brand advocates by outsourcing advertising to customers and brand fans.
- BMW and Boeing boost brand loyalty with virtual innovation labs that give car enthusiasts and aviation fans a say in new product development.
- Crayola drives demand by letting consumers decide on the names of new crayon colors.
- Google boosts the uptake of new services such as Gmail by running beta-tests that give participants a say in the final product.

- Napster and Macromedia unlock brand growth by running empowerment programs that give lead-users a say in software updates.
- In elaborate cross-media campaigns called Alternate Reality Games (ARGs), Microsoft and Audi allow consumers to co-create launch communication (e.g., Xbox console game Halo 2, the A3 compact).
- Nike drives demand with interactive billboards that let consumers personalize advertising with their cell phones.
- The Tate museum in London is boosting attendance by inviting visitors to participate in labeling exhibits.
- New Line Cinema stimulates box office sales by giving fans a say in movie production decisions (e.g., The Lord of the Rings).
- Brewtopia, the Australian beer company, and Kaiser beer in Brazil invite customers to vote on product packaging and marketing.
- Staples, the office supplies retailer, and home furnishings giant IKEA drive demand by allowing customers to suggest and vote on innovation ideas.
- The Finnish football (soccer) team PK-35 boosts match attendance by allowing fans to vote on player positions and strategy by SMS.
- Sears department stores create word-of-mouth advocates for their Portrait Photo Studios by inviting opinion leading moms to shape their marketing.
- MTV drives traffic to its Web site by allowing fans to generate content for its promotional "starzine."
- Lonely Planet travel books and the online Virtual Tourist service improve loyalty and boost advocacy by allowing travelers to update and revise travel reviews.
- Procter & Gamble drives growth through an initiative called Connect+, which invites opinion leaders to connect, collaborate and come up with new product ideas such as Swiffer Wet Jet, Olay Daily Facials, Crest Whitestrips & Night Effects to Mr. Clean Autodry, Kandoo baby wipes and Lipfinity

Marketing for the People, by the People, of the People

Is driving growth with consumer empowerment a passing fad in the faddish world of marketing, or does it represent a more significant shift? It's too early to tell, but letting consumers call the shots certainly walks the marketing talk, putting the consumer, not the marketer, at the center of marketing.

If consumer-centricity is synonymous with good marketing, and if the future of marketing lies in marketing *with* consumers rather than *at* them, then consumer empowerment is here to stay.

Paul Marsden and Martin Oetting are authors of the consumer empowerment blog (www.consumerempowerment.com) and contributing authors to the new book *Connected Marketing: The Viral, Buzz and Word of Mouth Revolution*. Marsden is also a

market researcher at the London School of Economics. Oetting is a researcher at ESCP-EAP European School of Management (Berlin).

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