

Every crowd has a silver lining

One of the major realisations that changed the way that businesses and marketers view the internet has been the understanding that it is inherently social. At its core, it is a communications platform. The more progressive thinkers were quick to realise this massive market opening up

By Matthew Stone



WHERE PEOPLE once envisioned nerds in dark rooms typing indecipherable code into machines, we now see normal people from all walks of life sharing thoughts, music and any other form of information. More than simply accessing the internet, these people are increasingly creating their own spaces on the web. A Facebook page is essentially a mini-domain and a Twitter account is essentially a micro-blog. With this move, the anonymity of the web is fading away, replaced by the populating of online neighbourhoods.

Businesses like Amazon, eBay and iTunes store took advantage of the rapidly expanding customer base. As a result, they blossomed quicker than brick and mortar stores ever could. But these are essentially stores that have moved online. There is nothing extraordinarily revolutionary about it. They were well-timed, efficiently managed and smartly designed, but they are not the most interesting success stories of the web.

The interesting stories are from those who do not view the web as simply another market, but rather as a combination of a market and resource. If you play your cards right, the internet will do all your heavy lifting for you. From advertising to content creation, the internet is full of people itching to 'work' for you. Give them their own blog and they will promote your brand. Give them a video and they will try to get all their friends to watch it. Give them a canvas and they will paint you pictures.

Give them a Wiki and they will write you an encyclopaedia.

This dynamic and interactive nature of the internet, where the lines between employees and customers are becoming increasingly blurred, is one of the major distinctions from traditional media. Magazines,

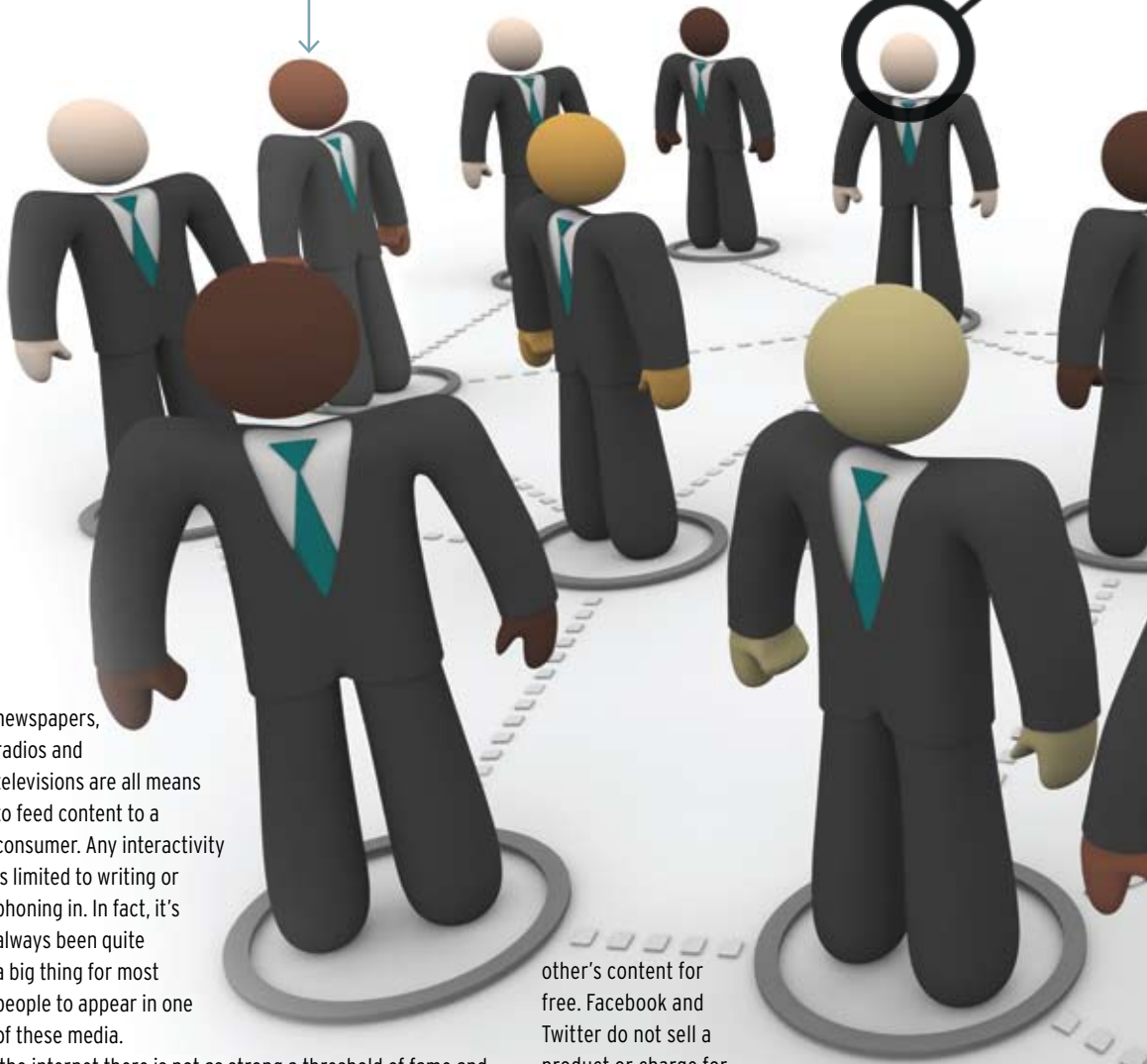
newspapers, radios and televisions are all means to feed content to a consumer. Any interactivity is limited to writing or phoning in. In fact, it's always been quite a big thing for most people to appear in one of these media.

On the internet there is not as strong a threshold of fame and authority.

CONTENT CREATORS

The sites that have really taken over the web have been the sites that allow us to create and consume each

other's content for free. Facebook and Twitter do not sell a product or charge for a service. YouTube does not create videos. Tumblr does not employ bloggers and Deviant Art does not employ artists. These companies noticed early that people want to create. Not only will they do it for free, but also they will often be damn good



at it. There is a term for this, although I am using it very loosely in this context. It's called crowd sourcing, a portmanteau of crowd and outsourcing. This refers to the outsourcing of work to a large undefined group of people and it is a buzzword that has gained prominence over the recent years.

The benefits of successfully crowdsourcing are numerous. If done right, the cost is next to nothing. The end result, on the other hand, is often better than that of skilled professionals.

Let's take a simple example of crowd sourcing... I am band XYZ and I want a music video. Instead of hiring a director, actors, equipment, etc. I put out an open call to the public: "If you love band XYZ, make us a music video of this song and we'll choose (or vote in) the best one and use it as our official video." Suddenly every film student and aspiring YouTube director is trying their hardest to create something that is good enough to stand out. With the current accessibility of powerful software and the creativity of a large pool of talent, there is a good chance that you will receive some amazing entries. Not only do you get a

free video, but the competition itself creates a massive amount of buzz. The winners, and runners up, get exposure that helps them and you get your content for free. Everybody wins.

Of course, things will not always run as simply as that. The band has to be big enough to attract entries; otherwise, you will be stuck with some shoddy videos. If you put it up to voting, you open yourself up to another possible problem. You have to pick the highest voted video, even if you don't particularly want to. A video which is highly controversial could get voted highly, but be problematic to release as the official video. There are always dangers, but they can usually be avoided if the campaign is carefully monitored.

COLLABORATION

That is traditional crowdsourcing. However, a similar spirit is found in many other aspects of the social web. The idea of harnessing the power of the crowd is central to viral marketing, for example. Instead of flooding various media with advertising that is designed to be intrusive, viral marketing uses the crowd as spokespeople to spread their advertising as a part of a conversation. What is fortunate is that brands want people to spread their advertising around 'disguised' as normal interaction; yet, people are generally looking for ways to be trendsetters. If they sense your 'campaign' is contagious enough, they will do their best to spread it for the traffic and network it brings them.

Viral marketing has a symbiotic relationship with bloggers, 'influencers' and social

sites, one that is mutually beneficial.

The motivation and driving force behind the band example is competition. Viral marketing, however, is edging towards the new way of harnessing the crowd, collaboration. There is a term for this too, although again I am using it very loosely: open source. This is a concept that has blossomed since the widespread adoption of the internet. Open source has become closely associated with software development, where an open source-code allows multiple parties around the world to develop, and develop for, a free and open piece of software. Nevertheless, the term also applies to a project like Wikipedia, where the text content is open-source. The success of that project is obvious.

There are other clever ways of harnessing the crowd as a resource that are less well known. Groupon is an American based company that recently turned down a reported \$6 million bid to be bought out by Google. They offer special deals to users for businesses; however, the special deals only apply if a certain number of people sign up. This puts the onus on the users to advertise the deal and get enough users to make the minimum number of sign-ups. This reduces the risk for companies who can specify the number of customers they need to be able to safely offer the special. The users themselves get constant special deals. Groupon makes money by getting a cut from the deal. Again, it's a relationship that benefits everyone involved.

CROWD POWER

What all these companies have in common is that they use internet users as something more than simply consumers. In fact, in a great deal of these examples, the users are not customers. The services are free. You provide the platform, they do the rest. This is how entities like Twitter and Reddit have become free and powerful news sources, despite the actual organisation having little to do with news. This is how Wikipedia is a compendium of almost every band in the world, constantly updated. This is how Facebook has become a directory, mail system and event organising tool. This is how the internet is turning us all into content creators; combining the knowledge, effort and creativity of the crowd to create things we never would have otherwise.

So where will this lead? Who knows to what level we can harness this power. Imagine converting all the recreational time and effort that users put into an addictive game, like Farmville, into something productive yet still entertaining? Imagine what the true power of the crowd might be. >

**Matthew Stone is part of research and analysis at the Rubiks Room*

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