

PART I

FIVE CONSUMER TRENDS TURNING THE WORLD UPSIDE DOWN

CHAPTER ONE

Consumer Skepticism Is at an All-Time High



Trust is a commodity in short supply nowadays. We consumers are increasingly skeptical of advertising messages that promise to make our lives easier, our bodies healthier, or our wallets fatter. Ours is a cynical age tainted by war, economic downturn, political unrest, and an uncertain future. We are suspicious of hype, and we favor that which is real, even if it lacks the shiny exterior and pomp commonly associated with advertising.

This chapter seeks to lend insight into the reasons for this increasing skepticism and shed light on who consumers are turning to for advice on goods, products, and services.

THE INSURGENT CONSUMER AND THE INFLUENCE OF WORD OF MOUTH

In a February 2006 article from *Advertising Age*,¹ Editor Jonah Bloom stated, “While too many advertisers are still focused on the business of shouting one message over and over, today the most important communication is not the marketing monologue, but the dialogue that takes place among customers.”

4 FIVE TRENDS TURNING THE WORLD UPSIDE DOWN

Consumers are becoming insurgent, rising in revolt against slick, overly produced ads in favor of recommendations by fellow consumers and user-generated content such as that found in YouTube videos or customer ratings and reviews such as those at Amazon, Judy's Book, or Yelp.

For example, never do I go to the movie theater and spend \$35 for tickets, soft drink and popcorn without first checking movie reviews on sites such as Yahoo! Movies or Rotten Tomatoes. I'm not interested in reading what the professional critics have to say but glean, instead, the opinions of average Joes who spent their hard-earned cash.

Of course, nothing trumps the influence of recommendations from trusted family members and friends. In their social media manifesto "Trust Economies,"² authors Chris Brogan and Julien Smith assert, "We are suspicious of marketing. We don't trust strangers as willingly. Buzz is suspect. It can be bought. Instead, consumers and business people alike are looking towards trust. We want our friends to tell us it's good. We want someone we know to say we should look into it."

"We may be seeing the golden age of word-of-mouth and social media in its use," said small business marketing consultant Zane Safrit. "A perfect storm of early adopters, obvious metrics for its use, the over-saturation by advertising that leads to the demise of its dynamics could combine to create some sweeping changes for business and its methods."³

Public relations firm Edelman in 2006 completed a survey⁴, which concluded:

- By a 3-to-1 margin people are far more likely to trust "average people like me."
- 67 percent of consumer goods sold are as a result of word of mouth.
- Consumers trust word-of-mouth recommendations far more than traditional marketing or advertising.
- People would rather hear about real experiences and perspectives than "marketing speak."

“We have reached an important juncture, where the lack of trust in established institutions and figures of authority has motivated people to trust their peers as the best sources of information about a company,” said Richard Edelman, president and CEO. “Companies need to move away from sole reliance on top-down messages delivered to elites toward fostering peer-to-peer dialogue among consumers and employees, activating a company’s most credible advocates.”

**BOURNE, NOT BOND: CONSUMERS WANT REAL
EXPERIENCES AND PERSPECTIVES,
NOT MARKETING SPEAK**

You recall the days of classic Agent 007 James Bond (Sean Connery was my favorite, by the way). He was suave, debonair, and hardly ever got a scratch. Bond drove expensive cars, wore fabulous clothes, ate at the finest restaurants, and always, always got the girl.

There was a time when advertising was the same. Slick marketing messages conceived in Madison Avenue high-rises delivered mass-marketing style via broadcast and print were consumed and believed by the buying public, no questions asked. If manicurist Madge said a certain brand of dishwashing liquid softens hands while using it, who were we to disagree? Not so any longer. We now live in the age of Jason Bourne, not James Bond.

Unlike his counterpart, Bourne gets beaten up, shot at, and otherwise knocked around with great regularity. Rarely does he walk away from a fight unscathed. Neither does he get the girl. In fact, his girlfriend was killed. Bourne’s is a world of gritty, cold reality.

That’s the world advertisers find themselves in as well. Consumers have little trust in marketing messages, and, therefore, advertisers have to work much harder for their attention and, more importantly, their trust.

Another example of this real experience versus marketing-speak mentality can be seen in what arguably has become in recent years the most popular genre of television entertainment: Reality TV. Programs run the gamut from the sublime

6 FIVE TRENDS TURNING THE WORLD UPSIDE DOWN

to the ridiculous and cover every topic imaginable, from drug and alcohol interventions, to bounty hunting to modeling, to cooking, real estate sales, and home decorating contests. Oh, yes, let us not forget musical entertainment à la American Idol.

What is the reason for such popularity? Within all of it there is an underlying theme, that what I'm watching has some degree of realism. I can identify with the participants, imagining myself in their place as their peer. These "ordinary" people, whether placed in similarly ordinary or exotic circumstances, carry with them a level of authenticity.

I believe this phenomena is a sign of our times that carries over into advertising. Advertisers and marketing professionals who understand this will do well in making the changes necessary to re-establish trust with the consumer.

To their credit, some are doing their best to bring some level of "reality" to the 30-second spot. It is becoming much more commonplace, for example, to see the CEO of a Fortune 1000 speaking on behalf of the company. Every once in a while they even apologize for wrongdoings, as was the case with JetBlue CEO David Neeleman.

In a now-famous YouTube video, Neeleman addressed operational problems faced by his airline in 2007.⁵ You recall the incident on February 14, 2007, where thousands of JetBlue's customers were left stranded for hours in airports and on planes.

His apology was one of the first times that the CEO of a major company used social media in crisis management. The video has received more than 350,000 views. Most YouTube users who commented on the video expressed support for Neeleman, praising him for placing the apology on the site.

A little bit of honesty accompanied by a healthy dose of humility goes a long way toward restoring a company's reputation among consumers, and Neeleman's attempt was met with word-of-mouth enthusiasm.

WHY THE SKEPTICISM?

There are a number of reasons consumers are skeptical of advertising. First, advertising is interruptive. I don't know

anyone who welcomes a series of 30-second spots during a favorite TV show. This is one reason for the growing popularity of devices such as TiVo. No one picks up a magazine for the sole purpose of scanning the ads.

Seth Godin, in his 1999 book *Permission Marketing*,⁶ says, “For ninety years, marketers have relied on one form of advertising almost exclusively. I call it Interruption Marketing. Interruption, because the key to each and every ad is to interrupt what the viewers are doing in order to get them to think about something else.” Advertising is not why we watch television, listen to the radio or browse a Web page. Interruption gives way to aggravation, followed by a search for the remote.

A second reason for rising skepticism is deceptive advertising with its misleading claims, bait-and-switch techniques, false comparisons that suggest one brand is better than the others without stating that outright—we’ve all been there.

Often, it’s not that the advertiser intended to deceive us, but simply that the ads over promised while the product or service under-delivered. Once we have been fooled by claims that turn out to be exaggerated or even false, we tend to shy away the next time around.

Of course, part of this could be the consumer’s own fault. “The anticipation of a thing is always greater than the realization of it,” someone said when describing how our assumptions regarding a product’s performance can set up both it and us for failure.

Yet a third reason for this growing distrust is a company’s inability to connect with customers at a human level. Of all the reasons, that may be the most damning. The great promise offered by social media is that real, genuine, honest, human connections can be made between the company and consumer that will engender trust and build a foundation for long-term relationships.

CONCLUSION

In the end, it is not so much a matter of knowing why consumers are skeptical but simply accepting that they are. The antidote is not more mass-market messaging but radical

8 FIVE TRENDS TURNING THE WORLD UPSIDE DOWN

transparency and a willingness to admit mistakes, much in the same way JetBlue's Neeleman did. By re-instituting the conversation, social media can help companies reconnect with consumers, rebuild the bridge of trust, renew customer loyalty, re-energize brand evangelism, and re-humanize the company.