



Book MicroMarketing

Get Big Results by Thinking and Acting Small

Greg Verdino
McGraw-Hill, 2010

Recommendation

Not too long ago, those with the biggest advertising budget wielded the most influence and won the market. Today, the Internet, social media and mobile platforms have usurped the power of mainstream media. Those who use these vehicles most effectively have the clout. Greg Verdino lays out the best way to market in the evolving social, mobile landscape via a combination of small, targeted and interactive activities that garner notice and nurture relationships. Verdino outlines seven micromarketing principles and supports them with rich, topical case studies. His final chapter includes a questionnaire to help you apply his tactics to your business. *BooksInShort* recommends starting your new advertising resource library with this relevant, applicable text.

Take-Aways

- The Internet's dilution of mainstream media influence has rendered mass marketing ineffective.
- A shift has occurred from "mass marketing to micromarketing."
- Micromarketing means connecting through a combination of small interfaces.
- Online societies of "microcultures" imbibe "microcontent," while "micromavens" wield influence.
- Micromavens communicate authentically and shape perceptions within their spheres of influence.
- Anyone with a camera can produce and distribute content through the social web.
- Use micromarketing tactics to forge one-on-one connections with online customers.
- Listen and respond to online conversations to foster "real-time human-scale interactions."
- Rather than "reach" a large audience, develop meaningful relationships with the relevant few.
- Join the conversation. Enter the Twitter stream or newsfeed and grab people's attention.

Summary

Why "Micromarketing"?

The "think big, act big, spend big" marketing philosophy no longer works because mass marketing no longer works. Today, 140-character tweets have more impact than television commercials, Facebook wields more influence than newspapers, and peer recommendations speak louder than radio spots. Campaigns aimed at the masses in hopes of touching a select few no longer make sense when new marketing vehicles enable you to reach interested users directly. The paradigm shift from mass marketing to micromarketing occurred in three areas:

1. "The proliferation of microcultures."
2. "The explosion in microcontent."
3. "The emergence of influential micromavens."

"Mass isn't nearly as mass as it once was, the things we've long taken for granted no longer work as well as they once did, and...the real action seems to have shifted from the center to the edges."

In 2009 at Sasquatch, an outdoor music festival in Washington state, Collin Wynter started dancing alone to the music of Santigold. Another concertgoer joined him, followed by a couple of more. After a minute, several more joined the dance; soon hundreds of rollicking bodies covered the hillside. A video of Wynter's "unself-conscious display" ended up on YouTube. A viral hit, it led millions of people to witness Wynter's groove. This video of one man's ability to influence a crowd stands as a metaphor for the power of microcontent.

"We didn't get here through an evolution of the mass media we knew, but through a revolution staged outside the walls of the mass media firmament."

Amateurs produce microcontent that represents all aesthetics and interests. They self-distribute then redistribute much of this content, making it available for enhancement and manipulation by others. The colossal proliferation of media alternatives enables fragmented audiences to locate and consume exactly the content they want, when and where they choose. Anyone with a smart phone or camera can exercise the same power – via social networks and other distribution channels – previously held by media moguls. Scarcity no longer affects any content or distribution channels; in fact, consumer attention "is the scarcest resource."

A "Paranormal" Story

Major movie production companies follow a standard formula for promoting the release of a new film. For example, when Universal Pictures released *State of Play* in 2009, it spent millions on television spots, full-page newspaper ads and a Flash website. The movie failed in spite of its star-studded cast featuring Russell Crowe and Ben Affleck. An entirely different dynamic fueled the success of 2007's sleeper hit, *Paranormal Activity*, a low-budget, independent horror movie. Originally screened in a dozen college towns, the movie generated buzz on Twitter, Facebook and other social media sites. Paramount Pictures teamed up with Eventful Marketing, promising that if one million fans posted requests via YouTube and Twitter, Paramount would release the movie nationally. Fans met the goal in four days. *Paranormal Activity* earned more than \$107 million over a 12-week run. Paramount successfully shifted from mass marketing to micromarketing.

"The big shift in the media landscape isn't just about how we consume; it's about what we create."

"People pay the most attention to the companies that make the most meaningful connections with them, not as demographic audiences or broadly defined market segments, but as individuals." Micromarketing is about "thinking small" – reaching people through a combination of small interfaces such as tweets, blog posts, posted photos and videos, or even a ringtone. A self-identified audience of like-minded souls resonates to a properly aimed message with greater force and efficiency than the recipients of mass communication. Understanding this, micromarketers encourage peers to create their own ad hoc networks by sharing enthusiasm, interests, information and so on. Micromarketers don't worry about outdated scheduling concerns, or tying their campaigns to patterns of mass media, such as the Super Bowl. They let consumers respond to their marketing on their own schedule in their own way. Thus micromarketers build relationships with consumers, and work to claim and hold that most valuable commodity, consumer attention. Once gained, that attention builds consumer loyalty. The most telling difference between mass marketers and micromarketers, and the one that sums up their disparate strategies, is that mass marketers build campaigns on "the one big thing." Micromarketers instead create "lots and lots of small things."

"The biggest marketing opportunities lie not in the one big thing but in lots and lots of small things."

Mass marketing has shifted to micromarketing in seven ways:

1. "From Mass Communications to Masses of Communicators"

Steve Garfield, a video blogger since 2004, shares pieces of his life, news stories, analyses of new technology, photos and opinions online. Mainstream media, including Wired and CNN, have aired his pieces. Garfield is a "micromaven," someone who generates content and distributes it via the social web. Other micromavens include Gary Vaynerchuk, a wine authority; Chris Pirillo, a self-proclaimed computer geek; and Matt Halfhill, a sneaker aficionado. Micromavens communicate authentically with their followers and wield influence within "microcultures" of like-minded online societies or those with a shared interest.

"In a real-time economy, thinking and acting small means thinking and acting now."

Ford Motor Company was one of the first major corporations to attempt to harness the power and influence of micromavens. To relaunch the once popular Fiesta, Ford marketers loaned cars to 100 media mavens for six months, with the stipulation that the bloggers document their experiences and impressions via their social networks in pictures, videos, tweets and blog posts. Ford published the unedited content on a "Fiesta Movement conversation hub." The campaign was tremendously successful, and Ford estimates that it "delivered more than 10 million earned media impressions, all without a single dollar of paid media spent."

2. "From Media Networks to the Network Effect"

Today, everybody with a camera produces and distributes programming through the social web. Your friends, the people and firms you follow, and the brands and outlets you "like," program the content of your tweet streams and Facebook feeds. Content that a friend endorses holds more sway than a slick message that an advertising agency generates.

"Success lies at the point where creation meets connections, where content meets community."

When companies attempt to enter this stream with traditional marketing tactics, users ignore, delete or "unlike" the interruption. If, however, a company legitimately becomes part of the stream, people pass along its brand messages to their personal networks. Brands must produce content and messages that interest users, enable them to "share something about themselves," and encourage or give them a reason to distribute the content. "It's amazing to see how much impact hype can have when it comes directly from the mouths and keyboards of millions of people."

3. "From Interruption to Interactions"

In 1999, Seth Godin's book *Permission Marketing* defined the difference between "interruption marketing" and "permission marketing." Today, forging one-on-one

connections with online customers makes more sense, yet marketers continue to advertise by interrupting. They insert ads in Internet videos, pop-ups on websites and banners on smart phones. Experts now question whether these messages reach a responsive, welcoming audience.

“The people formerly known as the audience now have audiences of their own.”

Henry Posner of B&H Photo-Video in New York City took a different approach. Since the CompuServe and Prodigy era, Posner participated in photo forums, answered emails from customers and responded to online complaints. Today, he interacts daily on dozens of forums, comments on blog posts and sends tweets. His years of cumulative “microinteractions” have made B&H Photo-Video the “largest independent photography equipment retailer in the US.” Posner followed five principles that are the backbone of successful online interactions:

1. **“Establish a credible voice”** – Share your expertise; provide valuable insights and input.
2. **“Lend a helping hand”** – Respond quickly to customer complaints, questions or issues.
3. **“Kiss your customers on the cheek”** – Surprise loyal customers with gift certificates, free delivery or other unexpected perks.
4. **“Offer thanks”** – Always let customers know you appreciate their business.
5. **“Put a human face on your business”** – Allow your employees to interact with the online public one-to-one.

4. “From Prime Time to Real Time”

Microblogging platforms such as Twitter are user-friendly, accessible ways to share information with your friends and connections, and they are changing how companies conduct business. For example, in 2009, Panasonic invited technology blogger Chris Brogan to its press conference at the International CES electronics trade show. As Panasonic executives presented new products, Brogan tweeted his impressions – such as, “Panasonic announces new hd camcorder with 70x optical zoom” and “Panasonic releasing 3 new BluRay players plus integration to VieraCast” – to 80,000 followers. Brogan “scooped” the trade journalists at the event, delivering hundreds of thousands of earned media impressions before Panasonic executives left the podium.

“It is far better to be everything to the right someone than it is to attempt to offer something for everyone...”

Best Buy uses real-time microblogging to respond immediately to customer complaints, questions and concerns. Now marketers can easily foster “real-time human-scale interactions.” But, “Anyone who tells you there is a tried-and-true formula for achieving (or even predicting) ‘viral success’ is most likely shilling snake oil.”

5. “From Reach to Relationships”

Traditional marketing programs focused on reaching a large number of people in hopes of turning a few into customers. Social media flip this formula on its head. Now micromarketers develop meaningful relationships with a series of small, interested audiences, and “depth” takes precedent over “reach.” Nurturing relationships by combining micromarketing activities boosts customer loyalty and delivers substantial bottom-line results.

“Micromarketing is...an evolution of relationship marketing.”

Walmart tried a nontraditional, relationship-based marketing approach in its “Elevenmoms” program. The company identified several mothers whose popular personal blogs reached an aggregated audience of more than 650,000 followers. Executives gave the bloggers an inside look at Walmart’s operations plus “exclusive information, offers, incentives and deals.” Walmart wisely left it to the blogging moms to use the information as they wished. They shared the news, incentives and bargains with their online communities, and their influence converted many of their followers into Walmart fans.

6. “From Awareness to Attention”

Marketers have long argued the merits of “paid media” versus “earned media.” Paid media refer to television, radio spots and print ads. Earned media include mentions that your brand receives in the media due to your public relations and in the social media due to references in blogs, forums, microblogs and social networks. Earned and paid mentions may increase brand awareness, but that is not enough. Grabbing people’s attention is more important. To capture and hold consumers’ attention, marketers must create engaging content using these tools:

- **“Innovation: Take an uncommon path”** – This is the best way to tell your story. For example, Delta Airlines produced an in-flight safety video using an attractive flight attendant and quirky copy that garnered more than 1.5 million YouTube views.
- **“Interjection: Plant seeds in fertile fields”** – Insert your message appropriately into germane conversations on blogs, forums and social networks.
- **“Inspiration and participation: Create an open loop”** – The interactiveness of social media allows consumers to share comments, opinions, links, videos, photos, and the like.
- **“Recognition: We pay the most attention to those who pay attention to us”** – Recognize, validate and respond to your customers.

7. “From the One Big Thing to the Right Small Things”

Case studies of large companies that practice micromarketing, like Ford Motor Company, Best Buy and Walmart, demonstrate that this approach is not limited to small or local businesses. Micromarketing combines small approaches and vehicles, yet it offers infinite potential for building relationships and engendering loyalty and advocacy. Mainstream media no longer provide the punch they once did. Going micro is the best way to achieve even your most ambitious business objectives.

About the Author

Greg Verdino is vice president of Strategy and Solutions, and he blogs about marketing.