i-DAT [Institute of Digital Art & Technology]

Project Report.
Project 1: Innovation Pilots:
New platforms for innovation:
URN: 11202641.

Contents:

1	Project Summary:	2
2	Expenditure to date:	2
3	Context:	3
4	Co-OS:	4
5	Co-OS Development:	6
6	Co-OS Commissions:	7
7	Co-OS Marketing and Critique	8
8	Transactions:	10
9	Brand Equity:	11
10	Promotion Methods:	12
11	Advocacy:	14
12	Social Risk:	15
13	References:	16



1: Project Summary: Innovation Pilots: New platforms for innovation

The 'New platforms for innovation' project conducted by i-DAT builds on existing platforms of open innovation and Co-OS (www.co-os.org) (formerly Co-Here) - an international digital network project which supports artistic innovation through collaboration. The Platforms for Innovation project has allowed us to explore more fully issues relating to online collaborative environments that have the potential to support and underpin economic innovation within the creative arts.

This research activity has been conducted in parallel to the production work carried out to develop the Co-OS platform and the negotiation with the project partners and collaborators. Co-OS has now been launched in beta version with the support of pump priming provided by the British Council's Creative Collaboration, Partnership in the Arts funding.

2: Expenditure to date

Heading	Budget	Processed Costs	Balance
Researcher Innovation Platforms	6,000.00	5,013.00	987.00
PHP Programming	1,000.00	1,250.00	-250.00
Research Assistant Innovation Platform	5,000.00	5,583.00	-583.00
Research Assistant CO-OS	3,000.00	3,154.00	-154.00
TOTAL	15,000.00	15,000.00	0.00
Income	15,000.00		



3: Context

i-DAT has been developing these models to explore and nurture innovation as a tool for economic development and sustainability of creative practice during and beyond the current international economic downturn.

i-DAT's core activities for 2008-2010 have been focused on developing and strengthening partnerships and implementing new digital platforms for production, engagement and distribution of work. These activities are being framed as 'Operating Systems'. These systems enable the collection and distribution of environmental data for artistic production, and are establishing a new mode of participation and production of artistic practise.

The Operating Systems has been developed through i-DAT's unique environment for critical, collaborative and creative projects operating within HE institution, the University of Plymouth, but delivering and collaborating externally with other organisations, artists and companies. This provides an active research and knowledge base to build its' activities, and further provides resources such as technology, venue, legal and administrable support, staffing etc.

i-DAT has also actively been developing mechanisms for enabling wider access to the knowledge and resources within these HE research environment for the wider arts community. In particular funding from British Council with project partners from 5 countries to develop the Co-OS project.

The range of 'Operating Systems' being developed are intended to dynamically manifest 'data' as experience and extend human perception. Arch-OS [www.arch-os.com], an 'Operating System' for contemporary architecture ('software for buildings') was the first i-DAT 'OS', developed to manifest the life of a building (currently being installed as the i-500 (www.i-500.org) in Perth Western Australia. More recently S-OS was released (Social Operating System) in collaboration with Plymouth Arts Centre (www.s-os.org) and now C-OS is being released in beta form. The intention of these Operating Systems is to explore data as an abstract and invisible material. Data generates a dynamic mirror image of our world, reflecting, in sharp contrast and high resolution, our biological, ecological and social activities.

These activities are of particular importance to i-DAT as it does not have a core funded program but has over the last 4 years established a way of working which dynamic and flexible, and where all activities are developed in partnership to pool resources, reach audiences and share knowledge and expertise. The organisation feels that the notion of openness, collaboration and exchange (across organisational as well as cultural boundaries) are key to the development of innovative and new practises in the arts, in particular at times where resources are limited. Where previously this has appeared to be a limitation to i-DAT, this is now emerging as a strength and a necessity for the field in which the organisation operates. These issues are of critical importance to other organisations, collectives and individuals within the region and, as our research and collaboration has demonstrated, at a national and international level.



4: Co-OS

Co-OS, a 'Reciprocity Engine', is a cultural brokerage and social networking project which facilitates a radical new network model of collaborative creative production, consolidating and building on i-DAT and partners existing activities and network of audiences, participants, artists, and collaborators from across the City of Plymouth, the region and through a national and international network.

Co-OS is establishing a social networking platform that incorporates web 2.0 (tagging, blogging, streaming media and dynamic media posting, etc), technologies in an open and reciprocal exchange of ideas, knowledge, skills and resources. The key innovation which has received so much interest from i-DAT's partner organizations is the coupling of an open Web 2.0 online network environment with a modified LETS (Local Exchange Trading System) scheme. 'LETS' are local community-based mutual aid networks in which people exchange all kinds of goods and services with one another, without the need for the direct exchange of money.

A credible and stable technological infrastructure to support the Co-OS project has been established through a number of i-DAT online projects (see below). A network of collaborators who are committed to pump prime the activities of the Co-OS community has been developed and design work for the web interface has been commissioned and completed, providing a look and feel for the site. Development continues of the back end database and mechanisms to calculate and balance the various transactions that will take place through the Co-OS community.

The project will offer radical new opportunities for:

- engaging with new audiences within the Creative Industry sector.
- developing rich interactions between audiences and creative producers
- establishing access for artists/designer/producers to high end resources (research, software and technologies)
- sharing off skills, knowledge and resources in mutual beneficial relationships
- enable creative practitioners in developing economies access to knowledge, skill, ideas and resources
- trading of skills, knowledge and resources on a non-monetary basis
- a system of evaluation based on LETS (Local Exchange Trading Schemes)
- commissioning new works within the sector
- curating high profile activities that operate on a local, regional, national and international level.

Co-OS creates an open access and distributed environment for individuals (artists, producers, coders, audiences, researchers etc) to high-end innovation, research and development within institutions, and these institutions will be provided with access to new ideas, skills and knowledge. This will generate new opportunities, practices and collaborations in mutually beneficial or reciprocal relationships capitalising on available resources and those generated through new non-monetary trading model.



Co-OS use interest-free credit so direct swaps does not need to be made. For instance, a member may earn credit by providing software-programming skills for one person and spend it later on access to another member's technological resources. Each transaction is recorded and generated by the network software system and evaluated by its members in a distributed relationship with all data open to all members, in a mutual credit system.

Co-OS is being created on an experiential, anecdotal and theoretical understanding of shared networks and resources forming a major part of creative industries 'working culture'. It is intended to address practical issues around production and practice that leads up to the dissemination of works. Primarily but not exclusively these works would have been previously been described as 'New Media' products, however as these practices and processes are now endemic to all areas of the sector such distinctions are worthless. This sector is a resource heavy field that relies on good will and exchange in order to function. Co-OS aims to address these issues and to attach value to the actions and services that people provide in a network and to formalise that exchange of knowledge within the sector. It also looks to expand the resources out beyond traditional geographical networks through elearning/exchange and knowledge sharing online. A major part of the scheme will be to measure the value that is placed on particular activities and resources and how this fits into the creative economy.

According to the recent NESTA Research report: Creating Innovation, Do the creative industries support innovation in the wider economy? (Bakhshi, H. et al. February 2008) there are huge assumptions made about the creative industries sector.

"There is also a widespread belief that the 'creative economy', as a focal point for creativity, has a particularly important role to play in innovation throughout the economy (Potts, 2007). But there is little quantitative evidence for this." (Bakhshi, H. 2008)

Co-OS has the potential to provide highly accurate data on the behaviour and activities of its participants.

To date the Web 2.0 environments such as the Community Recycling Network and social networking sites such as LinkedIn and Facebook and established tools such as Rhizome and lists such as Spectre, Nettime, Syndicate, Empyre and CRUMB provide network of links, contacts and information exchange. However, there is no facility to build an open exchange of human and technical resources which can be openly 'traded' and valued by the community. In a distributed region such as the South West, networks are focused on urban centres which undermine to potential offered by digital technologies geographical independence. Co-OS effectively separates location from the production process by placing a tangible value on traditionally ephemeral 'artefacts' such as ideas and social networks.



5: Co-OS Development

The Co-OS Development blog can be found here:

http://blog.co-os.org/

The key issues being tested by the system are:

- 1: the mechanism for calculating, sharing and ascribing value to these transactions, although several models have been developed. These are being tested through the British Council project.
- 2: Through the beta testing phase the emergent terms of practice and the most appropriate IPR models are being negotiated. The intention is to use Creative Commons Licenses but the flexibility of these needs to be explored in the real world creative and commercial environment of a live system.
- 3: as with any online community environment establishing a culture of participation is essential. A good deal of work has already been done to achieve this but a programme of seminars, workshops and networking with the existing and future community is essential.

Co-OS model for commercialisation is based on an open source model. The intention is to publish the system as open source software. As with many open source software models the emphasis is moved from 'shifting boxes' to the knowledge to use and apply the system. Co-OS, in the opinion of i-DAT and its partners, will increase the level and quality of production throughout the region by placing it in a national and international arena. This increased production and the commercial rewards that accrue within the regions creative industries will place value on the system itself which in turn will increase capital for the project partners, through increased employment and credibility. Co-OS has the potential to become a cultural 'glue' for the creative industries.

Through the British Council funding Co-OS is being focus on its established community of users and through the Ignite Commissions. However, the intention is to grow the project to a national and international level building on existing international links.

Co-OS implements an Open Source and Creative Commons licence within its terms of reference. i-DAT is working with Copyright and Media Law specialists (our own Hugo deRijke, barrister and legal publisher, and those working with partner organisations) and has a track record of working with innovative IPR working parties (such as the Interdisciplinary Design Workshops, Social property and New Social Forms, an Experiment in Interdisciplinary. Refashioning Patents: scientific research and the public domain. The Old Kitchens, Girton College, Cambridge. CRASSH. Funded by the AHRC). These issues will be worked out within the partnership but also will form part of the calculation of 'value' within the system.



In building i-DATs activities we have also facilitated a range of connections between artists, technologists creative industry representatives and institutions. Many of these have been practical technological support to underpin projects, whilst others have been focused on building strategic tools to enable collaborations and allow engagement with artists and new audiences. A key aspect of i-DAT's activities has been concerned with providing technological infrastructures that can be built on and implemented by others, whether they are artists, audiences, enterprises or organisations.

However, central to this proposal is the realisation that the weakness in the development of a sustainable and innovative creative and cultural agenda in the region is not with the opportunities provided by institutions or technologies, but with the lack of a significant social framework or substrate on which to build connectivity. i-DAT has identified a critical need for a new model for a creative social network on a local, national and international level and for access to resources, skills and knowledge essential to create an environment that foster high quality art and creative production.

6: Co-OS Commissions

To kick start the community the British Council funds are being used to commission a number of artists for new work that fundamentally integrates Co-OS in their development. The Co-OS ignite commissions invites selected artist collectives and/or teams of individual artists to generate new collaborative work through www.co-os.org, an online 'skills for time' trading platform for collaborative production.

The Co-OS ignite commissions are part of 'Creative Collaboration', a British Council arts initiative that build networks for dialogue and debate across the arts communities of South East Europe and the UK. The programme aims to enrich the cultural life of Europe and its surrounding countries, as well as fostering understanding, skills development, trust and respect across borders.

The Co-OS ignite commissions are an integral part of www.co-os.org the trading platform and social network for technologists, digital artists and creatives making ideas happen without the need for cash. Here ideas can be shared, evaluated and developed collaboratively through trading units of time in exchange for skills and resources. By facilitating online exchanges beyond small, localised communities, co-os.org aims to enable users to grow their networks, and support a more equal access to opportunities for innovation, irrelevant of geographical location and cash flow.



The Co-OS Ignite commissions are developed in partnership with:

Amorphy, Greece - www.amorphy.org
Galeria Vermelho, Brazil - www.galeriavermelho.com.br
i-DAT, UK - www.i-dat.org
Plymouth Arts Centre, UK - www.plymouthartscentre.org
SCAN, UK - www.scansite.org
tat ort, Austria - www.tat-ort.net

The work commissioned is expected to be developed collaboratively through the coos.org platform. Each commissioned artist collective / team should pitch their idea to the network, invite collaborators to and develop their idea through the platform.

The development should follow these steps:

- 1. Sign up and create an account at co-os.org
- 2. Invite fellow creators and 'doers' to co-os.org, growing the potential community of collaborators for your project
- 3. Develop and submit your idea/s on co-os.org
- 4. Wait for the community to vote on your idea/s on co-os.org
- 5. Review and vote on the ideas of others on co-os.org
- 6. Modify your idea and pitch again, or advertise the idea for collaborations on co-os.org
- 7. Review and accept/reject bids from the community members to work with you on co-os.org
- 8. Develop project
- 9. Finalize project and rate your collaborators on co-os.org

There will be four commissions, one from each of the project partner's countries; Austria, Brazil, Greece and the UK. Each artist collectives /teams commissioned may choose to develop more than one idea or to join-up and collaborate with any of the other collectives /teams. The commissions may manifest online or offline, but should be able to be exhibited either through an online showcase, or physical exhibition (or part of)

and/or printed publication.

The budget available to each artist collective / team is £3000. 50% is paid upon signing of contract, and 50% on delivery of final commission on the 1st June 2010.

7: Co-OS Marketing Context and Critique

The internet has had a profound effect on the way in which individuals interact. With the advent of web 2.0 systems there has been an exponential growth in social networks with Facebook having 350 million users worldwide (Arrington, 2009). Critical to the success of any online system is an engagement with their audience. Further work needs to be done to identify appropriate 'social media marketing' methods and practises in order to inform the development of a marketing strategy for



a new social network, Co-OS. It focuses on the power of 'word-bymouse' (Scott, 2008: 8), where brand advocates spread awareness through their online networks, whilst considering the risk of 'silence', where no participation means no community. The term 'customer' is here synonymous with 'users, producer, contributor and consumer', (of social media), reflective of the changing role of the 'customer' itself in online environments.

The success or failure of Co-OS lies in its ability to stand out in an 'ocean of social networks' and to attract community members. The strategy for identifying, understanding and securing their buy-in is key. In such online environments based around multiple conversations, relationships, sharing and content generation (Chaffey, et al.,2009: 32), traditional marketing based on a one-way, top-down, push communication model is no longer appropriate. According to eMarketer the number of user-generated content creators in the US will reach 114.5 million in 2013, up from 82.5 million in 2008. That will translate to 51.8% of US Internet users in 2013, up from 42.8% in 2008 (cited in Bazaarvoice, 2010).

In these environments the notion of 'social media marketing' is being used to describing the marketing process of using social media and social networking to achieve set marketing goals (Wikipedia, 2009). One can propose a degree of influence from Philip Kotler and Gerald Zaltman 1970's definition of 'social marketing' to be seeking to influence social behaviours (Weinreich, 2006), but is less about the greater social good and more about individual social interactions.

Social media marketing takes advantage of word-by-mouth, user publishing, participation and peer distribution through seeding, creating 'buzz' and viral campaigns. Hayes and Papworth (2008) outline the tactics of a social media campaign in figure 1 below. The challenge according to David Scott, marketing strategist, is to harness the amazing power of 'word-of-mouse' 'the single most empowering tool available to marketers today' (2008: 8).

A survey conducted by the Society for New Communications Research in 2007 found that 81% of marketers surveyed stated that their social media spending would meet or exceed their traditional advertising spending within the next 5 years (cited in Bazaarvoice, 2010). Social media marketing is becoming a key strategy for many large brands. When Diageo launched their new campaign enabling the customers to be co-creators of Diageo parties, which were documented and distributed on social media sites, they stated that this was a movement not a ad campaign and that 'brands have to live in consumers' worlds' (Wiggins, 2009). Furthermore, with N.Y.-based Pepsico Inc.'s announcement in November 2009 that it is pulling their multidecade, multimillion dollar Superbowl opening ad position and trading it in for a \$20 million social campaign (Hepburn, 2010), the impact of social media marketing is a force to be reckoned with.



8: Transactions.

The 'transactions' in the Co-OS network will take place directly between consumers '(C2C)' (Chaffey, et al.,2009: 21). Common C2C interactions include 'transaction exchanges' on sites such as Ebay, financial peer-to-peer services such as those provided by Zopa and social transactions such as on Facebook (Chaffey, et al.,2009: 21). C2C is essential in social networks and what the systems are built to enable, so an understanding of customers' needs, characteristics and behaviour is vital. Research by Microsoft in 2007 on the motivation behind using social networks found that 59% of individuals use these to stay in touch with family and friends, 57% to look at other peoples spaces and 47% to meet people with similar interests (cited in Chaffey, et al.,2009). Chris Bennett, the founder of 97th Floor, a leading social media marketing firm, further underlines the importance of choosing a niche and identifying the relevant customers: 'social networkers are already busy on sites like Facebook, MySpace, Digg, and others, so the average person probably won't add a "general" social networking site to their agenda' (2010).

The niche market segments of Co-OS cross artists, designers, creatives, programmers, researchers, lecturers and students from 'creative industries', which is defined by the Department for Culture Media and Sport (2010) 'as those industries that are based on individual creativity, skill and talent. They are also those that have the potential to create wealth and jobs through developing intellectual property'. These customers are accustomed to use and experiment with digital technologies both for work, research and 'play'.

The market segment is further broken down through a 'needs-based market segmentation approach' (Kotler & Keller, 2009). The customers will have in common the need to grow their niche network for collaboration on projects, to seek skills, to share ideas, to learn, to further solidify their status within the sector and other extrinsic motivations. What they seek to gain from the interaction with Co-OS slightly differs and is dependent on their level of experience and establishment within the industry.

The customers will have a familiarity with and integration of social networks to communicate with family, friends and peers. Research by Microsoft in 2007 on the motivation behind using social networks found that 59% of individuals use these to stay in touch with family and friends, 57% to look at other people's spaces and 47% to meet people with similar interests (in Chaffey, et al.,2009). These can be further defined through a 'psychographic segmentation' approach (Kotler & Keller, 2009: 261) where the common personality traits and values of openness, sharing, collaboration, a degree of idealism and adaptations of social media and networking prevails. The customers are not segmented by factors such as geographical location, wealth, sex, but to a degree the demographics of having unlimited access to the internet and their usage status (Kotler & Keller, 2009). They should be active participants in 'forming' the brand and the experience, which again increases their loyalty and perceived influence over the product, such as achieved by Starbucks' 'My Starbucks Idea'. This website allows customers to actively partake in decisions of



improvements, new products and in general 'becoming part' of the company and brand (2010).

Within each of CO-os' identified segments the targeted sub-segments, with the commonalities outlined above, will be offered product specialisation through its 'online value proposition (OVP)' (Chaffey, et al.,2009: 16) and social networking niche. This value proposition promises a social network with the expected functionalities of contemporaries, such as Facebook, Linkedin, e-lance, Zopa, but with a particular niche focus on creative collaborations through the trading of time. The success of the network is closely linked to matching the OVP to the identified expectations and needs of these sub-segments appropriately (Agrawal et al., 2001).

A brand should signal credibility and trustworthiness, and help generate perceived customer value (Erdem et al., 2002). According to Chaffey et al. (2009) a brand's perceived value is influenced by the 'value-added characteristics' of the product, with consumers becoming 'active co-producers' of value through feedback and discussion groups (2002:289). Gabbott (cited in Chaffey, 2000) argues that in such online environments the customer can interact with the brand much more frequently and in depth, thus building customer trust. Dayal et al. (2000) suggest that to ensure an online brand succeeds one should ensure the proposition is built on assisting customers in achieving their goals, enabling self-expression and personalisation and becoming members of a community.

The customer has limited physical cues to form an opinion of an online brand such as Co-OS. According to (Schroeder, 2008: 163) 'visual experience dominates the information technologies of the Internet, as they navigate through a computer mediated environment almost entirely dependent upon their sense of sight.' It is therefore important to consider all visual elements as well as their 'stickiness factor' in terms of the attachment to perceived attributes such as excellence, uniqueness, aesthetics, associations, engagement, expressiveness and functional value (Chaffey, et al., 2009: 287). According to Chernatony (cited in Chaffey et al., 2009: 387) the customer's perceived 'success' of the product is dependant on the promised experience, emotional values and rational values.

9: Brand Equity.

Co-OS' brand equity, the value provided to its customers, can be measured through factors such as 'online brand experience, interactivity, customisation, site design, quality of brand relationships and communities' (Chaffey et al., 2009: 290). The brand positioning is situated around relationship building (Chaffey, 2009: 245) with customers' perceptions of the product being relative to the perception of those of competitors (Chaffey, et al.,2009). The members' loyalty of such communities will grow as long as the community attracts new members and grows, until it reaches a critical mass, when the key factors become the retention of members (Chaffey, et al.,2009).



According to Shaw and Ivens (2005) the customer experience is the future 'sustainable differentiator' rather than factors such as 'price, quality and delivery'. They state that it is the 'meaningful things that the customer remembers over and above the product, such as the feel and perception of your organisation and your brand' which are delivered through such experiences (2005). This is in particularly essential for a social network like Co-OS, where the product and service itself is the experience of its customers and the emotional connections they make through the network over an extended period of time. The customer's experience becomes a blend of an organisation's 'physical performance' and the senses stimulated and emotions evoked' (Shaw and Ivens, 2005).

To differentiate itself from other similar offerings Co-OS must not only have a well designed site with high usability, for a niche market (what Shaw and Ivens (2005) would have termed the 'physical elements' of the customer experience), but it must also ensure it understands its customers Shaw and Ivens (2005) propose the 'Seven Philosophies for building Great Customer Experiences' based on a focus around succeeding customer experiences as a competitive advantage, design process and the 'embodiment of the brand' itself.

Chaffey and Smith (2008: 50) states that the marketing mix changes in online environments as 'products become services, services become customer driven, and customers create communities that extend the brand into new online experiences'. The '4 Ps' product, place, price and promotion, of the marketing mix, introduced by Jerome McCarthy in 1960, is a useful starting point, but is also indicative of 'push' marketing which tends to have more of a 'product' rather than a 'customer orientation' (Chaffey and Smith, 2008).

To mitigate this Lautenborn (1990) proposed a customer-centric reinterpretation, the '4 Cs', 'customer needs and wants, cost to the customer, convenience and communication' (Chaffey and Smith, 2008: 55), where the customer can be seen to be in an 'active comparison mode rather than a passive media consumption mode' (Chaffey, et al.,2009: 277). In terms of understanding the marketing mix for Co-OS, a 're-mix' of these aspects are appropriate. For the purpose of this report the focus here will be on 'promotion' in terms of 'word-of-mouse' but Co-OS should also consider the other aspects of the marketing mix and consider tactics such as email campaigns, search optimisation, social bookmarking and the use of Widgets.

10: Promotion Methods.

The required promotional methods for a social network such as Co-OS employs alternative tactical strategies compared to traditional marketing: 'online medium and networked environment the customers are engaged in a dialogue, which is relationship based and intimate' (Scott, 2008). There are several methods available, but firstly one must consider the ways to get the community to interact with each other. An active community does, according to Bennett (2010), create a 'network effect' of word-of-mouth securing more users. Dye (2000: 139) states that the 'word-of-mouth promotion has become an increasingly potent force, capable of catapulting



products from obscurity into runaway commercial successes.' She further suggests that the objective of such a marketing approach is to encourage customers to talk about and use a product so it gets noticed by their peers (2000).

Scott (2008: 8) states that: 'One of the coolest things about the Web is that when an idea takes off, it can propel a brand or company to seemingly instant fame and fortune. For free. Whatever you call it—viral, buzz, word of- mouse, or word-of-blog marketing—having other people tell your story drives action. One person sends it to another, then that person sends it to yet another, and on and on.' In particular the notion of word-of-mouth, or as coined by Scott (2008) 'word-of mouse', buzz and viral methods are relevant to Co-OS. He further states that this is the 'single most empowering tool available to marketers today' creating '...the triggers that get millions of people to tell your stories and spread your ideas' (2008:8). The best word-of-mouse efforts according to Scott (2008), promote an organization and its products and services 'by delivering great online content' selling 'your ideas in a creative way that people want to share with their friends, colleagues, and family members' (Scott, 2008: 30).

Other social networks such StumbleUpon, Facebook, Twitter or MySpace can be used as extensions of a product or service by aggregating content leading to increased traffic. The success of this method is dependent on the ability to connect and engage individuals in these communities and build up followers (Bennett, 2010). Lego has just launched a new online community called Lego Click, along with an iPhone app to generate buzz around its brand. They have also distributed a short viral film promoting the new online community, mixing buzz and viral tactics. The community itself will be closely tied with Facebook and Twitter by aggregating content and using the #legoclick hashtag allowing users to feedback or submit their ideas using those links (Lego, 2010).

Le Blévennec (2010), the president of the digital communication agency Emakina, defines word-of-mouthas the 'sharing of an opinion about a product or service between two or more consumers', making customers become natural brand advocates. The founders of Hotmail used their first customers as advocates by adding the line "Get your free e-mail at Hotmail" to the outgoing emails of its users and signed up 12 million people in the first 18 months of business (Dye, 2000).

The terms 'buzz' and viral' are often synonymous or seen as types of word-of mouse-related marketing. Buzz marketing is a type of PR whereby one 'engages in either publicity stunts or plant content (Blogs, articles, message board postings) hoping to get a "buzz" generated about your brand' (Le Blévennec, 2010). Buzz marketing is often used as part of the 'seeding' campaign to help get the word out about a new viral ad (Le Blévennec, 2010).

Viral marketing encourage 'consumers to pass along company-developed products and services or audio, video, or written information to others online' (Kotler & Keller, 2009: 586), in the best-case scenario, spreading like a virus. Whereas buzz marketing is focused on the brand, most viral ad campaigns aren't focused on the brand itself, but on the creative content. Le Blévennec (2010) states that 'People



don't spread the ad because they love your brand, they spread it because they can't help but adore your content. They're not evangelists serving you, they are self-serving.' An example of this is the Burger King's 'Subservient Chicken' launched in 2004 which secured 46 million views in the first week, and the series of "mockumentaries" produced by IBM, 'humanizing' the brand in the process (Scott, 2008: 20).

To successfully capitalise on social media marketing and in particular the impact of the word-of mouth tactics discussed above, Co-OS must identify and cultivate 'brand advocates', who have a favourable perception of the brand and who will distribute this to their networks generating awareness and influence (Chaffey, et al.,2009). This should inform the design and content of the network itself to ensure such advocates are attracted and become participants and co-creators of content, which again will attract return visits.

11: Advocacy

Members of social networks differ in the extent to which they are connected, with the most influential members being highly connected (Chaffey, et al.,2009). These 'connectors' are often opinion leaders and trusted members with the ability to spread opinions by word-of-mouth and therefore generally believed to be key targets in influencing marketplace perceptions. A study by Econsultancy in 2009 found that 90% of consumers online trust recommendations from people they know; 70% trust opinions of unknown users. (cited in Bazaarvoice, 2010). JupiterResearch found that online social network users were three times more likely to trust their peers' opinions over advertising when making purchase decisions (cited in Bazaarvoice, 2010). It is important to cultivate a meaningful relationship with those who can become brand advocates.

The influence of customer advocates and brand loyalists is not a new factor in marketing (Chaffey, et al.,2009), but the impact of such individuals and groups becomes more apparent in online environments with its increased connectivity and reach. Godin (2001) uses the term 'ideavirus' to describe the process of seeding ideas which then get spread around by advocates 'infecting' anyone it encounters. He underlines the importance of the idea being worthwhile and unique. Malcom Gladwell (2000), author of the Tipping Point, uses the analogy of an epidemic in terms of describing how one can spread an idea by word-of mouth.

With an epidemic just a little input is enough to get it started, and it can spread very quickly. This is particularly useful for creating change with limited resources, and is made possible through online networks. Online influencers or advocates should be engaged early on in the development of a new online product or service. Such individuals can be found through popular blogs that focus on the relevant target segments and niche, as well as notifying influential blogs like techcrunch.com, mashable.com, and killerstartups.com (Bennett, 2010).



Co-OS should actively use its own development blog to communicate with its community, making network developments and updates transparent whilst empowering its customers to influence improvements and upgrades. The tone and style used is key to engaging the customer and breaking down any perceived 'us – them' barriers, and should be intimate and informal. A good example of creating intimacy and a personal relationship with your customer is delivered through the Twitter (2010) or the Johnson & Johnson (2010) blogs.

The influence of opinion leaders in online networks has been widely discussed, with some arguing that the collective interaction between 'typical network member (known as the 'moderately connected majority') being equally important (Chaffey, et al., 2009: 87). Watts and Dodds (2007) claim that 'most social change is driven not by influential's, but easily influenced individuals, influencing other easily influenced individuals' (Chaffey, et al., 2009: 87). Usability expert Jakob Nielsen claims that only a relatively small proportion will actively participate in 'online community engagement', therefore possibly limiting the use of brand advocates. Nielsen further underlines that on Wikipedia just 0.2% of visitors are active, and that on Amazon, less than 1% post reviews (Chaffey, et al.,2009: 87) with up to 90% passively consuming community content. This can be seen as being very much linked to the wider appeal of Wikipedia. It's seen less as a communication network, and more of a shared knowledge generating tool and therefore the user's behaviour is very different. It's vital to offer products and 'service specialisation' (Kotler & Keller, 2009) for a target market segment. One must also give up control making the content free for people to access, and according to Scott (2009:9) 'with absolutely no virtual strings attached: no electronic gates, no registration requirements, and no email address checking necessary'.

The 'community' itself is the network's equity. It's on the basis of this that a potential advertisement's revenue can be drawn and commercial profit generated, but this must be carefully balanced so as not to damage the network's reputation and customer relationship. The pressure, according to Kent Lindstrom, president of Friendster, the 'one-time red-hot' social network in the USA, is on to scale up revenue and show a profit (USA Today (2008). The key lies in creating the perception of ownership and value residing with the community members and not exploited for commercial gain. The ad tolerance from consumers within such social network sites such as Facebook is not particularly high (USA Today (2008).

11: Social Risk

There are several risks with social media marketing. It requires a new mindset by giving up control of a brand image and placing trust in the customer. It's widely used, but yet there are not any formal set rules attached to it in terms of conduct. Used wisely it is a powerful tool. The greatest risk is not that the brand will attract negative attention, but that it will not attract any attention at all. The social media marketing agency Social Signal (2010) states that to avoid this fate one has to have:



'A compelling reason to participate... thinking about your audience before you think about your technology... staffing up to encourage participation and put out fires... and both knowing and pushing the limits of your organization... these can all help. But nothing works quite as well as knowing social media in your bones, and that means diving in yourself.'

The biggest risk to Co-OS is that it will be draped in 'silence' with no participants, no advocates, no buzz and therefore no community. Therefore the recommendations for Co-OS' future marketing strategy is that it must understand and befriend its customers and give away control to allow its community to seed and grow. It must proactively identify key brand advocates through its launch commissions of new collaborative art, but also develop a clear strategy for continued and sustainable growth beyond these. Through a social media marketing approach Co-OS can succeed, but its success is dependent on its proliferation and loyalty of its customer base.

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