

BEST PRACTICE

Embrace conflict, resist the urge to control, forget opinion leaders—and build your brand.

Getting Brand Communities Right

by Susan Fournier and Lara Lee

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Getting Brand Communities Right

The Idea in Brief

Hooray for brand communities—those groups of ardent consumers organized around a brand's lifestyle (think Harley-Davidson devotees and Playstation gamers). Brand-community members buy more, remain loyal, and reduce marketing costs through grassroots evangelism.

But many companies mismanage their brand communities because executives hold false beliefs about how to use these communities to create value. For example, they believe companies should tightly control such communities.

In truth, brand communities generate more value when *members* control them—and when companies create conditions in which communities can thrive. For instance, Vans—a skateboarding shoe manufacturer—had long invited lead users to co-design products, fostering a strong brand community as a result. When privately owned skateboarding parks began closing, Vans supported its community by opening its own park.

The Idea in Practice

Additional truths about brand communities:

Brand community is a business—not a marketing—strategy.

Don't isolate your community-building efforts within your marketing function. Instead, ensure these efforts support businesswide goals by integrating them into your company's overall strategy.

Example:

Harley-Davidson reformulated its competitive strategy around brand community. For instance, all community-outreach events are staffed by employees, not freelance contractors. Many employees become riders; many riders join the company.

Brand communities exist to serve their members' needs—not your business.

Members have many community-related needs—including cultivating interests, expanding networks, and relaxing in a safe haven. Discern these needs, then help community members fulfill them.

Example:

"Third Place" brands like Gold's Gym and Starbucks tap into the need for social links by providing venues that foster personal interaction.

Strong brands arise from the right community structure—not vice versa.

The strongest, most stable structure for a brand community is a "web" whose affiliations are based on close one-to-one connections. To cultivate webs, provide opportunities for members to forge many interpersonal links.

Example:

The Harley-Davidson Museum fosters personal connections through programs like the Rivet Wall, where people order custom-engraved rivets that are installed on decorative walls around the museum campus. Visitors viewing their own and others' rivets start chatting, often forging friendships.

Brand communities thrive on conflict and contrast—not love.

Communities are inherently political: "In-groups" need "out-groups" against which to define themselves. To strengthen group unity, create a sense of contrast, conflict, and boundaries.

► Example:

Dove's Campaign for Real Beauty brought "real women" (less-than-pretty, older, large, skinny) together worldwide to fight industry-imposed beauty ideals. The women formed in camaraderie around this mission.

Communities are strongest when all members—not just opinion leaders—have roles.

In strong communities, everyone plays a value-adding role. Roles include the Mentor (shares expertise with other members), Greeter (welcomes new members), and Storyteller (disseminates the community's history throughout the group).

To cultivate an enduring community, ensure that members can adopt new roles or switch roles as their lives change.

Example

Saddleback Church in Orange County, California, constantly monitors members' needs and creates new subgroups (such as personal financial planning) to keep people engaged.

Online social networks are only a tool—not your community strategy.

Many online interactions are shallow and transient, diluting the community overall. So use online tools selectively to support your brand community's needs.

Example:

L'Oréal uses online tools (such as blogs) only with certain brands, such as main-stream Garnier, whose brand-community members value social interaction and view themselves as fighting for a better world.

Embrace conflict, resist the urge to control, forget opinion leaders—and build your brand.

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by Susan Fournier and Lara Lee

In 1983, Harley-Davidson faced extinction. Twenty-five years later, the company boasted a top-50 global brand valued at \$7.8 billion. Central to the company's turnaround, and to its subsequent success, was Harley's commitment to building a brand community: a group of ardent consumers organized around the lifestyle, activities, and ethos of the brand.

Inspired by Harley's results and enabled by Web 2.0 technologies, marketers in industries from packaged goods to industrial equipment are busy trying to build communities around their own brands. Their timing is right. In today's turbulent world, people are hungry for a sense of connection; and in lean economic times, every company needs new ways to do more with what it already has. Unfortunately, although many firms aspire to the customer loyalty, marketing efficiency, and brand authenticity that strong communities deliver, few understand what it takes to achieve such benefits. Worse, most subscribe to serious misconceptions about what brand communities are and how they work.

On the basis of our combined 30 years of researching, building, and leveraging brand communities, we identify and dispel seven commonly held myths about maximizing their value for a firm. For companies considering a community strategy, we offer cautionary tales and design principles. For those with existing brand communities, we provide new approaches for increasing their impact. And as you'll see from our discussion and the online "Community Readiness Audit" at brandcommunity.hbr.org, your decision is not whether a community is right for your brand. It's whether you're willing to do what's needed to get a brand community right.

Myth #1

A brand community is a marketing strategy.

The Reality

A brand community is a business strategy.

Too often, companies isolate their communitybuilding efforts within the marketing function. That is a mistake. For a brand community to yield maximum benefit, it must be framed as a high-level strategy supporting businesswide

Harley-Davidson provides a quintessential example. Following the 1985 leveraged buyback that saved the company, management completely reformulated the competitive strategy and business model around a brand community philosophy. Beyond just changing its marketing programs, Harley-Davidson retooled every aspect of its organization—from its culture to its operating procedures and governance structure—to drive its community strategy.

Harley management recognized that the brand had developed as a community-based phenomenon. The "brotherhood" of riders, united by a shared ethos, offered Harley the basis for a strategic repositioning as the one motorcycle manufacturer that understood bikers on their own terms. To reinforce this community-centric positioning and solidify the connection between the company and its customers, Harley staffed all community-outreach events with employees rather than hired hands. For employees, this regular, close contact with the people they served added such meaning to their work that the weekend outreach assignments routinely attracted more volunteers than were needed. Many employees became riders, and many riders joined the company. Executives were required to spend time in the field with customers and bring their insights back to the firm. This close-tothe-customer strategy was codified in Harley-Davidson's operating philosophy and reinforced during new-employee orientations. Decisions at all levels were grounded in the community perspective, and the company acknowledged the community as the rightful owner of the brand.

Harley's community strategy was also supported by a radical organizational redesign. Functional silos were replaced with senior leadership teams sharing decision-making responsibility across three imperatives: Create Demand, Produce Product, and Provide Support. Further, the company established a stand-alone organization reporting directly to the president to formalize and nurture the company-community relationship through the Harley Owners Group (H.O.G.) membership club. As a result of this organizational structure, community-building activities were

treated not solely as marketing expenses but as companywide, COO-backed investments in the success of the business model.

Myth #2

A brand community exists to serve the business.

The Reality

A brand community exists to serve the people in it.

Managers often forget that consumers are actually people, with many different needs, interests, and responsibilities. A community-based brand builds loyalty not by driving sales transactions but by helping people meet their needs. Contrary to marketers' assumptions, however, the needs that brand communities can satisfy are not just about gaining status or trying on a new identity through brand affiliation. People participate in communities for a wide variety of reasons—to find emotional support and encouragement, to explore ways to contribute to the greater good, and to cultivate interests and skills, to name a few. For members, brand communities are a means to an end, not an end in themselves.

Outdoorseiten offers an extreme example of how the needs of a community can actually give rise to a brand. The European website outdoorseiten.net originated as a venue where hiking and camping enthusiasts could exchange information about their shared lifestyle: Where is a good place to hike with children? Which shoes are best for rocky terrain? Members collaborated in order to gain access to the resources and skills they needed to accomplish their goals. Eventually, the community created its own Outdoorseiten brand of tents and backpacks. The community's brand grew not from a need to express a shared identity but from a desire to meet members' specialized needs.

Often, people are more interested in the social links that come from brand affiliations than they are in the brands themselves. They join communities to build new relationships. Facebook provides a straightforward example, but country clubs and churches reveal similar dynamics. "Third place" brands such as Gold's Gym and Starbucks tap into this by providing bricks-and-mortar venues that foster interaction. In such instances, brand loyalty is the reward for meeting people's needs for community, not the impetus for the community to form.

Robust communities are built not on brand reputation but on an understanding of mem-

Susan Fournier (<u>fournism@bu.edu</u>) is an associate professor of marketing at Boston University. She served for 14 years on the strategic advisory council for the Harley Owners Group. Lara Lee (lara.lee@jumpassociates.com) is a member of the executive committee at Jump Associates, a strategy consulting firm in San Mateo, California. She was a marketing executive, general manager, and vice president for enthusiast services during 14 years at Harley-Davidson in Milwaukee, Wisconsin.

bers' lives. Pepperidge Farm learned this lesson when its initial community effort—a website stocked with Goldfish-branded kids games—met with little success. Taking a step back from its brand-centric execution to identify areas where kids and parents really needed help, the Goldfish team uncovered alarming statistics about depression and low self-esteem among children. Partnering with psychologist Karen Reivich of the Positive Psychology Center at the University of Pennsylvania, managers recently launched an online community, fishfulthinking.com, that repackages academic research about failure, frustration, hopefulness, and emotional awareness into learning activities and discussion tools designed to help parents develop resiliency in their kids. Putting the brand second is tough for a marketer to do, but it's essential if a strong community is the goal.

Myth #3

Build the brand, and the community will follow.

The Reality

Engineer the community, and the brand will be strong.

Strategy consultancy Jump Associates has identified three basic forms of community affiliation: pools, webs, and hubs (see the exhibit "Three Forms of Community Affiliation"). Effective community strategies combine all three in a mutually reinforcing system.

Members of pools are united by shared goals or values (think Republicans, Democrats, or Apple devotees). Decades of brand management theory have schooled managers in a pool-based approach to brand building: Identify and consistently communicate a clear set of values that emotionally connect consumers with the brand. Unfortunately, pools deliver only limited community benefits—people share a set of abstract beliefs but build few interpersonal relationships. Further, the common meaning that holds members together often becomes diluted if the brand attempts to grow. Unless the affiliation to a brand idea is supplemented with human connections, community members are at risk of dropping out. The solution lies in using webs and hubs to strengthen and expand the community.

Web affiliations are based on strong one-toone connections (think social networking sites or the Cancer Survivors Network). Webs are the strongest and most stable form of community because the people in them are bound by many and varied relationships. The Harley-Davidson Museum, for example, builds webs of interpersonal connections through features such as walls around the campus decorated with large, custom-inscribed stainless-steel rivets commissioned by individuals or groups. As museum visitors read the inscriptions on the rivets, they reflect on the stories and people behind them. People who meet at the rivet walls soon find themselves comparing interesting inscriptions, and before long they're engaged in conversation, planning to stay in touch and perhaps even share a ride someday. Through rivet walls and other means of fostering interpersonal connections, the museum strengthens the Harley-Davidson brand pool by building webs within it.

Members of hubs are united by their admiration of an individual (think Deepak Chopra or Hannah Montana). The hub is a strong albeit unstable form of community that often breaks apart once the central figure is no longer present. But hubs can help communities acquire new members who hold similar values. Harley-Davidson, for instance, built a bridge to a younger audience through its association with professional skateboarder and Harley enthusiast Heath Kirchart. Hubs can also be used to create or strengthen a brand pool, a strategy Nike has used since its inception by associating with stars such as Michael Jordan and Tiger Woods. To build stable communities, hub connections must be bonded to the community through webs. With its Nike+ online community, which cultivates peer-to-peer support and interaction by encouraging members to challenge and trash-talk one another, Nike has found a brand-appropriate way of creating webs to strengthen its pool and hubs.

Myth #4

Brand communities should be love-fests for faithful brand advocates.

The Reality

Smart companies embrace the conflicts that make communities thrive.

Most companies prefer to avoid conflict. But communities are inherently political, and conflict is the norm. "In" groups need "out" groups against which to define themselves. PlayStation gamers dismiss Xbox. Apple enthusiasts hate Microsoft and Dell. Dunkin' Donuts coffee drinkers shun Starbucks. Dividing lines are fun-

damental even within communities, where perceived degrees of passion and loyalty separate the hard-core fans from the poseurs. Community is all about rivalries and lines drawn in the sand.

Dove's much-lauded "Campaign for Real Beauty" offers a vivid example of how companies can use conflict to their advantage. The campaign brought "real women" together worldwide to stand up against industry-imposed beauty ideals. Older women, large women, skinny women, and less-than-pretty women united in camaraderie against a common foe. Dove identified a latent "out" group and claimed it for its brand.

Firms can reinforce rivalries directly or engage others to fan the flames. Pepsi, renowned for taking on rival Coca-Cola in the original Pepsi Challenge, is now running advertising starring lackluster Coke drinkers in dingy retirement homes. Apple's PC-versus-Mac ads sparked not only Microsoft's "I am a PC" countercampaign but also a host of YouTube parodies from both camps. A group's unity is strengthened when such conflicts and contrasts are brought to the fore.

Some companies make the mistake of attempting to smooth things over. Porsche's 2002 launch of the Cayenne SUV provides an instructive case in point. Owners of 911 models refused to accept the Cayenne as a "real" Porsche. They argued that it did not have the requisite racing heritage and painted Cayenne drivers as soccer moms who did not and could

not understand the brand. Die-hard Porsche owners even banned Cavenne owners from rennlist.com, a site that started as a discussion board for Porsche enthusiasts and has grown to include pages devoted to Audi, BMW, and Lamborghini. The company attempted to mend the rift through a television campaign, complete with roaring engines at a metaphorical starting gate, aimed at demonstrating that the Cayenne was a genuine member of the Porsche family. The entrenched community was not convinced. Positioning the Cayenne as a race car was "a stretch that only delusional Porsche marketers could possibly attempt and a flat-out insult to every great Porsche sports car that has come before it," one person wrote on autoextremist.com. Smart managers know that singing around the campfire will not force warring tribes to unite. Communities become stronger by highlighting, not erasing, the boundaries that define them.

Myth #5

Opinion leaders build strong communities.

The Reality

Communities are strongest when everyone plays a role.

Opinion leaders and evangelists play important and well-documented roles in social networks. They spread information, influence decisions, and help new ideas gain traction. But whereas focusing on opinion leaders may be sage advice for buzz campaigns, it is a misguided approach to community building. Robust communities

Three Forms of Community Affiliation



People have strong associations with a shared activity or goal, or shared values, and loose associations with one another.

The shared activity, goal, or values are the key to this community affiliation.

Examples

- Apple enthusiasts
- Republicans or Democrats
- Ironman triathletes



People have strong one-to-one relationships with others who have similar or complementary needs.

Personal relationships are the key to this community affiliation.

Examples

- Facebook
- Cancer Survivors Network
- Hash House Harriers



People have strong connections to a central figure and weaker associations with one another.

A charismatic figure is the key to this community affiliation.

Examples

- · Deepak Chopra
- · Hannah Montana
- Oprah

establish cultural bedrock by enabling everyone to play a valuable role.

From our examination of research on communities including the Red Hat Society, Burning Man, Trekkies, and MGB car clubs, we have identified 18 social and cultural roles critical to community function, preservation, and evolution (see the exhibit "Common Community Roles"). These include performers, supporters, mentors, learners, heroes, talent scouts, and historians, to name a few. In complementary research, Hope Schau of the University of Arizona and Eric Arnould of the University of Wyoming have documented 11 value-creation practices among community members, including evangelizing, customizing, welcoming, badging, competing, and empathizing. Companies with existing communities can evaluate the roles and behaviors currently being demonstrated and identify gaps that could be filled to improve community function. Those designing new communities can create structures and support systems to ensure the availability of a wide range of roles.

Recognizing that life changes often prompt people to reevaluate their affiliations, successful communities give members opportunities to take on new roles, alternate between roles, and negotiate tensions across roles in conflict—without ever leaving the fold. Nonprofit communities are particularly good in this respect. Saddleback Church of Orange County, California, maintains a cohesive community despite membership of over 20,000 by constantly monitoring individuals' needs and creating subgroups and roles to keep people engaged. Groups are organized not only by age, gender, and interests, but also by shared challenges, social commitments, and family situations. People are offered many types of roles, from active to passive, in small groups and large, and can participate in person, by phone, or online. Assorted print and digital tools help people identify options and map opportunities, so they can easily change roles or try on new ones.

Myth #6

Online social networks are the key to a community strategy.

The Reality

Online networks are just one tool, not a community strategy.

Forming an online community is often a

knee-jerk reaction to the CEO's demand for a Web 2.0 strategy. Online social networks get lots of buzz, and given today's enabling technologies it seems silly to pass up opportunities in the virtual world. Unfortunately, most company-sponsored online "communities" are nothing more than far-flung focus groups established in the hope that consumers will bond around the virtual suggestion box. There's nothing wrong with listening to customers, but this isn't a community strategy.

Online social networks can serve valuable community functions. They help people find rich solutions to ambiguous problems and serendipitous connections to people and ideas. Yet even a well-crafted networking site has limitations. The anonymity of web encounters often emboldens antisocial behavior, and the shallow, transient nature of many online interactions results in weak social bonds. And, lest we forget, a huge chunk of life still takes place off-line. Physical spaces play important roles in fostering community connections. According to Mark Rosenbaum of Northern Illinois University, communities that are developed in third places like gyms and coffee shops often provide social and emotional support equal to or stronger than family ties a benefit that delivers price premiums of up to 20%.

Smart marketers use online tools selectively to support community needs. L'Oréal strikes the right balance with its methodical approach. The company maps its brands along two dimensions: (1) brands of authority versus brands of conversation, and (2) mainstream versus niche brands. Each cell in the grid suggests a different community approach. Brands of authority offer expert affiliation and advice. L'Oréal (the company's mainstream brand of authority) builds community through heavy TV advertising featuring celebrity spokespeople to inspire hub affiliations. La Roche-Posay (a niche brand of authority) nurtures a worldwide community of dermatologists, both online and face-to-face, to expertly represent the brand. Brands of conversation thrive on social interaction and engagement. L'Oréal's Garnier (the company's mainstream brand of conversation) enlists well-known bloggers to share what they're doing to make the world a better place, using these hub figures to strengthen the brand's pool. Kiehl's (a niche brand of conversation) uses a grassroots focus on local charity sponsorships, in-store customer bulletin boards, and required employee volunteerism in the surrounding community to create the social glue. Although the tactics vary, the goal of L'Oréal's community-building strategies is always to connect with the people who make up the community in ways that reaffirm the essence of the brand.

Myth #7

Successful brand communities are tightly managed and controlled.

The Reality

Of and by the people, communities defy managerial control.

Excessive control has been the norm when it comes to community management. From Coca-Cola's pulling of its beloved soda off the shelves in 1985, to Microsoft's stifling of internal blogger Robert Scoble, to Hasbro's suing of fans for publishing content based on its brands, community managers tend to put corporate interests over those of their customers.

Such efforts have led to vigorous debate

Brand communities are not corporate assets, so control is an illusion. But relinquishing control does not mean abdicating responsibility. Effective brand stewards participate as community cocreators—nurturing and facilitating communities by creating the conditions in which they can thrive. Vans, the famed maker of skateboarding shoes, has proved adept at building commu-

about how much control to assert over brand communities. That is the wrong question.

nity through support rather than control. From the beginning, the company recognized its fan base of customers as the owners of its brand. Its self-appointed role was to stay close enough to the fans to understand where they were headed and then pursue the directions that would strengthen the community. From its earliest days, Vans worked with lead users within each of its sports communities to codesign new products. When privately owned skate parks began closing, Vans took care of enthusiasts by opening its own. Vans originally sponsored the Warped Tour, a traveling music festival appealing to young adults, as a way to support its customers' love of music. Later, realizing that amateur skateboarders were lacking a national championship event, Vans persuaded Warped Tour organizers to add one to their lineup and then acquired the Tour outright once it became a major celebration of skateboarding and bicycle motocross (BMX) culture. Warped Tour innovations now include air-conditioned "parental day care" lounges at tour stops to make it easier for young fans to attend, and an online community that supports year-round connections among fans and helps far-flung friends coordinate tour attendance.

Companies build effective communities through a design philosophy that replaces control with a balance of structure and flexibility. Jump Associates has identified nine archetypal community scripts that can be used as a framework for such design (see the exhibit "A Sampling of Community Scripts"). A script is a set of expected behaviors in a particular social situation. Think, for example, of the script you'd follow for a date at a fancy restaurant or a job interview in a CEO's office. Harley-Davidson offers a leading example of how to use scripts to build and enhance community. The Harley-Davidson

Common Community Roles

Members of strong brand communities stay involved and add value by playing a wide variety of roles. In designing a new community or strengthening an existing one, companies should incorporate an assortment of roles into the community structure and help members take on new roles as their needs change. Below are 18 roles critical to a community's function, preservation, and evolution.

Mentor: Teaches others and shares expertise

Learner: Enjoys learning and seeks self-improvement

Back-Up: Acts as a safety net for others when they try new things

Partner: Encourages, shares, and motivates

Storyteller: Spreads the community's story throughout the group

Historian: Preserves community memory; codifies rituals and rites

Hero: Acts as a role model within the community

Celebrity: Serves as a figurehead or icon of what the community represents

Decision Maker: Makes choices affect-

ing the community's structure and function

Provider: Hosts and takes care of other members

Greeter: Welcomes new members into the community

Guide: Helps new members navigate the culture

Catalyst: Introduces members to new people and ideas

Performer: Takes the spotlight **Supporter:** Participates passively as an audience for others

Ambassador: Promotes the community to outsiders

Accountant: Keeps track of people's participation

Talent Scout: Recruits new members

brand ethos of the "brotherhood" is grounded in the script of the Tribe, in which deep social connections form through shared experiences and traditions. Management first reinforced this script to strengthen community identity and then gradually introduced elements of new scripts to enrich the experience over time. The Harley Owners Group introduced elements of the Fort (an exclusive place where insiders feel protected) through members-only events and special perks. Rallies and other recurring customer gatherings added the Summer Camp (a periodic experience that reaffirms connections). Both the Harley-Davidson Museum and dealerships were designed to leverage elements of the Patio (a semiprivate place that facilitates in-depth, meaningful connections) and the Bar (a public space that grants reliable but shallow connections) to foster different types of interpersonal connections. By layering those additional scripts over the Tribe foundation, Harley-Davidson was able to build multiple community experiences that appealed to different audiences while retaining a cohesive core.

Whether through constructive engagement, script-based design, or other means, smart companies define the terms of their community participation but discard their illusions of control.

Are You Ready?

Although any brand can benefit from a community strategy, not every company can pull it off. Executing community requires an organization-wide commitment and a willingness to work across functional boundaries. It takes the boldness to reexamine everything from company values to organizational design. And it takes the fortitude to meet people on their own terms, cede control, and accept conflict as part of the package. Is your organization up to the task? To find out, take our online "Community Readiness Audit" by visiting brandcommunity.hbr.org.

Community is a potent strategy if it is approached with the right mind-set and skills. A strong brand community increases customer loyalty, lowers marketing costs,

A Sampling of Community Scripts

A script suggests a set of behaviors that are appropriate for a particular situation. Companies can design brand communities by establishing and reinforcing a base script and then layering on new scripts over time. Vans, a maker of skateboarding shoes, initially sold its products to tight-knit surfer and skateboarding communities. Building direct relationships with these groups and cultivating lead users within them reinforced an implicit Tribe script. By sponsoring competitions and skate parks, Vans introduced the Performance Space script. And through skateboarding clinics and demonstrations, the company added features of the Sewing Circle.

The Tribe

A group with deep interpersonal connections built through shared experiences, rituals, and traditions.

The Fort

An exclusive place for insiders to be safe and feel protected.

The Sewing Circle

A gathering at which people with common interests share experiences, provide support, and socialize.

The Patio

A semiprivate place that facilitates in-depth, meaningful connections.

The Bar

A public space that grants reliable although shallow connections.

The Tour Group

A way to participate in new experiences while staying inside a comfort zone.

The Performance Space

A place where members can be sure of finding an audience for their talents.

The Barn Raising

An effective way to accomplish tasks while socializing.

The Summer Camp

A periodic experience that reaffirms connections.

authenticates brand meanings, and yields an influx of ideas to grow the business. Through commitment, engagement, and support, companies can cultivate brand communities that deliver powerful returns. When you get community right, the benefits are irrefutable.

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Getting Brand Communities Right

Further Reading

ARTICLES

The Contribution Revolution: Letting Volunteers Build Your Business

by Scott Cook

Harvard Business Review
October 2008
Product no. Ro810C

Many Internet superstars owe much of their success to contributions made by countless people from outside their organizations. Think of Facebook profiles, eBay goods, and Wikipedia entries. Think too of the aggregated buying behavior underlying Amazon recommendations and the donated use of personal-computer resources underpinning Skype's Internet-based phone network. Cook, the founder of Intuit, challenges traditional companies to tap this emerging source of value by creating what he calls user contribution systems. The user can be a customer, employee, sales prospect—or someone with no previous connection to the company at all. The contribution can be actively offered work, expertise, or information, as well as passive or even unknowing contributions, such as behavioral data gathered automatically as a by-product of a transaction or an activity. The system is the method, usually Internet-based, by which contributions are aggregated and made useful to others. In this article, Cook describes the journey that led him to see the tremendous value in user contributions. He shows the variety of ways companies from Honda to Procter & Gamble to Hyatt Hotels are leveraging them. And, drawing on his successes and failures in trying to put them to work at Intuit, he offers advice on how leaders can create user contribution systems in their own organizations.

Creating the Living Brand

by Neeli Bendapudi and Venkat Bendapudi Harvard Business Review May 2005

viay 2005

Product no. Ro505G

It's widely believed that top-notch customer service is the province of a few luxury companies, and that any retailer outside that circle is

condemned to offer mediocre service at best. But even companies that position themselves for the mass market can provide outstanding customer-employee interactions and profit from them—if they train employees to reflect the brand's core values. The authors studied the convenience store industry and focused on two that have developed a devoted following: QuikTrip (QT) and Wawa. Turnover rates at QT and Wawa are 14% and 22%, respectively, much lower than the typical rate in retail. The authors found six principles that both firms embrace to create a strong culture of customer service: Know what you're looking for in your employees. Make the most of your employees' talent. Create pride in your brand; your employees will stand behind it. Build customer loyalty through a sense of community. Share the business context with your employees so they have a clear understanding of how their company operates and how it defines success. And win employees' passionate engagement by satisfying their souls.

ВООК

Energizing the Groundswell: Tapping into the Power of Word of Mouth Online

by Charlene Li and Josh Bernoff HBS Press Chapter March 2008 Product no. 9973BC

Energized customers can become viral marketers, spreading brand benefits to their contacts without any cost to the company. This chapter illustrates how to energize the groundswell, inspiring your best customers and turning them into word-of-mouth machines using key techniques like ratings, reviews, and communities.

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