



What is Open Source Marketing?

The love affair between big brands and mass media is over. But where do marketers go next? The Open Source Movement has the answers. *continued* ►

by James Cherkoff

End of a Love Affair

Today's consumer is unrecognisable from even just twenty years ago. More savvy, more skeptical, wealthier, better informed, less deferential and generally more in control. The advertising industry, however, is still largely using tactics that were created in the 1950s, like the 30-second ad slot. The result is that consumers find advertising irrelevant, or even irritating, and are increasingly using technology like PVRs to filter it out of their lives.

The **question is**, where can the industry
turn to reignite its passion?

That's not to say that people aren't interested in brands and products. And companies are obviously just as keen to find new customers. People just find the old-school techniques out-of-sync with their lifestyles, and advertisers want to excite people about their brands, not annoy them.

All quite a conundrum for the marketing industry, a global business worth \$370 billion in 2004. Clearly, marketing isn't going to disappear. It existed before the TV schedule and will continue as long as markets themselves. The question is, where can the industry turn to reignite its passion?

The answer lies in a phenomenon which demonstrates all the energy, innovation and excitement that TV brought to people in the 1950s: the Open Source Movement (OSM).

Geeksville...

Open Source started when programmers began collaborating online to build new technical platforms and systems. Freed from institutional red-tape, hierarchy, and shareholder responsibility, the ideas flowed fast and furious through these online communities. The rewards weren't profit but the buzz of collaboration, the intellectual challenge and the opportunity to shake things up. At the heart of the process was the community's willingness to share programming 'source code,' albeit under certain conditions. And so the Open Source Movement was born.

By any measure, the results have been staggering. Linux, a computer operating system, was one of the first big breakthroughs. So successful that, when referring to the software giant's future, Microsoft's CEO, Steve Ballmer said, "I'd put the Linux phenomenon as threat number one."

More recently, an Open Source community called Mozilla created Firefox, a web browser that at the time of writing had been downloaded almost 21 million times. Its members are so passionate that at the end of 2004 they funded a double-page advert in the *New York Times* announcing its launch.

...and Beyond

With origins like these, it's not surprising that the Open Source Movement can seem like a nerdy cult, far removed from the glamour of Madison Avenue. However, it's quickly moving beyond geeksville. Mainstream consumers are falling for the values that drive open source and its super-charged, online communities.

The buzz of meeting like-minded people from all over the world: the fun of sharing ideas, however crazy or leftfield; the feelings of empowerment; the can-do, pioneering freedom. It's these social, entrepreneurial values that are creating Open Source communities of gamers, petrol heads, food lovers, film fans, musicians, sports junkies, globetrotters and almost every other area of modern culture. Just like TV did 50 years ago.

Mainstream consumers are falling for the values that drive Open Source.

The non-technical examples of Open Source are varied and growing fast.

The massive file-sharing communities that gave birth to Napster and reinvigorated the music industry are based on Open Source values.

Howard Dean's presidential campaign used Open Source techniques to mobilise 600,000 people and raise more than \$25m, changing the face of US politics.

The Creative Commons license is a new type of copyright (nicknamed copyleft) created by an Open Source community that gives artists the flexibility to collaborate. Its fans include Chuck D, the Beastie Boys, David Byrne and Gilberto Gil.

Wikipedia is an Open Source encyclopedia (recently recognised by the Press Association) containing 1.3 million articles in eight different languages, all written, developed and maintained by regular people around the world.

Ohmynews is an Open Source Korean newspaper written by more than 40,000 individual citizens.

All are massive collaborations among thousands of far-flung individuals, turned on by Open Source values.

Free and Easy

An important factor behind the explosive growth of Open Source values is that the technical knowledge required to get involved has been greatly reduced. The rapid growth of online tools has made it easier for people with no technical interest or knowledge to chat, publish, promote, discuss and interact online.

Weblogs (“blogs”) are the star of the show. Pubsub, an online blog monitor in the US, estimates that more than 24 million were launched in 2004 and expects continued exponential growth. But there are plenty of other cheap accessible digital tools (Bittorrent, RSS, LiveJournal, Podcasts, Technorati, Feedster, Flickr) that are making Open Source communities more accessible and sophisticated.

Open Source Meets Marketing

So TV audiences are shrinking and fragmenting while Open Source values are spreading creating influential, vibrant communities. It’s a trend that brands are, not surprisingly, interested in. The question for marketers is how to interact with these new powerful consumer groups in ways that will win over hearts and minds.

WAR, WAR...

To date, marketing has been about command of the media and control of the message. Borrowing the language of war, marketers have been used to launching campaigns that target

consumers with brand collateral, adhering to strict rules of engagement (AKA brand guidelines), under the guidance of personnel known as brand guardians. The results have been measured using analytical models based on TLAs like TVR and OTS. It's been about secrecy and it's been about driving consumer demand by bombarding their senses.

Consumers **use technology** to **shelter** from **brand bombardment**.

...OR JAW, JAW

But the new marketplace doesn't respond to this approach. It is made up of more powerful consumers who use technology to shelter from brand-bombardment.

In fact, Open Source communities have taken this even further. Not happy with simply filtering what they don't like, they are increasingly creating their own content to entertain, inform and educate their peers. Most of this content is brand-free but sometimes a brand is 'borrowed' to make a point, good or bad.

George Masters is an American school teacher and a big fan of Apple's iPod. At the end of 2004 he made a homemade advert for the iPod Mini. He then shared the viral film with an online community of Apple fans expecting nothing in return, other than a little credibility from his peers. Instead, the film spread quickly and within a few days had been viewed more than 40,000 times. The quality of the ad was good enough for many people to think they were watching the output of a big ad agency.

Recently a more malevolent piece of content was created by two London designers in the shape of an advert for VW Polo. The advert used a suicide bomber to demonstrate the strength of the car. When released online the shocking advert was viewed by millions of people. VW's reaction was to demand a public apology and call the lawyers, a course of action straight from the war-war school. In fact, they demanded back the 'source material' from the makers of the ad.

All of which can sound like total chaos to a marketing department...

A New View

However, a new breed of marketers is emerging with a different vision of the world. Inspired by websites such as *The Cluetrain Manifesto*, they understand the mindset of the modern consumer and the influence of Open Source values. And this has set them on a very different path from the command and control mindset of the traditional marketer.

They understand that the powerful new markets created by Open Source values are transparent, that they operate in real-time, that they are controlled by people not companies, that they are global, highly reactive, flooded with information and made up of millions of inter-linked niches. And they know that effective modern marketing strategies must reflect this new environment.

It's early days for open source marketers and there are no textbooks to turn to (yet) but a few principles are emerging:

1 BACK TO THE SOURCE

Consumers are no longer happy to sit back and be fed a brand and its values. They want to interact with the 'brand source' in the same way that Linux programmers want to get their hands on the programming source code. That means giving consumers access to the brand and inviting them to co-create. Open Source marketers understand this and make it easy for customers to get involved with a brand and affect its direction, maybe even its values.

2 SPOT BRAND FANS

The new breed recognise there is no point in 'demanding back the source material' because it is well and truly out there — in the public domain. In fact, they look to put the brand source materials in the hands of consumers, especially brand fans like George Masters. Then they sit back and watch the fireworks as communities create and innovate in ways that enlarge and enrich the community.

3 BE A BRAND HOST

They know that that brand guardians are no longer relevant to the marketplace and that brand hosts are more in tune with the times. Today's consumer wants to interact with big, exciting, sexy brands, but on their own terms. Brands can host the party and try and make it attractive to consumers but they must realise that the new consumer has a full diary and plenty of suitors.

4 ARE YOU LISTENING TO ME?

The voice of the mass markets was a LOUD and BOOMING monologue. It didn't leave a lot of time to listen to anyone. Open Source communities are all about conversation and dialogue. Open Source Marketing means listening *really* closely to the rumours and whispers that bring the new marketplace alive.

5 GET REAL

Authenticity is one of the most valuable currencies in the transparent marketplace. So human, friendly voices (like Robert Scoble) are particularly effective. Corporate speak and PR flack is just ignored. And it's no good just pretending. YOU WILL GET RUMBLED. This can be a difficult leap of faith for companies who have used their brands like shields, to keep the world at bay.

6 YOUR CUSTOMERS ARE CLEVERER THAN YOU

Open Source marketers understand that their customers are clever, cleverer than themselves and their agencies. So they try and tap into this intelligence to help grow their brands. By the way, this includes the obsessive customers who make a racket about every last product detail or development and constantly write in with leftfield ideas. They are probably the most valuable.

7**LET GO**

Open source marketers understand, most importantly, that people are now in control of the brands that for so long have been wrapped up and locked in corporate safes. Brands are no longer proprietary and companies need to adapt to that reality. There's no point in calling in the lawyers to try and change things back. The world has moved on.

8**OPEN MINDS**

Open Source marketers also know this new environment is not as dangerous as it sounds. They know the greatest barriers are the mental ones built up during the reign of mass marketing and TV.

By setting some rough parameters and then challenging consumers to get involved, or co-create, they are already seeing some fantastic results.

It's Already Happening

When Budweiser launched the hugely popular Whassup! campaign consumers started making their own versions and competing to see who could be most innovative and entertaining. Groups of Rabbis, English gentlemen, superheroes and South Park characters started Whassuping! all over the web. But Anheuser-Busch didn't call legal. They sat back and watched as the community took the mega-brand into new, exciting areas.

Last year, General Electric ran an online advertising campaign called 'Pen' which allowed people to create a drawing online and send it to a friend. Effectively, the campaign direction and content was handed over to an Open Source community. This incredibly simple idea was a multi-award winner and resulted in users from 140 countries e-mailing 6 million sketches

to 1.5 million recipients. This year the company is taking the campaign one step further and allowing people to collaborate on sketches in groups of 3.

And it's not just online activity that works. In 2004, Mercedes asked people to send in pictures of themselves with their beloved Mercs. The company received a huge number of highly prized photographs which became the centrepiece of an integrated campaign. Again consumers were asked to create an Open Source style community and provide the campaign with its content and direction.

Converse, the old-school trainer manufacturer owned by Nike, has instigated a campaign inviting amateur film makers to submit short films based around the legendary sneaker. The company received more than 700 submissions which can all be viewed on their website, to which traffic has jumped. The winners are going to be turned into TV adverts, with the successful directors receiving \$10,000 per spot.

But this time, **the consumer** is
in **command** and **control**.

Redbull's 'Art of the Can' campaign challenges consumers to turn the product packaging into inspiring works of art, all to be judged by Tracy Emin. They have set a few rules and then asked their customers to come up with the ideas.

Microsoft's Channel 9 was inspired by the open channel that aircraft pilots use to talk to each other. It effectively allows people on the outside of the corporation to tune into what is being said inside the software giant via the company's 1200 bloggers. It has helped change the perception of the software giant among some very important audiences.

The Next Great Love

The power of Open Source values can be unleashed to create marketing campaigns that are innovative, surprising, energetic and engaging. Campaigns that people want to join.

All the qualities that the marketing and advertising industry once loved about TV are alive and well in the Open Source Movement.

But this time, the consumer is in command and control.

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ABOUT THE AUTHOR

James Cherkoff is a Director of Collaborate Marketing, an independent consultancy based in London. When he isn't helping companies like GM and Nestlé get to grips with a networked world, he writes about digital marketing for online and offline publications, including the *Financial Times*. He is also author of Modern Marketing, a blog which is syndicated around the world, and a keen fan of Arsenal FC.

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