

Crowdsourcing

What is it? People love to be seen, love to show off their creative skills and thinking. So you have probably heard how companies outsource tasks, traditionally performed by an employee or contractor, to a large group of their clients/fans/general public. The best example – if you are making an ad for your product/university, inviting your buyers/students to create this or creating the public contest for people to participate. If you have a community/loyal base, why not use it for improving your products/services?

Examples

1. Threadless – www.threadless.com
2. Doritos Consumer – Ads <http://www.crashthesuperbowl.com/>
3. Starbucks www.mystarbucksidea.com

Threadless – a T-shirt company, instead of hiring their own designers to make the T-shirt designs started from crowdsourcing the creative design community. One of the first crowdsourcing based business. How it works: Every week people upload T-shirt designs to the site. Anyone visiting the site rate the designs, the six most popular get printed. Winning designers are paid \$2,000; According to the New York Times, almost every single pair of T-shirt sells out. During a one-day sale they once sold 35,000 T-shirts. Not bad for an online company paying for hosting and delivery.

For the fourth year Doritos (Frito Lay chips brand) crowdsource their Super Bowl ads. The contest and subsequent ads are a favorite among viewers: the online promotion [asks](#) fans to create 30-second spots for Doritos. Internet voting then selects which spots will air in one of Doritos' three Super Bowl slots. With thousands flocking to the Crash the SuperBowl web site to try their luck, the buzz generated for Doritos has a great impact on the company. E.g. last year TV commercials made by the people achieved the highest net improvement score of any Super Bowl advertiser, says MarketingCharts. And this years Pepsi joined Doritos to make a joint call for the crowdsourcing.

Starbucks and Dell crowdsource focus groups... www.mystarbucksidea.com lets you vote on the companies ideas and suggest you idea. Thanks to this website Starbucks a popular new vegan menu was expanded, and actions as the ones who bring their own cups pay less that increased the returning clients number. The website was highly popular from the beginning and collected [130,000 original ideas](#) in the six months. Dell does the same with www.dellideastorm.com.

Co-creation

The concept introduced in their 2000 Harvard Business Review article (“Co-Opting Customer Competence). That means not giving out to do as they want, but letting personalize and create. The practise of „build your own products”... It is all – open source – programs – you create and improve... full access to the source code and are empowered to make their own changes and improvements to it. At a MacWorld conference in 2007, Sam Lucente, the legendary design and innovation guru at HP, described his epiphany that designers can no longer design products alone, using their brilliance and magic. They are no longer in the business of product and service design, he stated; they are really in the business of customer co-creation. Personalization, customization.

Examples:

1. Nike Create Your own sneakers <http://www.rga.com/work/nikeid-studio>
2. Blue Nile <http://www.bluenile.co.uk/>
3. Papa John's <http://www.facebook.com/#!/papajohns>

Nike was one of the first to offer a highly visual “build your own shoe” app on its website. To Nike, customization and social media are strategic revenue generators. Nike offers both online sharing options and in-store kiosks that allow you how to create and post your shoe design online. For fiscal year 2010, Nike announced “an increase in web sales of 25% to about \$260 million from about \$208 million in fiscal 2009. NikeiD, the online custom-design app, surpassed \$100 million for the first time.”

Blue Nile is the leader in the popular “build your own ring” space. For Q110, “Blue Nile net sales increased 18.7% to \$74.1 million, the highest first-quarter sales level in the company’s history.”

Papa John’s pizza is a great example of a successful Facebook co-creation contest. Sharing (“look what I built!”) is a natural extension of that co-creation process. Call it “social co-creation”. The good example: Papa John’s Facebook page has over 1.2 million “likes,” and the Papa’s Specialty Pizza Challenge contest drew over 12,000 entries. Facebook users were able to select pizza toppings to conceive a custom pizza, then name their creation and post it to their profile. Three lucky winners had their creative recipe featured at a Papa John’s pizzeria.

Digital product extension

What is it? It’s kind of funny when you ask some serious marketing people how their campaign is integrated with web, and they say “Oh it’s totally integrated because we are going to put this TV ad on YouTube...” All the thing, a conclusion I am leading you to is a total online-offline integration. Products are now longer products, they have the online extension.

Examples

1. FIAT Eco <http://youtu.be/I0UCMXPf6zQ>
2. Monopoly City Streets <http://www.youtube.com/watch?v=zRjPgw03Xwl&feature=related>
3. Books <http://www.level26.com/>

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A very smart car from FIAT. Fiat launched an app that allows you to plug in a USB to your car, then plug it into your computer and see how efficiently you drive. The eco:Drive application on your computer analyses your acceleration, deceleration, gear changes and speed. To make long story short, by using the eco:Drive app you can improve your driving, save money on fuel and reduce your carbon footprint.

The whole world changes, even the Monopoly you grew up with. Now Monopoly gets a much bigger board as Hasbro has launched Monopoly City Streets, that takes the game into the real world via a range of Google Maps and Google Earth! Armed with a \$3million in virtual cash, players can purchase and construct 3D buildings on any street in the world via Google Maps and then get a bird's eye view of their empire through Google Earth. A global online campaign.

Anthony E. Zuiker, the creator of the highly-popular CSI (Crime Scene Investigation) TV series has just released what he calls a „digi-novel“. After 20 pages or so of the crime novel Level 26, readers are provided with a code to login to the website and see a short video (from killer’s phone call to dreamy shots on a beach) enhancing the plot.

Japans have fridges with internet, now we have cars, Hollywood also bridged to Silicon Valley. So just think how to enhance your product via web. That’s the future.

Digital world; Live world

What is it? Real-time information delivery as the topic was extremely hot in 2009, when Google claimed the biggest issue is a real-time search. Google, Facebook, Twitter – what they do is try to see you the information just as it appears. (someone tagged you in a photo? You see that in seconds.) So the world gets to the real time and a lot of business perspectives here.

Examples:

- Real-time interacting with product Sony Bravia Color Tokyo <http://www.777interactive.jp/awards/2008/bravia/e/>
- Real time cost saving conferences <http://work.secondlife.com/en-US/successstories/case/ibm/>
- Real time customer services <http://twitter.com/DellOutlet>

TEXT

For example, Sony Bravia let real-time control, let's say, not just their brand, but all their corporate building. You could click your mouse on your home computer and real time change the whole real, live Sony building's lightening. You could watch how that happened live, on the webcam view. But nevermind that, those were not just your basic "choose from these 16" colours. You could actually pick any colour that has a new Sony BRAVIA TV set. And then drop that colour on the building. A whole lot of colours to play with, and that's what Sony Bravia incidentally were trying to communicate in this campaign. Clever. This is how you get your website nearly crashed by thousands of new visitors, and your brand mentioned in headlines and TV news.

Nike Chalkbot, that connected road with... Twitter! Nike was collaborating with Lance Armstrong's LIVESTRONG foundation, supporting people diagnosed with cancer and their families. They had to get the idea how to support the people diagnosed with cancer and their families during the Tour de France tournament. So they created a robot ("Chalkbot") that sprays your message of hope on the streets and roads in the Tour de France. (France has a tradition to write down support for their favorite bikers with chalk on the road, so they simply constructed a machine doing this) What did you have to do? Write you message for people diagnosed with cancer on Twitter and the robot will spray it with chalk on the street. Then you can see it on site or in the sport news, probably.

2. Second example – IBM saved \$ 320,000, thanks to virtual conference on Second Life instead of doing it in real life. The computers/internet are really fast enough to save money on flights & conference halls and manage the real time digital meetings. With an initial investment of roughly \$80,000, IBM estimates that they saved over \$250,000 in travel and venue costs and more than \$150,000 in additional productivity gains (since participants were already at their computers and could dive back into work immediately) for a total of \$320,000 saved (when compared to the potential expense if the event for over 200 members had been held in the physical world). What's more, as stated in IBM and Linden Lab case study, attendees raved about the conference and thoroughly enjoyed the experience. Enjoyed so much that soon they moved the another event to SL – the Annual Meeting – that was executed beautifully at one-fifth the cost of a real world event with 75% attendants saying the event was successful.

3. Real time customer services. Angry customers nowadays post a grieving blog post, make angry Youtube videos, start googling competitors and so on. That's why a number of companies use real-time customer services, the new age "call centers". The greatest case study: Dell making \$1 million through Twitter alerts through year 2009. The most popular Dell's Twitter group (they have 65 in whole) <http://twitter.com/DellOutlet> has 1.5million followers, while they're updating news from the outlets and posting discount coupons.

Southwest Airlines – one of the first branded online communities, gathered in 2006 as a corporate blog. Soon they started to experiment on the new season schedules, printed or select-on-your own

seats (select by the window) and so on. The community was very active: themes gathered around 200-700 comments, were published in CNN and The Wall Street Journals, then they developed it into a Facebook group (almost a million members), created them a widget on the hottest offers and so on. Community is content and people. Not a launch and forget Facebook group but what you do with it – what you write and how many people respond – like, comment and so on. With hundreds of „love you guys“ posts Southwest is a strong brand community.

Zappos – a great example where brand is a community. Zappos is an online shoe (and clothing) shop. Zappos shoes is nothing different talking in terms of shoes they offer – all is a community. Here is a cult example what people can do if treated pleasantly. They gathered a community on Twitter. First they started the employee „tweets“. Employees tweet on the company, their life and Zappos offers. They just one of the first in the world started talking with people (not advertising but talking with them in human speech) Currently they have a 2mln. Twitter community. Zappos did "almost nothing" in sales for 1999, but grossed over USD\$800 million in merchandise sales in 2007 and grossed over \$1 billion in 2009. The primary sources of the company's rapid growth have been repeat customers and numerous word of mouth recommendations. The chairman reported that 60% of customers were repeat buyers.

Obama empowered his real-world volunteers by giving them an online tool to find their “undecided” neighbors at My.BarackObama.com, his social network. Also, there was an iPhone app for finding real-world events and people. McCain’s “voter 2 voter” tool didn’t even come close. People could see their undecided neighbors and were encouraged to call/visit them. Even to knock at their neighbors doors with a fresh apple pie... Obama’s online community recruited 8 million volunteers, and more than 2 million people became his friend in a Facebook community.

Augmented reality

What is it? Researchers and engineers are pulling graphics out of your computer display and integrating them into the real-world environment... This new technology is called **augmented reality** – it blurs the line between what's real and what's computer-generated simply by enhancing what we actually see. It is done by adding a special marker on the physical object you hold in hands, if your webcam linked to the internet is turned on, then you’ll see the additional 3d projection.

Examples

Jonas’ Business Card <http://vimeo.com/5651466>

Layar Augmented Reality Browser <http://www.layar.com/>

Zugara Augmented Reality shopping <http://www.youtube.com/watch?v=NxQZuo6pFUw>

Burger King One Dollar Augmented reality banner <http://www.youtube.com/watch?v=YhSc9TICDBI>

WWF Augmented Reality Tiger T-shirts.

<http://www.youtube.com/watch?v=OZO4mkTbaj0&feature=related>

TEXT

- By adding a special marker to your business card, once it’s put in front of a webcam, it will show not only your contact details but also a video/sound clip/your head/twitter account or pretty much anything you want. Example – Jonas, design student, business card leading to his portfolio...

- One of the best-known iPhone augmented reality apps is this built by Layar which – given a location, and using the iPhone 3GS's inbuilt compass to work out the direction you're pointing the phone – can give you a "radar map" of details such as Wikipedia information, Flickr photos, Google searches and YouTube videos layered onto a picture you've taken of the scene. For Americans, it will also pull in details from the government's economic Recovery Act – so that if you're on Wall Street and want to see how many billions went into which building, it will show you.

- Zugaro launched an Augmented Reality shopping app so that one could actually try on the clothes without leaving the computer (very useful for e-shops)
- USPS priority mail postal service (US) lets to virtually check what box do you need for your parcel