

**Marketing
in the**



**Connection
Age**

Engaging in the new age of communication

If there is one lesson marketers have learned over the decades, it's that all the marketing, creativity and media dollars in the world are no match for a recommendation from good ole mom and dad, a co-worker or the local yoga instructor.

While consumers have unprecedented access to product information to guide their purchasing decisions, recent research from the consulting firm Deloitte and others shows that consumers still overwhelmingly favor the opinions of their family members, friends and fellow consumers over bloggers, retail associates and other so-called experts.

In a May 2014 survey of consumers, Deloitte found that 60 percent of respondents ranked recommendations from family and friends and customer reviews as the most trusted source of information on products and services, dwarfing the 43 percent who selected independent product/service experts or the 12 percent who chose product manufacturer/service providers.

The good news is that the same digital infrastructure that has shifted so much power to the consumer also has enabled marketers to influence prospects during the earliest stages of their research. This is when they're still gathering recommendations from friends and family via their social media networks and researching options on manufacturer and retailer websites.

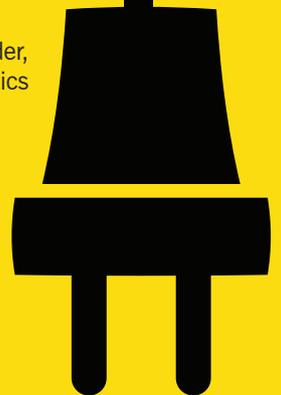
"Buyers have been researching your product long before they contact you," says Barbara Thomas, founder of marketing firm Creative Tactics. "They are about 65 percent through the sales cycle by then. The key is to reach the people they are talking to before they are there."

Thomas has carved out a niche by helping business-to-business companies identify and leverage what she calls, "customer advocates." These are the customers who willingly share their positive experiences with a product or service provider with their peers, family and friends.

"That is something you don't see on a normal spreadsheet," Thomas says, before citing research that shows that uncompensated customer advocates can be up to five times more valuable than other customers. That's because they not only spend more, but because the customers they refer tend to remain customers much longer.

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Connections trump knowledge

Many small businesses were reminded of this during the last recession, but the idea has gained currency since then, according to “The Shift Index,” a series of reports Deloitte began publishing in 2010 in an effort to determine why the return on assets among U.S. corporations had declined steadily since 1965.

Deloitte found that rapid technological innovation had shifted the advantage from companies that had accumulated large stores of information over a long period of time, to those that could harness the digital infrastructure to quickly form networks and tap flows of information. In other words, an organization’s ability to connect trumped its stores of intellectual property, including patents that may have taken years to develop but could become obsolete long before expiring.

The Connection Age had supplanted the Information Age.

More relevant to the marketer was finding that wide availability of product information, especially prices, had eroded consumer brand loyalty. With 24/7 access to detailed product descriptions and price information, consumers were in a position to demand more.

“It’s not enough to have a great product anymore,” says Meghan Skiff, founder of Mixy Marketing, an in-bound marketing firm that has carved out a niche helping tech startups. “That’s just one box checked, but customers expect a lot more than that. They expect service, intelligence, consultative relationships, value through content and things like that. You have to be really great at serving your customer.”

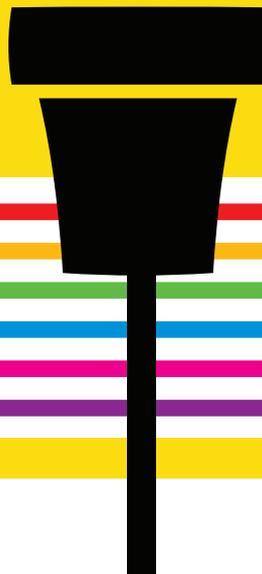
Brands have turned to marketers like Skiff to help distinguish themselves in a sea of sameness and they are responding by using social media, data analytics and good old fashioned content marketing to engage customers like never before. “Now, for the first time, we can form an actual relationship with our customers based

on a dialog that will actually serve them in a way that helps our business,” Skiff says.

Skiff cites the example of one brand that learned how to use social media to develop a deep understanding not only of the companies it was trying to sell to, but its employees, who would ultimately be using its products. The company used those insights to craft content and a service model that resonated deeply with its target customers and enabled it to displace more established companies as an industry thought leader.

“They know ultimately who they are serving and who they are selling to,” Skiff says. “They know what keeps their customers up at night and what their pain points are. You can call it service driven marketing. It turned a lot of heads in the industry and they are experiencing record growth.”

Like the Information Age and the Industrial Age before it, the Connection Age has not changed the fundamental purpose of marketing, which is knowing your customers.



Leveraging customer advocates

Thomas has focused on helping clients in the business-to-business space connect with and leverage their most valuable customer relationships through award programs that recognize customers who have had success with a particular product or service.

The ideal award candidates are successful, active networkers who welcome recognition. If they consent to an interview, Thomas or her clients work up marketing collaterals that range from a case study to a YouTube video, which the customers can share on their social medial networks. Thomas and her customers also have been able to connect with award winners online by offering to recommend them on LinkedIn. Once accepted, such invitations can yield valuable new insights and connections.

The approach adapts many techniques pioneered by retailers and other consumer brands to identify, recruit and reward “brand ambassadors.” Consumer brands have since turned to a constant stream of contests that entice customers to send in photos, videos and other content for a shot at free products or an appearance in a marketing campaign.

In 2012, more than 2,000 people submitted essays and other content to SylvanSport to explain how they would use the company’s tow-behind GO trailer if they could use it for free for three months. To be chosen as one of three finalists, contestants had to agree to document the adventures they took with videos, photos and blog entries. The winner whose content garnered the most likes, followers and views on social media was awarded a camper packed full of gear.

In the outdoor recreation industry, many brands are adding enthusiasts, including young children, as brand ambassadors after learning their customers could not always relate to the high-adrenaline feats of the Olympic athletes, pro cyclists and mountain guides generating much of their social media content.

The most forward thinking consumer brands have moved beyond that to engage consumers in the product development process. In Boulder, Colo., Eric Greene used a variety of techniques he has developed over a career of bringing toys, medical devices, energy drinks and sporting goods to market to gather input from customers for a major refresh of the over 60 year-old Kelty backpacking brand. The goal is to make the brand more relevant to 25 to 44 year-olds.

Members from a group of 250 customers were consulted on everything from what language and imagery Kelty should use in its marketing, to what features it should include in new backpacks, tents and sleeping bags. "In early rounds, consumers were judging concepts, in later rounds they were judging designs, colors and other details," says Greene, VP and GM for Kelty. "They can't always tell you what to do, but they can critique everything really well."

Consumer input led the company to adopt the tagline "Kelty Built: Memories that last start with gear that lasts."

In April, Kelty kicked off a marketing campaign loaded with images emphasizing the social aspects of outdoor recreation that

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many in that generation find more appealing than the solitude that drew Baby Boomers to the brand.

Some things never change

Like the Information Age and the Industrial Age before it, the Connection Age has not changed the fundamental purpose of marketing, which is knowing your customers. That task escapes even the most digitally literate marketers. They excel at using social media, search engine optimization and database management to generate leads and build emails lists, but they often don't take the time to learn how to use them to listen.

"Generally, marketers have not dived in deep enough," Skiff says. "As much as those things on a tactical level have caught on, many marketers have overlooked their real value. I've seen a lot of startups not understand their customers and struggle because they failed to connect."

Marketers will have plenty of opportunities to work on that as new innovations come to market. Within the decade, smart apparel capable of monitoring vital signs, location and even mood could come to market. As companies strive to shift to more demand driven business models, they will look to marketers for guidance on whether and how customers want that data used to enhance their lives. ■

