

Learning from Monkeys
An Outside-in Brand Management Approach
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Executive summary

This paper proposes an 'Outside-in' approach to brand management. In effect, that brands should not think of consumers as people to be targeted, but people to be 'employed' to work for brands.

Trends such as the increasing proliferation and fragmentation of media, along with the rise in consumer sovereignty gained through technology such as Sky+ and the internet, mean that increasingly consumers are forming their own powerful channels that they control.

This should not be feared however, as consumers are proving willing to work for brands as long as they get something in return, be it a product they can design themselves, a richer brand experience that entertains and engages, the right price, a knowledge that they are buying an ethical or socially responsible product, a better product, or just by saving them time.

To adopt an Outside-in approach it is proposed that brands 'hire' consumers in to different departments, including; Marketing, Sales, Administration, Corporate Social Responsibility, NPD, Creative, Senior Management, PR, IT and Research. And, that the successful brands will be those with the most productive and efficient mix of consumer employees.

With this in mind, agencies will need to think of themselves as 'recruitment consultants' for brands. They will need to harvest consumers for ideas, not just insight, focus on maximising consumer involvement and engagement, facilitate consumer-brand dialogue, gain permission to work with them, and think of consumers as media.

The structure of agencies will have to change, accommodating a closer partnership with consumers when it comes to building and directing the future of brands.

Research and measurement will require an ongoing holistic approach that gains a full and true indication of the consumer-brand relationship, along with an understanding of the full value 'consumer employees' adds to the bottom line.

It is argued that an Outside-in approach will help raise agencies profile with clients, enabling them to make a strong case for fair payment by results, by demonstrating the win-win-win situation for agency, consumer and brand, of adopting an approach that does not fear consumers desire for control, it embraces it. It is an approach that gains control by first giving it away, getting consumers to work for the very brands they purchase.

1. Learning from Monkeys - the formation of a theory

Standing outside the Apollo, we stared at the huge line of people, the pockets of friends meeting with excited hello's, and the touts encircling groups, sharking for spare tickets.

'I am here on research. You don't have to come in, if you don't want to' I said.
'Yes I do. It's the Arctic Monkeys, you idiot.'

With my friends comment hanging in the air, we walked up to a tout, and ten minutes later we were a lot poorer, feeling a bit too old and uncool, but one step closer to watching a band whose rise to fame has both gripped and shaken the music industry. A band that has helped shape my theory for this paper. A theory formed in three parts.

Firstly, whilst listening to a friend tell a group of us in a pub that 'we had to buy The Killers album', I thought of the Burger King Subservient Chicken email I had sent on to each of them. Later, whilst reading a book I bought because of its rating on Amazon, I started to think of the Hasbro Action Man activity I'd managed that let kids direct the creative end of the ad campaign, and I started to form the first half of my theory for this paper;

I began to wonder whether it would be the brands that manage the 'work' we do for them most successfully that will succeed in the future.

Secondly, two weeks later, my Dad calls me to tell me he has just downloaded his one thousandth itune onto his iPod. The result of this iPod is that he no longer listens to what I thought was his beloved radio. Instead he has become the master of his own music channel, unreachable across the airwaves by would-be advertisers, a sixty-year-old DJ.

With a second thought forming, I told my girlfriend that 'we were getting Sky+ for research purposes', experimented with sending video clips via 3G, discovered a staggering number of 'fans' own sites for the brands I work on, and remembered the direct mail I had read and kept from a company, purely because my friend works for them. As I suspected, the thing with these channels was either that they were being directed and built by consumers, or, that like the direct mail I opened, many messages we receive are binned, because as yet they have not entered our sphere of relevance; our 'own network' so to speak. With this thought, the second part of my theory formed:

That increasingly, consumers will create and control powerful channels and networks of their own, and that agencies will have to understand how and why, to effectively employ channel planning and creative that can enter 'our' networks.

Finally, whilst talking to a colleague about consumers 'own networks', and the fact that consumers are doing 'work' for brands, he mentions the band the Arctic Monkeys. Intrigued, I look them up online and to my surprise, find they are playing a gig in town a couple of days later, and decide to embark on some research.

As the crowds spilled out the Apollo, I put on my best NME journalist impersonation and approached my first of three focus groups that evening. As with others I spoke to that night, this was ‘their band’, after all, ‘Emily’ informed me, ‘George even has one of their demo CD’s they handed out at a pub before they were signed.’. It was true, George, while mute, was squirming with pride.



Figure 1. NME issue reporting on the rise of The Arctic Monkeys

What I learnt that evening was that the Arctic Monkeys have taken the UK charts by storm with a rise to fame that has been championed, not by a record company, but by their fans. Fans, like George, that took CDs the band members gave out at gigs, loaded them up online and fuelled a frenzy of excitement, by sharing files, building weblogs, and singing the bands praises in chat rooms before they were signed.

Since that night I have collected countless articles stating just this, and if you are a music fan you will know they recently won Best New Band at the Brits, along with two awards from NME. As the Guardian put it, ‘the simple fact that the internet allows fledgling band’s music to be heard without label assistance has heralded a joyous new musical socialism’¹. What this means is that the music labels, used to the traditional marketing routes, are having to catch up in this new world. As Laurence Bell, head of Domino Records who signed them later said, ‘I think the bands are in a stronger position, as they are not so desperate for the record company to magic up the numbers. They come with an audience’².

After interviewing Emily, George and the others, I considered the Arctic Monkeys in line with my earlier research, and the three parts aligned in to my theory;

I believe that the brands and agencies of the future will need to utilise what I call an ‘Outside-in’ approach. They will need to access consumers ‘own networks’ and get them to ‘work’ for them, and it will be the companies that manage and measure our ‘employment’ most effectively, that succeed.

I believe this approach to be applicable not just to the Arctic Monkeys, or my clients Walkers, Hasbro Toys, Esso and Bridgestone tyres, but to all brands. I believe that the concept of ‘consumer employment’ can work on many levels, and I will explain how it can be applied to all. It is an idea that does not fear the rising power of consumers, it embraces it. A route that will require a new agency set up and a new approach to brand management, research and measurement. To explain my theory, I have structured this paper as follows:

- Why consumers are forming their own networks and working for brands
- Outside-in Brand Management – an approach to gain control by giving it away
- Channel planning and creative – how it will work
- Research and measurement – how it will work
- The Outside-in agency of the future – how they will need to be structured
- Conclusion

2. Why consumers are forming their 'own' networks

It didn't take long to understand why people are creating their own powerful channels; it is a reflection of the society we live in and the media environment we have created that makes them want to avoid the channels employed by adland.

We are drowning in choice – we live in a society where consumers have learnt to filter out messages because supply is greater than demand. Everything has become a medium and the value of advertising has decreased³.

Technology is giving them control over message reception – as the bandwidth becomes available to consumers, many specialised technologies will become powerful enough to perform multiple functions across multiple platforms, all talking to each other in a network⁴. Whilst broadcast TV is a 'push' medium, the internet is closer to a 'pull' medium. You can screen out messages, so that nothing comes to you unless you choose it to. The implication of this shift from 'push' to 'pull' is a radical increase in consumer sovereignty⁵. Soon the boundaries between gaming, mobile, TV and online will cease to exist, and consumers will indeed be their own DJs, schedulers and programmers. They will rule the channels.

Consumers are finding faster and cheaper ways to get content – more and more content is being sold direct to consumers, or being pirated free online. In fact, once consumers get online, they don't want to pay for anything⁶. As with iTunes, artistic and technical talent of performers and production companies are finding ways to benefit. At the same time the gatekeepers, companies like Sky and iTunes, will be able to emphasise their relationship with consumers⁷, but advertisers, will be faced with the problem of losing their route to market, effectively pushed out of our networks.

We trust each other ahead of branded messages - when thoughts, emotions and feelings are in the balance, emotions win⁸. These emotions are closely linked to our interaction with others, and because traditional research studies the individual, we neglect the importance of interaction between people⁹. As Mark Earls says, we are 'herd animals', and through word of mouth, consumers instinctively create and own the most powerful communication channel there is, one capable of rapid spread of ideas, products and behaviour¹⁰.

Consumers want and feel they can have 'their 15 minutes' – Big Brother, The X Factor, Heat and OK! are fuelling our infatuation with and desire to be, famous. In this environment it is no surprise that people want to control their own channels; that more and more people are creating blogs, their own websites, or even their own reality TV shows through web cams. People want and believe they can have their 15 minutes. They want their own channels.

What we are seeing is that the consumer is actively taking charge of channels, whilst agencies have let themselves slip behind in innovation terms because they are paid in volume and execution, not intellectual capability¹¹. The challenge is now how we embrace consumers desire to take control of channels, and get it to work in our favour. I propose that we can do this by getting consumers to actively 'work' for us. An idea I believe possible because consumers are proving willing to do just this.

3. Why consumers are willing to work for brands

Customization is aiding individualism – People seek self-actualisation through retail therapy¹². Because brands are social markers that consumers use to define who they are, consumers are looking to personalise their consumption; be it a pair of jeans, insurance, or the online news updates they receive in the form of ‘The Daily Me’¹³.

Customization is evidence that consumers want to be partners, not pawns¹⁴. And, as soon as consumers start telling companies the exact product design, features and benefits needed to make a sale, the ‘consumer employee’ is acting as the company research, marketing and NPD department, all in one.

Branded experiences offer greater involvement – consumers are both rational and emotional, they don’t just want a cup of coffee, they want the whole Starbucks coffee experience¹⁵. As brands focus on the full ‘experience engagement process’¹⁶, it is companies that set the stage and give us the props, but consumers who are the actors that ultimately bring the experience to life. The ‘consumer employee’ is the one working for the company to complete the experience.

Buyer-centric marketing gives consumers a better deal – Alan Mitchell in ‘Right Side Up’, speaks of the high and wasteful go-to-market costs of traditional ‘just in case’ production, describing his view that the future is in matching supply to demand, not demand to supply. Examples include ‘Consumer Agents’; companies that work for consumers, to best match their needs to company supply. In this model, gone are the days when we market goods to consumers, it is the consumer who market themselves to companies. If this be the case, the ‘consumer employees’ become the companies’ marketing department, telling companies what they want, and at what price – not the other way round.

Corporate Social Responsibility has increased – no longer can a company simply bring a product to market, consumers want brands to be ‘citizens’¹⁷. Companies are ‘the ultimate accountable institution’¹⁸, whereby consumers judge them by the values and ethics they live and breathe. If they are to trust and work with a brand, the ‘consumer employee’ expects more. They want them to give them added emotional and societal benefits as well.

Consumers want things in their own time – Our time-pressured lives give companies two options; speed things up, or slow things down¹⁹. No longer do we take the time to visit our local bank, now we go online and do it ourselves, both saving time and reducing a company’s payroll costs, because the ‘consumer employee’ happily does the company’s administration for them.

We stick together in tribes – The majority of the time we are balancing our conflicting desire to be individuals, with our desire to fit in²⁰. We form online communities around interests, join societies and read certain papers because we want to be in the *FT*, *Guardian* or *Independent* tribes. Our very nature leads the ‘consumer employee’ to segment themselves into groups.

Research at OMD has shown how kids in particular, are very inclusive. They have what Mark Earls describes as a ‘herd instinct’²¹. Younger kids especially want brands

that bring them together, brands that are fashionable and have peer group endorsement. In this environment ‘playground currency’ is crucial, for it is through the ‘herd’ that ‘ideaviruses’²² spread from one person to another. When this happens, once again, the ‘consumer employee’ is working for companies, doing their marketing job for them by (in the case of kids) creating ‘pester power’ for the latest crazes fuelled by the ideavirus across the playgrounds.

In summary, the more you look at the trends of our times, the more one notices the work consumers are now doing, often through networks they are creating. As a result, I believe that the evolution of marketing has moved on a step from that which Marty Keumeier describes in The Brand Gap:

What it has (features) ➡ What it does (benefits) ➡ What you’ll feel (experience) ➡ Who you are (tribal identification) ➡ ^{to} **Who you’ll work for (consumer employee)**

In this environment the consumer is becoming the new channel planner, not the agencies, but as Joe Mandese said in Admap, I believe that advertisers need not fear consumer control over media content, they should actually embrace it²³. Meabh Quoirin touched on this in a recent nVision study when he said; ‘rather than worrying that marketers may be a dying breed, companies should be looking to the potential for enlisting consumers to the marketing effort²⁴’. They should be employing the consumer. With this in mind I will now look at how I believe the theory can be employed.

4. Outside-in brand management - An approach to gain control by giving it away

To adopt an Outside-in approach you need to embrace consumers desire for influence; their desire to own their own networks. It is my proposal that agencies think like 'recruitment consultants' for brands, and consider how they can encourage consumers to work for them, by embracing their desire for control.

I believe that every brand can benefit from this approach, because consumers can be employed to work in any number of departments:

Marketing Department – we touched on how 'consumer agents' can aid the marketing process above, and the Arctic Monkeys have proven, through their fans own channels, how consumers can be powerful champions of brands. At every step of the way, brand managers need to consider how they can get consumers to aid the marketing process and market our products to other consumer for us.

With regards Hasbro, we recently took the thought on board, running a campaign for Furby in which we employed consumers in to the marketing department. Two simple insights were that a) kids have incredible imaginations. That in their world they do not just play with their toys, they have the power to control the characters, and b) fame is central to kids lives. It is hard to find a child that doesn't have a famous idol, or want to be famous. With that in mind we realised that kids would want to work with us if we gave them the opportunity to use their imaginations and actually dictate the campaign story, and if we could somehow make the product characters famous in the process.

To do this, we partnered with RSVP, utilising Nickelodeon and Capital Radio, and built a campaign in which the different Furby characters competed for the prize of 'Furby Star'. Having followed the characters development on air, online and on the radio, through interviews and singing performances, more than 30,000 kids voted for their favourite Furby. Following the announcement of the winner, we went on to release the 'single' as a ringtone, in which 5000 were downloaded (the maximum our budget would allow), and release a Furby movie.

As a result, Furby became the No.1 toy in it's cataegory for Christmas 2005. The strength of the campaign, I believe, was in our conscious employment of the consumer; they dictated the creative by voting; they encouraged their friends to get involved by passing the site on to their friends; and they downloaded the ringtones that further marketed the product once the campaign was over.

The internet and mobile are clearly powerful tools for any brand, facilitating W.O.M more than ever. At every step brands should be looking to use them to enable consumers to market our products to each other for us.

Sales Department - A major challenge for fmcg companies is the rising power of the trade. Retailers like Woolworths, Tesco and Asda have huge power over brands like Hasbro and Walkers. As a result, both are often forced to offer discounts and promotions, devaluing their brands, whilst the retailer compounds their problem by producing own-label brands as direct competitors.

To combat the issue, companies should look to 'employ' the consumer in to the sales department. We need the consumer to work for us by requesting the Hasbro brands. True, advertising helps us differentiate products, but there is an opportunity to build a relationship with consumers in a way that they enjoy and makes them want to work with us²⁵. A simple idea could be to have Hasbro establish a loyalty scheme with consumers. By doing this, they could build a personal and valued relationship with consumers that tips the balance of power back in their favour by encouraging consumers, armed with the incentive of a loyalty scheme, to actively request our goods, thus limiting retailers justification for ongoing promotions and discounts. In effect the consumer could do our trade sales job for us.

Administration department – A simple way to employ the consumer and reduce costs at the same time, is to get consumers to do the administration for you. Where possible, we should be enabling consumers to fill in information online, place orders, and complete the job previously fulfilled by others within the company, themselves.

Corporate Social Responsibility Department – Working with brands like Esso, Hasbro and Walkers, you soon realise the importance of Corporate Social Responsibility. Social responsibility is about problem solving, not brand reputation²⁶, and if the Governments White Paper and constant negative PR around snack foods, kids and health say anything, it is that the issue is not about to go away, so I believe companies like Walkers need to face the problem head on by getting the consumer involved. In a similar way that Pepsi framed the competitive issue with Coke around the 'taste challenge', Walkers should move the debate away from their products alone, and towards the real issue; the need for a more balanced diet in combination with an active lifestyle. They should take the proactive step of working directly with consumer groups and the government, promoting balanced lifestyles. They should get consumers to work for their CSR department by getting them actively involved with the campaign, by associating themselves with sport, the Olympic bid, or by running a yearly 'walkerthon' in conjunction with the marathon. They could support increased sport in the curriculum, even tackle the problem head on with balanced lifestyle roadshows.

These examples, championed from the top down, require a determined CSR vision, but it would get consumers involved. It would show what Hamish Pringle describes as 'Corporate Social Leadership', and demonstrate a genuine partnership with consumers, towards the co-creation of a healthier lifestyle. A task that cannot be completed by Walkers alone, but possibly can, with the help of the 'consumer employee'.

NPD Department - *egg*, the online bank, actually recruited consumers in to design the brand strategy for the company²⁷. Similarly, I believe that my client Hasbro could encourage people to work for their NPD department by giving away free toys to those who come up with imaginative ideas that we put into action. What kid, if we ran a competition, wouldn't want to be the proud designer of the next Action Man or My Little Pony?

Creative Departments – The Star Wars Kid is an example of consumer created content that further built the Star Wars brand. As we did in the Furby case above, we need to look for ways to involve consumers in the creative direction of brands.

With this in mind, and embracing the incredible explosion in consumer creativity arising from digital photography and video technology²⁸, Hasbro have recently partnered with Empire magazine to deliver a Star Wars competition in which people have to reenact, or spoof, a scene from the movies using the action figures, and send in their clips to be judged in the brand's own mini Oscars.

Senior Management - Taking the idea of consumer employment on a step further, we could metaphorically 'sell the company' to the consumer²⁹. In effect, give them control of the brand, by asking them what they would do next if they owned it. I wouldn't be surprised if Lego did this when they thought of opening a Theme Park; Lush, when they designed their wonderful stores; easyjet, when they thought of the no frills flight option; or swapitshop.com, when they designed a site that allowed kids to swap their toys with each other online. Ultimately, as with Linux, the consumer could evolve the brand for us.

PR Department – Because the press monitor popular culture and consumers are embracing non-traditional information sources, we should encourage consumers to issue their own press releases through conversations they have and reviews they leave on websites, chat rooms and blogs. We should both help them send news to the press, and help them be the press, by allowing key consumers to have access to our thoughts first. With regards Bridgestone for example, why couldn't they give advance warning to car fanatics of the improvements they are making to their performance tyre ranges.

IT Department – for years Microsoft received criticism from technicians picking faults in their new software releases until they made the conscious decision to employ them. By allowing the very same people to beta test new products, they have been able to solve complex problems quickly, achieving substantial cost savings before the product would previously have gone to market³⁰.

In fact, this type of employment is now widespread. By harvesting consumers' opinions and feedback, companies can keep abreast of product grievances, allowing them to respond quickly, before issues escalate. As Danny Van Emden of EMI Records put it; 'what a good website repays a band and a label, in knowing who their audience are and where they are coming from, is incomparable in terms of any other marketing and research channel'³¹.

Research Department – As touched on above, consumers are keen to work for us, by telling us what they like and dislike about brands, and we should be listening and monitoring what they have to say.

The interesting thing about the rise of the Arctic Monkeys, is not how it happened, but how the record companies missed it coming. Hitwise.com have explained that it could easily have been predicted if companies had been monitoring visits from blogs, chat rooms and online communities³². With this in mind, brands should embrace the Internet and do all they can to track and harvest opinions. They should monitor their online media coverage, newsgroups, the actions of subscribers and voters, search engine rankings, feedback forums, and links to their own sites³³. All are ways to let consumers work for your research department. As an example, the official website of the band Franz Ferdinand received 20,000 questions in one hour during a webchat

with the band³⁴. Clearly the internet has fast forwarded the importance of customer relations in the music industry, just as it can for any brand willing to let the consumer work for them.

To summarise this section, the idea I am proposing fits the old saying that 'a company is only as good as it's employees'. By taking an Outside-in approach of 'employing consumers', companies will need to think not just internally, but externally as well, as it will be the companies that manage the consumer employee side most efficiently that stand out in an environment where consumers are keen to take control.

Having discussed how companies can apply the outside in approach, by thinking of it in terms of different departments, I will first consider how this approach will influence channel planning and creative, secondly, research and measurement, and thirdly, the structure of agencies.

5. Outside-in channel planning and creative

In order to get consumers to work for us, we need to learn from consumer's own use of channels. We will need to become welcomed to their network, and our media and creative strategies can do this in a number of ways;

1. *Less business to consumer, more consumer to consumer*

For no reason other than the fact that someone you respect told you so, everyone one of us has purchased a good they otherwise wouldn't have. With this in mind we need to think of 'consumers as media'. Hence, I believe the first way my clients can enter the consumers network, is by doing all they can to facilitate positive W.O.M amongst key consumers. One of my clients, Bridgestone, for example, should be supplying tyres not just to Michael Schumacher, they should supply them, if not free, than at a discount, to the thousands of amateur racing drivers who turn up at race tracks week in, week out. These are the hardcore driving fans, the real-world Mavins and Salesmen that will champion the product into the masses³⁵.

2. *Less 'finished', and more 'unfinished' marketing*

The industry treats consumers like targets to hit, not people to persuade³⁶, yet if consumers are to open up and embrace advertising, accept their employment, we have to put them in control of the channel, we need to let them co-create the message.

Why couldn't Walkers run a national vote campaign to find the nation's favourite crisp for example? In this way we'd deliver a more in-depth brand experience, one consumers actually take part in and dictate. To be successful therefore we need messages that consumers want to involve themselves with, messages that consumers want to pass on and complete.

3. *Less advertising, more content and dialogue*

Consumers have a stronger relationship with programmes than they do advertising, so we should start to look at partnerships through the trinity that is content, media and marketing³⁷. Why couldn't Hasbro fund a '50 Greatest Games' TV show for example, involving the viewer in the debate, by getting them to vote and actively co-create the programme. The strength of a dialogue is that it requires greater mental involvement, it engages the consumer by getting them to think and work with you to complete the message.

4. *Less media brands, more brands as media*

We can learn from the fact that consumers are building their own websites and blogs. In the past we targeted passive consumers, now they are proving we need to work through audiences and communities of interest³⁸. We need to become part of their network; media they don't just choose to consume, but media they would even be willing to pay us for, to be involved.

Hasbro should bring together the abundance of content they have and build websites and programmes that give consumers reason and desire to be viewers, not just consumers³⁹. At the same time, Walkers should recognize the incredible value they have with a brand that delivers millions of on pack brand impressions daily. This is of huge value to potential partners, as Hasbro have found through the uplift in sales of Mr Potato Head since the crisps launched.

5. Less intrusion, more permission

Arguably the most obvious way to enter a consumers' network and get them to work with us, is to ask. A great example of this is the Tesco Club Card. Having gained the consumers' permission to work with them, they can now harvest the sales data and information consumers willingly pass them, to tailor promotions and become a life-long retail and media channel for the consumer. Likewise, there is no reason why my client Esso couldn't work harder to promote its customer fuel card, and use the data, not just to deliver offers, but also to channel positive PR through its loyal customers.

6. More emotional media

How we remember things depends on how it is encoded. The more vivid, emotional and original an event the more likely it is to be recalled⁴⁰. The 'experience engagement process' proposes that at every step of the consumer decision-making cycle, companies have to build a valued consumer experience⁴¹. Likewise, I believe, the future will be in branded contact that consumers choose to involve themselves in, not contact that is forced on them.

To summarise, ultimately, we need to remember what we all want from our employers; recognition, reward, involvement, respect, development, responsibility, a better way of life, and not forgetting fun. Through this process we can be welcomed to consumers networks in a way that makes them willing employees of our brands. And in this environment, 'share of employment' will be key, not just 'share of voice'.

6. Research and measurement - becoming an ongoing 'investor in people'

It is my belief that all too often agencies' measure of campaign success is incomplete or even misguided, encompassing an inadequate 'basket of metrics' they feel confident they can influence, rather than those most relevant⁴². Agencies need to stretch their comfort zones, stop focusing so much on their own, and think more about their client's business. We need to become an equal partner, leading client thinking by taking the commercial highground and understanding the full implications of adopting an 'Outside-in' approach.

To do this requires agencies to have a close, ongoing relationship with the brands 'employees'. They need to become an 'investor in people', aiding planning through a thorough understanding of the consumer-brand, consumer-media, and consumer-consumer relationship. They need to think like the brands 'recruitment consultant' and understand the client's needs, and we should know the full value the employees add to brands. To make this possible it is my proposal that agencies partake in the following:

Understand how well your campaign employs the consumer – with reference to the different 'departments' a consumer can work in, agencies need to understand where and how efficiently they are, as well as where they could be employing the consumer. In effect, an Outside-in agency needs to be listening to consumers, working on, and monitoring, every recruitment opportunity the brand has.

*Become a 'Citizen Brand'*⁴³ - we need to constantly monitor and research the trends, habits and feelings of our employees, whilst being totally open with them in the process. A brand that is confident enough to engage in debate and speak freely with consumers, will gain their respect. Good examples of brands doing this include Dove with their campaignforrealbeauty.com site, AOL's discuss.aol.co.uk (in this case: [internet: good or bad?](http://internet:goodorbad?)), and Microsoft, who through Robert Scoble, a frequently cited blogger for the company, maintain discourse with consumers. All of these are examples of brands that have been willing to open up debate, or answer questions honestly, making the brands feel more human as a result.

Research employees in their own environment – As Martin Raymond argues in *The Tomorrow People*, we should monitor consumers in their own environment, as this will uncover what we all know, but often neglect; that people rarely say what they mean, or do as they say⁴⁴. For example we should not simply research individuals. To understand exactly how consumers are working for us, we need to take a herd perspective and research the interaction between them that effects their choices as well⁴⁵.

Use the technology available to you – technology can now actively monitor hundreds of millions of natural discussions from blogs, chat rooms, email groups and product feedback sites. This allows companies to implement Tipping Point research, by identifying those individuals who most effectively spread buzz and trends amongst consumers⁴⁶.

For example, Walkers should be monitoring the obesity debate online, getting involved with discussions, staying a step ahead of problems and effectively

‘promoting’ the most influential consumers, by speaking to them on their terms. As mentioned above we might even be able to recruit them in to our PR department, because as Nancy Vonk, co-chief creative officer of Ogilvy Toronto, recently said, ‘with the right blogger at the wheel, bad moments can be addressed quickly and with admired transparency. You have a chance to beat the press to the message, and take control of your response’⁴⁷.

Think ‘consumer resource’, not just ‘consumer research’ - in a recent Campaign supplement titled ‘The Worlds Leading Independent Agencies’ James Mackay of *Belgiovane Williams Mackay*, stated that ‘as their focus has moved away from ad-centric outcomes towards idea-centric ones, they have found that the more eclectic their creative department’s talent, the higher the level of creative challenge achieved’⁴⁸. This was a common theme amongst the independents mentioned, including *Taxi*, and *Forsman & Bodenfors*, but while creativity is clearly seen as coming from anywhere internally, none mentioned the consumer as a potential source.

I believe we should be hosting consumer brainstorm sessions, not just Qual groups, monitoring how they shape and play with ideas in a group. In what ever means we can, we should be giving consumers the opportunity to feedback their thoughts, get involved and make suggestions.

Integrate research and retail – epos data and retailers own stores are a constant source of consumer research. Where possible, brands should consider setting up branded environments, even branded stores, that double up as research hubs. For example, while Esso has it’s garages, Walkers could have a series of local shops, Hasbro a toy store, or Bridgestone a tyre centre, or even a race track. All of which would help them keep a constant tab on consumer trends and needs, help them try out new products, see consumer behaviour first hand, test P.O.S and promotions. They might even build the brand and make a profit as well.

Understand the value of your consumer employees - agencies can be slow to measure their impact on the bottom line, preferring to ‘put a stick in the ground’ and measure marketing’s ‘magic numbers’ (awareness scores, relative price, loyalty, etc.), or worse still, just by telling stories about how ‘marketing works’⁴⁹. While these have value, to quote Woody Harrelson’s character in the film *White Men Can’t Jump*, I believe agencies would sometimes rather ‘look good and lose, than look bad and win’. Obviously the judging criteria for the IPA Effectiveness Awards rightly rewards accountability, but the cases represent a relative few.

In order to act like an ‘employer’ we need to be able to demonstrate the return our employees add to the business, quantify results against intentions, and keep raising the bar to deliver better results⁵⁰.

Ensure effective measurement, by agreeing clear objectives – while we recognize that ads work on many mental and behavioural levels, and that they influence the short and long term, too often our objectives and measurement focus on set and limited criteria. The result is that we tend to undervalue the effects of our campaigns because the whole is more than the sum of its parts⁵¹. As an example, it has been shown how awareness studies undervalue the full emotional ‘hidden power’ of advertising in low

involvement categories⁵². If this be the case, we will be underestimating the campaign's impact, and limiting our credibility to the client.

With the above in mind we first need to sit down with our client and establish a shared understanding of the objectives our marketing is to address, ensuring that everyone understands what success looks like up-front⁵³. Following this, we will want to take a holistic approach and evaluate the full returns resulting from our communication; 'the longer and broader, as well as the short-term effects'⁵⁴.

Taking this approach will give agencies more credibility when advising clients on the proper allocation of resources, by encouraging them to clearly and accurately measure the effectiveness and efficiency of activity. In effect it makes agencies accountable for their work.

Through periodical brand audits that track mental, behavioural and financial brand equity, agencies can evaluate and justify their roles, estimate brand and shareholder financial value and build forecasting systems for brands. The approach will ensure goals are clear and measured, embrace lessons from past campaigns, and help build the long-term partnership between client and agency. I also believe that it will help agencies push for and get fair payment for results.

7. The structure of an Outside-in agency

Just as we all want to work with inspiring people we respect and believe in, so consumers want to work with brands they respect and believe in. With this in mind Outside-in agencies will need the following;

Strong leadership - a company's first customers are its own employees (internal)⁵⁵, and at present few agencies are ready for an Outside-in approach. To help agencies employ the consumer and become more accountable requires training of, and the buy-in from, all those involved. In addition to this, whilst leading your internal staff, you will need to give added focus to the consumer employee as well. To win both the internal and outside-in respect of 'employees', requires strong agency and brand direction.

Flexible teams - consumer 'employees' have varied needs and in order to be a good manager of them, agencies will need to be flexible, able to change and adapt, to pull in the right resources to answer the consumers changing demands.

At a recent IPA training centre, Jonathan Mildenhall of Mother said, 'I don't know if agencies will be ad agencies, production agencies or brand content agencies in the future, but what I do know is that it's all about the talent. You need to go where the talent is'⁵⁶. I'd agree with this. Agencies of the future will need to be able to pool all the creativity at their finger tips, and appreciate that ideas can come from anywhere, even the consumer.

Closer relationship with consumers – we will need a closer, more holistic and ongoing partnership with consumers, even have them work in house. A partnership which gives them reason to open up, interact with and want to work with us.

Greater emphasis on measurement – An Outside-in approach requires companies to embrace measurement and look for a balance between art and science. Doing so will help us understand the full value and implications of 'employing' the consumer, enabling us to speak to clients on their terms.

Outside in agency remuneration - At a recent debate that included Adam Kirby, former Global Advertising Procurement Director for Diageo, and Paul Jackson, Marketing Director at MFI, when asked 'how agencies should organise themselves?', Adam stated that 'if agencies have the wrong set up, they will make little money'. That what he 'would ideally like is a set up that makes agencies profitable enough to do the best job for their client', to which Paul added that he cared 'passionately about agency structures, and preferred teams that were lean, mean, passionate, intelligent, and highly paid'⁵⁷.

At present our commission systems fail to reward results, creativity and performance, focusing instead on creative output and total media spend. In effect, by charging for volume, execution and craft, agencies do not add cost where they create value, they create cost where they create no value⁵⁸. The method of research and measurement described above is important because agencies need to stop charging for volume alone; stop giving away free, the value they create; stop being paid the same for bad

ideas, as they are good, and start being rewarded for the profitability of their campaigns.

The focus of an Outside-in approach is the consumer, and likewise, the consumer should be the focus of agency remuneration. Just as a manager is rewarded for the success of his internal staff, so agencies should be rewarded for the profit and productivity of their 'consumer employees'. However, just as that same manager is rewarded for the success of his employees, so the manager needs a basic wage to survive as well. Likewise, I believe remuneration needs to be two fold:

1) The Basic - my belief is that agencies should first charge a fee that reflects their basic resource cost. In essence, their monthly 'cost of living'.

2) Employee performance related pay – having covered costs, the only profit driver becomes the delivery of the strongest idea possible to maximise the efficiency and profitability of your consumer employees. You should be rewarded relative to the success of your campaign and your role within it. By taking a holistic approach and measuring the full return on our investment, agencies will be able to demonstrate the profit and productivity of the 'employees'.

Once we can demonstrate this, I believe we will be able to stand at the top table with clients, be respected both as agencies and business consultants, and be able to state our case for a new form of compensation. A case that reflects the effectiveness of our brand management; a case that will inspire agency staff to both measure and develop the strongest ideas possible; ideas that will encourage us to escape the 'shackles of craft creativity, and create media neutral ideas that transcend advertising and address all brand stakeholders'⁵⁹.

Finally, returning to Adam Kirby and Paul Jackson's comments, it is a route that would deliver a win-win situation for both agency and client, and this certainly feels like an inspiring way to build a relationship and run a business. A business that leaves the profit in your hands.

8. Conclusion – An Outside-in Future

John Stengel of Procter & Gamble wrote an article titled *Consumers Are Reinventing Marketing* in which he stated that consumers were the ones gaining control. In the last line of the article, he asked the reader; ‘will the consumer be your boss, your coach, your inspiration, or will you be out of touch and out of business?’⁶⁰. It has been my proposal that yes, the consumer should be our inspiration, but that we need to think of them as brand ‘employees’, so that we do not just keep ‘in touch’, we move ahead.

Brands face challenges going forward. As the frequency and quantity of messages rises, it is no surprise that consumer intolerance is growing and they are forming their own channels. We can not just push messages on to people and expect them to lap it up. As the Arctic Monkey’s case study highlighted, the increasing empowerment of consumers, and their ability to form their own networks, should be embraced. After all, it is consumers, not marketers that ultimately encode a brand with meaning⁶¹, and in that sense, consumers are not simply employed by companies, they are the brand’s founders, CEOs, shareholders and guardians all in one.

Marketeers should be looking to create dialogue and consumer engagement. They need to find ways to make consumers willing to ‘work’ with the brand. However, just as a company, is only as good as its staff, a brand is only as strong as its ‘consumer employees’. If the ‘employees’ do not enjoy, or feel rewarded for working with us, natural selection will occur via the vote of the wallet, negative word of mouth and more. They will look for ‘employment’ elsewhere.

With this in mind I have identified three key areas of Outside-in brand management to aid the process; firstly, it is my belief that the successful agencies of the future will be those that get consumers to work for their brands in the right mix of roles, be it sales, marketing, PR or other, by making the process rewarding, instinctive, valued and trusted; secondly, companies will need to take a more inclusive, holistic and ongoing approach to research; and finally, they will need to make sure their agencies are set up to be able to deliver and be rewarded for this approach.

Trust is of crucial importance in our time-crushed, sometimes anxious and soul-searching consumer society. If we can get consumers to work with us by accessing their ‘own networks’ and offering them good reason to, then their energy is what I believe will make all the difference for brands.

And as a final point, I obviously bought the Arctic Monkeys album, and I can’t get the song ‘*I bet you look good on the dance floor*’ out my head, so recommend you buy it. If you like it too, why not recommend it on to all your friends, write your own blogg about them, buy their t-shirt and walk proudly around town singing their songs, suggest some ideas for their next album, tell your local shop they should stock it, sign up for band updates on their site, or even contact their record company, buy the albums in bulk and become a retailer yourself. You might just make employee of the month!

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