

Community Driven Marketing: The Power of the Raving Fan

Curtis Takahashi lives in Snohomish County, Washington. He works for the Workforce Development Council.

Curtis is also a devotee of *New York Times* best-selling author, [Dan Pink](#), and Dan's book "[The Adventures of Johnny Bunko: The Last Career Guide You Will Ever Need.](#)"



Curtis is such a fan that he reached out to Dan and volunteered to host a "Bunko Breakfast." He promised to introduce the attendees to the ideas in the book and share his excitement and passion.



All he needed from Dan was 6 free copies to use as giveaways.

Curtis would take care of the rest. The logistics, the beverages, even the event promotion. Dan did not even need to be there.

For Dan Pink, this was a godsend.

There are 800 books released per day in the US alone.

Even for a world-famous author, this is a daunting amount of competition.

So, to have a customer willingly, and essentially for free, host an event which would identify, promote, and serve as a testimonial for [The Adventures of Johnny Bunko](#)... well, that is advertising you just cannot buy.

What's more, it is probably safe to say that no strategic plan for the promotion of Dan's book would have included the Workforce Development Council of Snohomish County, Washington.

Curtis pulled off his event. *50 people sat for 2 hours talking about the book, while Dan Pink was on the other side of the country.*

The ROI on the event? Basically infinity.

Every company would like a Curtis (or a 1000) for themselves. Curtis is a Raving Fan.

What is a Raving Fan?

In the sporting world, Raving Fans are the people who go to a game with their faces and chests painted with the team colors.

In the business world, these are the people (and you are probably one of them for at least one product or service), who will talk about their favorite product to anyone at anytime.



Has anyone ever preached to you about their love of an iPhone?

Or Tivo?

Or Birkenstocks?

Raving Fans blog about you.

Their status updates reflect their love of you.

They update their profile picture to show their commitment to you.

You've heard about the passionate users of Harley-Davidson, but what about women who are relentlessly passionate about their [Yes To Carrots](#) cosmetics?

It happens a lot. Raving Fans create new (highly cost-effective) sales for you.

And the best part?

They do all of this for FREE. Because they want to, not because they have to.

FREE



Community Driven Marketing: A New Twist on a Classic Dish

It is no secret that the best and most cost-effective way of getting new customers or clients for your business is through word-of-mouth. These referrals can come from any member of your community, which includes clients & customers, partners, vendors, employees, and shareholders.

That is not news.



But the fact that with [Facebook](#), [Twitter](#), [Delicious](#), and numerous other social tools and services, it is now possible with One Simple Click to quickly tell hundreds or thousands about your love (or hate) of a given product?

Now, that IS news.

We live in a time where ANYONE (anyone!) can build a trusted network of THOUSANDS and communicate at a scale that was previously unknown and heretofore impossible. And do it at zero marginal cost.

Community Driven Marketing combines the most cost-effective customer acquisition and retention strategy with the immense reach and power of the individual.



Community Driven Marketing (CDM) is the process for identifying, cultivating, and activating Raving Fans who willingly and freely share your story with their trusted, highly-scalable, and permission-based social networks.

First, you find people who are so passionate about your product or service that they will tell all of their friends and network about it for free.

Then, you cultivate an authentic, two-way relationship with them.

Last, you give them opportunities to tell your story on your behalf.

Ironically, the same social software tools which make CDM possible are seriously weakening the underlying foundations of traditional marketing.

For the past 50 years or so, marketing was based upon the assumption that your attention was relatively easy to obtain.

That is no longer the case. We are living in an [Attention Economy](#). There are just so many channels that it is increasingly difficult to pay attention to any given one.

Furthermore, the [Power of Permission](#) is increasingly in your hands. Think Caller ID, Tivo/DVR, Do Not Call Registry, and Junk Mail Filters, just to name a few.

Instead of trying to fight these changes, CDM practitioners embrace the wonderful fact that each and every individual is a marketing and communications channel now.

Even better, for her network, the trust far exceeds that of a paid avenue. [According to at least one study](#), 90% of people trust friends and acquaintances compared to just 4% of vendors and advertisers.



[From a marketing perspective, nothing is better than having a Raving Fan who wants to talk about you and has a trusted network of people.](#)

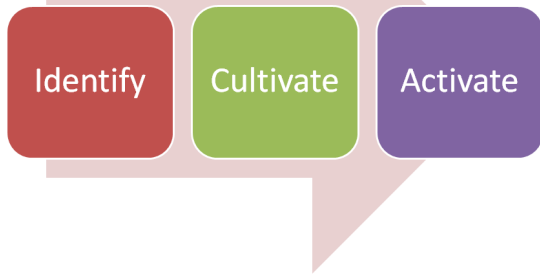
The Raving Fans sit at the core of the CDM Engine.

If You Don't Have Raving Fans, CDM Can't Help You...

If you don't have Raving Fans YET, you will need to create them.

For some thoughts and strategies on accomplishing that CDM pre-requisite, you can download the whitepaper [Creating Raving Fans: Making People Passionate About You](#).

Raving Fan-Centric CDM



There are three phases to developing a CDM Engine.

1. **Identify** Your Raving Fans
2. **Cultivate** Your Raving Fans
3. **Activate** Your Raving Fans to Help 'em Spread the Word

Identify: Your Raving Fans Are Waiting For YOU to Find Them

There are two types of Raving Fans

1. The ones you know
2. The ones you don't know

The beauty of social media and social networks is that they represent a 24/7 focus group for pretty much everything.

There are people already talking about your product or service. There are people sharing their frustration around a problem that YOU can solve. There are people talking about your competitors.

For a long time, marketers have been trained to shout, yell, and cajole their prospects. There was no two-way dialogue. You yelled, they listened (or didn't).

Not anymore.

[Listening is the new marketing.](#)



Your first job is to listen. That is also your second job. How?

Here are just some ideas:

- Use [Google Alerts](#), [Technorati](#), [TweetBeep](#), [SM2 by Techrigy](#), or [Radian 6](#).
- Search Facebook and LinkedIn groups.
- There are hundreds of tools out there to start finding these people.

I keep writing 'PEOPLE.'

That is because we can never forget that there are real, LIVE people on the other end. You need to talk with them as a person. Not with some sanitized corporate marketing BS. You don't like hearing that from others, why would you expect that others want to hear it from you?

They don't.

Be advised, this part is more time than money. Once you start finding these people, reach out to them. Ask questions to clarify their thinking. Thank them for their blog posts about your product or for the mention on Twitter.

Do not ask for anything in return. Instead, ask for permission to add something of value in a relevant way over time.

A product company could thank a blogger who wrote a positive post with a gift basket of free samples. No strings attached. Similarly for someone who posted a positive review in a forum.

A services company could highlight the blogger on a website or offer to invite that person (again, no strings attached) to a meeting with some clients or an industry show as a guest.

There are a lot (a ton!) of possibilities. The big point here is to

1. find them
2. thank them in a sincere and meaningful way
3. obtain permission to continue the relationship

Step by step, one by one, brick by brick (pick your analogy), your job here is to get to know your core Raving Fans, what makes them tick, and why they love you.

Cultivate: Showing the Love (& Really Meaning It)

Once you identify your Raving Fans, you need to cultivate the relationship. Much like a courtship, you need to earn their trust based on an authentic and genuine concern.

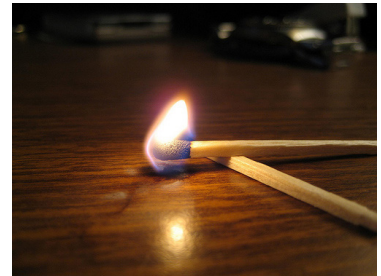
More so, just like in a relationship (or at least a healthy one!) you cannot “fake” it. If you are not a “Raving Fan” yourself, you are going to have a really difficult time cultivating the relationship. You simply “won’t get them.”

Cultivating the Raving Fans plays off the idea that [marketing has shifted from matches to gasoline](#).

In the world of ‘throwing the matches,’ marketers would throw a bunch of lit matches around and look for where a fire started. Most of the matches died out, but once in a while a bonfire would be lit.

In the ‘gasoline’ mentality, we pour flammable liquid on an existing flame to create a raging inferno of customer passion that expands (through Word-of-Mouth) to all the corners of that person’s network.

So, how can you pour gasoline on a fire?



Here is a sampling of ideas to get you started:

1. **Advocacy:** when a Raving Fan looks for a problem to be solved, go to the ends of the earth to answer it. Yes, it’s expensive and time-consuming but when you go above and beyond the expectations, you are creating a story that can spread and which your newfound (or existing) fan will gladly share with her network.
2. **Participate:** if a Raving Fan publicly asks a question about you in a forum, answer it. Be authentic (yes, it’s overused, but that’s because it is true). Show that you are a real person on the other end of the line, not a robotic, nameless, faceless organization.
3. **Offer scarcity:** Raving Fans love to be insiders. Can you give these Raving Fans something that will make them feel special, unique, and privileged?
4. **Connect the Raving Fans with each other:** One of the underlying attractions of social media is giving us each the ability to find others of like-mind. By definition, the people who are your Raving Fans have found something in your product that excites them. They are like-minded. How can you connect them?

At some point, you will feel like you are ready to take it to “the next level.” Better yet, your Raving Fans will start asking you:

“So, how can I help you spread the word?”

Activate:

Help the Raving Fans Spread the Word

There will be two types of offers that come from your Raving Fans:

1. *“How can I help?”*
2. *“I was thinking that it would be cool if...”*

In type 1, you say to them:

“Well, I’m glad you asked. Here’s what I was thinking you might be able to do for us. Tell me if you think this makes sense.”

They don’t work for you, they will only implement and execute your plans if they want to, not because they have to. The plans better be simple and easy because, after all, Raving Fans do have ‘real jobs.’

If you have simple plans and you think the Raving Fans can help (and they want to), turn ‘em loose.

In the type 2 scenario, you are in conscious experimentation role. Sure, it may be the middle of the year. Yes, you may have ‘other plans,’ but if a Raving Fan comes to you with an idea (and it’s not completely ‘out there,’ [yes, that’s subjective]), then see what you can do to go for it.

Even though it may be a “one-off”, there are a few reasons why this is worth your time.

1. It continues the process of cultivating your Raving Fans
2. Either way, you will learn something
3. It may be a REALLY good idea
4. The Raving Fan wants you to succeed
5. It sends a message to other Raving Fans that *‘good ideas are welcome here.’*

You can, and should, provide your strategic marketing lens to the idea.

You may want to help the Raving Fans keep the idea as close to “on brand” as possible (though you need to be comfortable with the idea that it might not be 100%).

You can help give ideas on how to make it ‘remarkable.’ You can think about process elements that will make it easier to scale.

You can help them leverage other assets so it doesn’t become a huge time sink for you (after all, we still care about ROI).

Please note: You cannot attempt to manipulate the story here. Influence, yes. Manipulate, no. If you do that, your story will become less genuine and your Raving Fans will lose their enthusiasm.

If a Raving Fan wants to do something, figure out a way to make it happen. This is a moment where you just don't look a gift horse in the mouth. Work collaboratively to figure out an activity that is cost-effective and realistic.

Just please... Don't Say No.

The ROI on CDM

Masuring the [value of community](#) or [blogging](#) is not easy. Connecting the dots between how [someone feels](#) and ROI in dollar terms is not straightforward.

There are a number of ways for you to look at the return on your CDM investment.

One possibility is to use the [NetPromoter score](#). NPS is the brainchild of Fred Reichheld, author of [The Loyalty Effect](#), which is outlined in his latest book [The Ultimate Question](#).

As Fred writes:

NPS is based on the fundamental perspective that every company's customers can be divided into three categories.

"Promoters" are loyal enthusiasts who keep buying from a company and urge their friends to do the same.

"Passives" are satisfied but unenthusiastic customers who can be easily wooed by the competition.

And "detractors" are unhappy customers trapped in a bad relationship.

Customers can be categorized based on their answer to the ultimate question.

The best way to gauge the efficiency of a company's growth engine is to take the percentage of customers who are promoters (P) and subtract the percentage who are detractors (D). This equation is how we calculate a Net Promoter Score for a company:

$$P - D = NPS$$

A second alternative is to use an approach derived from [The Balanced Scorecard](#). In this model, you look at various Key Performance Indicators (KPI's) to ascertain the health of the initiative.

Not every initiative will have the same KPI's, you need to figure them out at the beginning (and adjust as necessary), but there are some that give you some insight.

Since we started with the story of Curtis Takahashi, we will examine the work for my client, [Dan Pink](#), and his book, [The Adventures of Johnny Bunko: The Last Career Guide You'll Ever Need](#).

The top line metric is sales of the book. Unfortunately, we cannot easily track the number of sales of the book following Curtis' "Bunko Breakfast."

However, there are other things that tell us the "health" of the business.

For example:

1. Number of RSS subscribers to the blog - the [highest source of permission](#).
2. People who voluntarily request content on a daily basis
3. The mailing list [Permission Asset](#) - those who have signed up for the Bunko newsletter of anticipated, relevant information from Dan/Bunko
4. [Facebook Bunko Group](#) - a measure of potential Raving Fans
5. Loyalty - [as measured by Google Analytics](#). Do we have a healthy mix of return visitors and new blood coming into the site?

These may or may not be the best metrics. They are KPI's indicating the direction and growth of the community of Bunko-maniacs...and a leading indicator of future sales.

A third alternative is to use a model based on Frequency, Reach, and Yield. This model was developed by [Olivier Blanchard](#).

He suggests looking at the following (He talks about social media. I have extended it to CDM)

1. **Frequency and Feedback**
 - Frequency of Touches-how often do you have a dialogue with your community?
 - Frequency of Transactions-how often does your community make a purchase?
2. **Reach**
 - Breadth-how many net new customers have you acquired via your CDM efforts?
 - Depth-do your current customers buy more of your product portfolio as a result of your CDM efforts?
3. **Yield**
 - Does the average dollar per transaction increase for those involved in your CDM efforts?

No matter how you measure it, your biggest investment is going to be in person-power and time. Someone (or multiple people) have to do the work of identifying, cultivating, and activating. Still, the cost of a community manager versus the benefits (no matter which method you use), if done correctly, can yield measurable (and outsized) returns.

The Last Word

In a fantastic article called "[The miraculous power of scale](#)," Chris Anderson (author of [The Long Tail](#)), describes the phenomenal ability of Wikipedia to create value for millions of people despite the abysmally low participation rates (less than 1%).

The Internet, by giving everybody access to a market of hundreds of millions of people, can work at participation rates that would be a disaster in the traditional world of non-zero marginal costs

He may as well be describing the paradigm shift to [Community Driven Marketing](#) (CDM).

Not too long ago, if you wanted a lot of people to hear about your product, you had to go out, spend the money, and do it yourself.

Now, thanks to the incredible scale of each person as a communications channel, that is no longer necessary. Like having a handful of Wikipedia editors who create value for millions, you can succeed with a small, but dedicated, group of passionate individuals who want to help you grow by giving you access to their social networks.

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