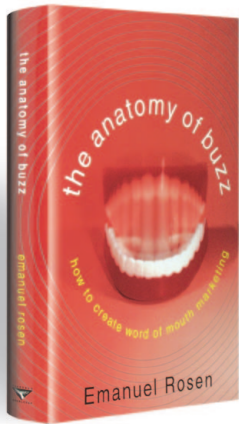


SOUNDVIEW Executive Book Summaries®



By Emanuel Rosen

CONTENTS

The Buzz Phenomenon

Pages 2, 3

Network Hubs Hold the Key

Page 3

The Rules of Networks

Pages 4, 5

How Buzz Spreads

Page 5

Achieving Success in the Networks

Pages 5, 6

Work with Network Hubs

Page 6

Actively Seed Your Products

Pages 6, 7

The New Viral Marketing

Page 7

Does Madison Avenue Still Matter?

Pages 7, 8

Buzz in Distribution Channels

Page 8

Putting It Together

Page 8

How To Create Word of Mouth Marketing

THE ANATOMY OF BUZZ

THE SUMMARY IN BRIEF

Today's consumers are skeptical, and they suffer from information overload. The result: They'll probably ignore the expensive television and print ads your marketing team creates. So how do people decide which car to buy, or which fashions fit the image they're looking for, or what new techno-appliance is a must for their homes?

The answer is word-of-mouth — the recommendations of friends and the buzz that develops in the marketplace. Buzz will make a new book soar to the top of the bestseller list, turn a "sleeper" movie into a box office super hit, or have parents lining up at toy stores to buy the new prize of the season. And buzz will help you sell your product or service — if you know how to create it. In this summary, you will learn exactly how to create buzz by understanding the following:

- ✓ **Buzz is an invisible network.** You will never really see how buzz moves from person to person, but you don't have to. You just need to understand that people need to communicate with one another, and figure out how to get them talking.
- ✓ **There are thousands of networks through which buzz flows.** These networks are loosely connected with one another. Buzz can start in one, but might not jump to another without a push. You will soon learn how to make the leaps.
- ✓ **In every network, there is a person who is the hub.** That person needs to be cultivated so he or she can spread the word about your product or service. You will soon know how to identify and engage those influential people at the center of the network.
- ✓ **A great product is essential.** There's no reason to spread buzz if your product isn't compelling. It won't happen.
- ✓ **Networks must be seeded.** Before word-of-mouth can take off, each network must be seeded with suggestion. You will see exactly how and where to seed your product.



THE ANATOMY OF BUZZ

by Emanuel Rosen

— THE COMPLETE SUMMARY

The Buzz Phenomenon

Most of today's marketing focuses on how to use advertising to influence individual consumer buying behavior. It ignores the fact that for many products, purchasing is part of a social process. People rely on "invisible networks" of friends, relatives and co-workers for recommendations about everything from which movie to see to where they should vacation. This is buzz.

Buzz starts with a superior user experience; nothing will help your product if it doesn't deliver such an experience. If you want to generate buzz, you should underpromise and overdeliver.

Then, instead of pushing the product on customers, let the product spread itself through the invisible networks.

Why Buzz Is Powerful Today

Why has buzz taken on such a significant role in marketing? There are three reasons: noise, skepticism and connectivity:

- **Customers can hardly hear you.** Consumers are suffering from information overload. In addition to facts and figures, they're exposed to an avalanche of ads every day. The result is that many consumers filter out the messages sent by mass media and listen to their friends instead.

What is Buzz?

Imagine this scene. A teen stands outside a school leaning against a fence playing with a yo-yo. He's good. A younger child walks by and asks, "Where'd ya get it?" and, "What kind is it?" The teen tells him it's called "The Brain" and "It's cool." This type of exchange is the basic building block of buzz. Buzz is the sum of all comments about a certain product that are exchanged among people at any given time.

Buzz can, of course, be negative. Angry car owners can e-mail their thoughts to all their friends, participate in chats with other car enthusiasts, create their own critical Web sites, or rate the car on a consumer site like Epinions.com. In the past, their complaints would have reached only a dozen or so. Now they can reach millions.

Hotmail Takes Off With Buzz

When Hotmail launched its Web-based free e-mail service, it experienced the fastest adoption rate of any new product ever — from 0 to 12 million subscribers in just 18 months! The Internet allowed buzz about the company and its services to take off. The premise was simple: give Internet users an e-mail service they could access from any computer with Internet access and offer it free of charge. Each person who signed up helped recruit new members because every e-mail sent through a Hotmail account included a message touting the free service.

- **Customers are skeptical.** The public believes very little of what they are told by companies. A recent survey illustrates the point: 37 percent of the public considers information that comes from a software company "very or somewhat believable." It's worse in other industries. Drug companies are believed by 28 percent of the public, car manufacturers by 18 percent and insurance companies by 16 percent.

- **Consumers are connected.** They have new tools for sharing information. The Internet has added to this connectivity. Strangers can now share information in a variety of forums, most entirely outside your control. And this is just the beginning of a major power shift. Generation Y — those born between 1979 and 1994 — shop by word-of-mouth. Using the Internet is second nature to them. As this generation gains buying power, expect buzz to become even more important.

Adopters and Networks

Traditionally, marketers have focused on placing con-
(continued on page 3)

The author: Emanuel Rosen, former vice president of marketing for Niles Software, has spent two years researching and writing this book.

Copyright© 2000 by Emanuel Rosen. Summarized by permission of the publisher, Doubleday/Currency, 1540 Broadway, New York, NY 10036, and for the U.K. and World, James Levine Communications, 307 Seventh Avenue, New York, NY 10001. 303 pages. \$24.95. 0-385-49667-2.

Published by Soundview Executive Book Summaries (ISSN 0747-2196), 10 LaCrue Avenue, Concordville, PA 19331 USA, a division of Concentrated Knowledge Corporation. Publisher, George Y. Clement. V. P. Publications, Maureen L. Solon. Editor-in-Chief, Christopher G. Murray. Published monthly. Subscriptions: \$195 per year in U.S., Canada & Mexico, and \$275 to all other countries. Periodicals postage paid at Concordville, PA and additional offices.

Postmaster: Send address changes to Soundview, 10 LaCrue Avenue, Concordville, PA 19331. Copyright © 2001 by Soundview Executive Book Summaries.

Available formats: Summaries are available in print, audio and electronic formats. To subscribe, call us at 1-800-521-1227 (1-610-558-9495 outside U.S. & Canada), or order on the Internet at www.summary.com. Multiple-subscription discounts and Corporate Site Licenses are also available.

The Buzz Phenomenon

(continued from page 2)

sumers in categories based on the likelihood that they will adopt a new product or service. People are divided into five categories: innovators, early adopters, early majority, late majority and laggards. But those who understand buzz will look beyond these classifications and adopt a network approach.

A network approach takes a micro-level look at the categories, for example, subdividing categories according to industry. Take two people — a retailer in the Midwest and a software programmer in Silicon Valley — who bought Palm organizers in 1999. The retailer could be considered an early adopter because he was buying the Palm organizer earlier than many people in his industry. The programmer, on the other hand, was behind the curve since the Palm organizer was already popular for people in high tech industries. As a result, the retailer is plugged into a network that has most potential for future sales. Thus, a company selling Palm organizers would get a better return on their marketing investment if they focus their efforts on retailers.

How Important Is Buzz to Your Business?

Buzz doesn't affect all businesses the same way. The role it plays in your business depends on four factors:

- **The nature of your product.** Some products, like paper clips, won't generate buzz no matter what you do. There's nothing new about them. Products that do create buzz are exciting products, such as books and movies; innovative products, such as web browsers and computer programs; personal experience products, such as hotels, airlines and cars; complex products, such as medical devices; expensive products, such as computers and electronics; and observable products, such as clothes and cellular phones.

- **The people you're trying to reach.** Different audiences have different propensities for talking about products. Some of it is cultural, and some may be based on age. For example, young people tend to socialize more

and be influenced by peers while older people rely less on the advice of others.

- **Your customer connectivity.** The more connected your customers are to each other, the more you will depend on their buzz for future business — and the more open with them you must be. Producing high quality products and services is crucial if you are supplying connected customers, because negative buzz will spread as fast as positive buzz.

- **Your marketing strategy.** Your marketing strategy as well as those of your competitors might affect the degree to which you rely on buzz. For example, when Pepsi contracts to be the sole provider of soft drinks for a school district, the need for buzz decreases. ■

Network Hubs Hold the Key

Some people love to talk about a favorite product or service so much that they become “network hubs” in the world of buzz. Researchers typically refer to them as “opinion leaders,” “power users,” or “influencers.” Of course, you won't find their names and addresses in any directory. Identifying them is much harder than renting a mailing list. But the rewards for paying attention to these people can be huge.

The first step in trying to find the individuals who act as hubs is to understand that such people come in all shapes, colors and forms. In general, though, they can be classified into four hubs.

First, network hubs can be categorized based on the number of people they reach. **Regular hubs** are regular folks who have developed an interest in a certain product category. **Mega hubs** are the press, celebrities, analysts and politicians who provide powerful one-way links with people who listen to their message via mass media. For example, Oprah Winfrey propels books onto best-seller lists every time she recommends one for her book club.

Network hubs can also be distinguished based on the source of their influence. Some people are influential because they have demonstrated significant knowledge of a certain area, or at least have convinced others that they are experts. These **expert hubs** can make or break a product introduction. **Social hubs** are the members who are central to the group because they are sociable or charismatic and trusted by the peer group.

Reaching Regular Hubs

It is probably best to leave reaching the “mega hubs” to publicity experts, but you can reach the “regular hubs” if you know where and how to look for them. The acronym ACTIVE may help. Hub members are Ahead in adoption, Connected, Travelers, Information hungry, Vocal and Exposed to the media more than others. ■

Why We Talk

Buzz is powerful because it is in our genes. We must communicate to stay alive. We talk because we are programmed to talk. Sharing information is essential. We also talk to connect, often about everyday things. We discuss products and services like what car we test-drove or book we read. We talk to make sense of the world and the products available. Instead of doing independent research on products or services we need, we ask for recommendations.

The Rules of Networks

There are 10 principles at work in social networks that affect buzz:

1. Networks are invisible. We know our friends, and we may know most of their friends, but that's where our direct view of networks stops. Networks are too complex to allow us to see much beyond the horizon.

2. People link with others like them. Scientists like to talk to other scientists, teenagers to other teens and so on. The tendency for people to associate with those who are similar to them is called "homophily." Unfortunately, homophily is the main factor that limits the spread of buzz.

3. Similar people form clusters. People tend to form clusters when they share similar characteristics and interests in some dimension of their lives. These clusters can informally adopt products together. The good news for companies is that if your product becomes the standard within a cluster, it makes it difficult for a competitor to uproot your hold. Of course, this could work against you. Consider the case of Birkenstock sandals. In the early 1970s, the brand was adopted by alternative lifestyle clusters, so that wearing them was almost a political statement. It took the company years to convince others to buy them.

4. Buzz spreads through common nodes. We all belong to more than one cluster or clique, which is one way buzz spreads. To understand this idea, you must understand the "six degrees of separation" or "small world" concept, which is the belief that any two people are linked through a chain of no more than six other peo-

ple. Any person can be reached through a limited number of steps. We are all linked to many clusters and networks, thus we are able to reach each other rather easily.

5. Information gets trapped in clusters. Although there appear to be easy links between clusters, they are not always as connected as they seem. Consider this example. A software manufacturer has already sold hundreds of copies of a program that makes creating end-notes easy for academics at a large university, and is surprised to learn that a new customer is unfamiliar with the program. The reason is that she is a medical researcher, while the previous purchasers are all PhDs engaged in basic research. The surgeon only interacts regularly with surgeons in her cluster, and not with other academics.

6. Network hubs and connectors create shortcuts. If you want to spread the word between clusters, you need to identify people who touch both clusters in some way. Many times, these people will be accountants, bankers or lawyers who have strong and varied community ties.

7. We talk to those around us. Geography still matters, even with the advent of the Internet. Although we all have global ties, most of our ties remain with and to those within close physical proximity. Physical proximity is still an excellent predictor of those with whom we will share information.

8. Weak ties are surprisingly strong. Your closest friends are likely to be exposed to the same news you are, so they don't offer you the latest news. But those acquaintances in other close-by clusters receive different information, and are therefore a more likely source of news for you. Although you may view your tie to the cluster as weak, it is surprisingly strong when it comes to giving you new information. The lesson? Diversify your connections.

9. The Net nurtures weak ties. It's easier to maintain weak ties over the Internet. Consider how easy and unobtrusive it is to send a friendly e-mail. It's also easy to create new ties over the Internet. For example, most people who use newsgroups or online chats don't know each other well; they have weak ties. However, that doesn't mean that they don't exchange quite a bit of information. As a result, information travels much faster today.

10. Networks go across markets. People belong to more than one market, and are connected to people in more than one market. A business owner shopping for computers for his business and home, who has a daughter in college who also uses computers, belongs to more than one market, and connects with yet another. As a practical matter, a dissatisfied customer in one market can easily spread that anger to another.

Questions to Ask Yourself

If you want to create buzz, you have to know who your customers are and how you are reaching them. Start by answering these questions:

- ✓ **From whom do your customers typically learn about your product?**
- ✓ **What do people say when they recommend your product?**
- ✓ **How fast does information about your product spread as compared with competitors' products?**
- ✓ **Who are the network hubs?**
- ✓ **Where does the information hit a roadblock?**
- ✓ **How many sources of information does a customer rely on and which ones are most important?**
- ✓ **What other kinds of information spread through the same networks?**

(continued on page 5)

The Rules of Networks

(continued from page 4)

So What?

What does all this mean to you as a marketer? It means that if you market a product that lends itself to being talked about, your customers are very likely to be talking about it. Some are talking with their neighbors, co-workers and friends, while others are talking with people in other countries. It's this combination of local and global networks that makes buzz so important now. If you understand these rules, you will soon understand how to stimulate the flow of buzz. ■

How Buzz Spreads

Now that you understand the highway system of buzz, it's time to examine how buzz, the traffic, spreads through the system. A perfect illustration of the phenomenon is the buzz that made the novel *Cold Mountain* a bestseller.

The publishers printed 26,000 copies of the book, and it started to sell well without much media attention. The sales were being pushed by word of mouth. A professor heard about the book in a newspaper review and asked his local bookstore to call him when it arrived. Both he and his wife liked it so much they bought three more copies to give to their parents and a friend. He also posted a review on Amazon.com, participated in a panel discussion on local-access television, and gave the book as an option for use in student projects due that semester. Six students read it, and five recommended it to others.

Meanwhile, another reader read a review in *Southern Living* magazine and bought the book. She estimated she told 10 people about it and also posted a review on Amazon. A flight attendant who liked the book estimated she told at least 50 people. Soon sales clerks got excited about the book as positive comments came in.

The publishers also did their part in getting the book into important hubs. They contacted authors and told them about it. In addition, they printed more than 4,000 advance copies of the book for reviewers, bookstore owners, and anyone else who might be expected to help build buzz. They also sent the author to talk to bookstore owners, clerks and buyers several months before the publication date. All the effort paid off. The book sold an astonishing 1.6 million copies in hardback alone. ■

Achieving Success In the Networks

Before you can expect to generate buzz, you must have a superior product or service. No amount of adver-

tising or PR will sell a mediocre product. The best buzz comes from attributes inherent to the product itself. These are *contagious products*, and they can be grouped into six categories:

1. Products that evoke an emotional response. A good example is the movie *The Blair Witch Project*. The buzz was driven by the fear the movie generated, especially in the first few weeks after its release, when people still believed that the footage was taken by the three students depicted in the film. For other products, the emotional response is the feeling of excitement and delight you get when a product exceeds your expectations.

2. Products that advertise themselves. Another contagious product is one that advertises itself. People notice the product and start asking for it. One example is the wheeled luggage bags first pulled by pilots through airports. Soon travelers wanted to know where they could get the same convenient carry-ons.

3. Products that leave traces. Some products propagate because they leave traces of themselves behind. For example, in the early days of desktop publishing, software often left a message on the artwork such as "I used Photoshop" or "I used my Mac."

4. Products that become more useful as more people use them. Some contagious products reward you if you talk about them. Telephones, fax machines and e-mail work this way. In order for them to be useful, customers have to persuade others to get the product or service too. The spread of instant messaging software worked the same way. If you were the only one with the software, it wouldn't be very useful. In fact, it is only useful if you encourage all your friends to download and use it.

5. Products that are compatible. Your product must be compatible with the way potential users already do things. Take the Palm information organizer. People already kept schedules on their PCs and didn't want a complicated system for coordinating a portable organizer with their computers. The Palm device capitalized on this by being an extension of PCs rather than an entirely separate computing device. One step synchronizes your PC and Palm.

6. Products that do the rest. Cameras were invented in the 1820s, but it took Kodak to make them popular in 1888. One reason was the advantage touted in ads: "You press the button — we do the rest." Products that are easy to use spread quickly because customers are hungry for simplicity.

Accelerating Natural Contagion

Two things are needed to create buzz successfully. First, you need a contagious product. But that's not enough. Companies that get good buzz have learned to

(continued on page 6)

Achieving Success in the Networks

(continued from page 5)

accelerate natural contagion. Every product starts with no one knowing about it except a few insiders. The buzz is zero. There is an enormous gap between the few people who know about it and the rest of the world. The product's creators have to reach out and spread the word in the rest of the network. The company must have at least one person who is obsessed with spreading the word.

Spreading the word requires hard work. You may have to organize a sales blitz to get moving. In some cases, that means ignoring traditional channels and trying new approaches. When the game *Pictionary* was introduced, the manufacturer hired actors to dress up as artists and take flip charts to parks and shopping centers. There they engaged potential customers in the game. The company leapfrogged over traditional distribution channels like toy stores right into the heart of consumer networks. ■

Stimulating Buzz: First, Work with Network Hubs

One way to spread the word about a product or service is to convince those who are opinion leaders in their networks that they should tell others about it. The problem is that there is no simple way to identify these leaders. But there are tricks you can use to make the task easier. Always look for individuals who display the ACTIVE characteristics; more ahead in adoption, connected, travelers, information-hungry, vocal and exposed to the media.

Sometimes opinion leaders come to you, asking for information. They hang around your booth at trade shows and e-mail asking for updated information on new features. Others have to be sought out in likely places such as trade shows, conferences and as readers of trade magazines. Or perhaps a chat host on a topic related to your product is a likely candidate for spreading the word. You may also have to go directly into the field to locate grass roots network hub leaders. Also, keep an eye out for connectors between hubs: those people who can take word of your product from one group to another. Examples include visiting professors, exchange students and temporary employees.

You can also identify hubs through surveys. For example, you could conduct a sociometric survey by asking all members of a given network for the name of the person from whom they would seek information about a particular service or product. The name that appears most often is the hub. You can also ask people in the network directly who the hub is. For example, the hub will be the “person you want to talk to if you want

Why You Need to Reach Hubs Early

Approaching network hubs at an early stage can help your product reach critical mass earlier than it would otherwise. And once a product reaches critical mass, adoption gains through momentum to become self-sustaining. It's crucial you bring the product to their attention early. Address their concerns. Give them the facts. Tell them it's safe. Show them others who have already begun using the product or service. Once they adopt, they will give their seal of approval, making it OK for their followers to adopt and tell all their friends.

to get anything done.”

Once you have identified network hubs, you will need to keep track of them. Make everyone in the company aware of them. Your database should include names, phone numbers, e-mail addresses and information about the scope and source of their influence. Timing in reaching out to those on your list is important. With a new product or service, it is critical to capture their minds and hearts before your competitors do.

Buzz needs ammunition. Give hubs something to talk about. For example, Jeep owners attend Jeep Jamborees. The activities they engaged in are likely to stimulate discussion within the network. Be sure to give them plenty of facts. Don't worry about boring hubs. Keep them up to date on improvements and milestones. ■

Actively Seed Your Products

To accelerate the rate at which word about a product spreads, smart companies seed their products — at strategic points in many different clusters — with seed units.

A seed unit is an actual product or a representative sampling from the product you are trying to promote, which you place in the hands of seed customers. You can offer the seed unit at a discount, on a loan basis, for full price, or free; but the principle is the same: You give people in multiple clusters direct experience with your product. That way you plant the seed to stimulate discussion in multiple networks simultaneously.

A good seeding campaign goes beyond mailing samples to a small group of press contacts and the industry elite. It must be sent to a large number of individuals in many networks. But seeding only works in categories that people will talk about, such as cars, books, computers, fashion and other conversation products. The idea

(continued on page 7)

Four Rules for a Successful Seeding Program

1. Look beyond the usual suspects. Although seeding traditional channels is important, you must think broadly. Identify social circles, industry segments, or academic disciplines in which people don't talk about your product or services, and seed them.

2. Put products in their hands. Most of the time, the seed has to be the product itself. In some cases, like a book, a sample may be enough to stir interest, but generally people need the entire product to get excited. It has to be placed directly into their hands.

3. Reduce the price barrier. Make the product free for seed recipients if you can, or at least offer a significant discount.

4. Listen for silence. When you hear silence, the network is dead. Pay attention to dead networks and do further seeding to wake them up.

Actively Seed Your Products

(continued from page 6)

of selective seeding is to get people from different networks more involved with products so that they talk about them with others.

We value everything that is scarce, from baseball cards to places with restricted access. Remember this when trying to build buzz. But don't withhold too much information either. You need to build anticipation at the same time. One trick you can employ is the sneak preview. People who are invited leave feeling like they are in the know. ■

The New Viral Marketing

For years, companies have run campaigns in which they encouraged customers to spread the word to friends or relatives who might be interested in the product. With the advent of the Internet, the technique has been improved and renamed "viral marketing." You should consider using both the traditional tell-a-friend strategy and Internet viral marketing to increase buzz.

Give your customers the tools they need to make it easy to spread the word. Strategies, such as giving customers discount coupons to hand out, work. Another strategy popular with record clubs is to offer current customers a free gift for every friend they bring to the club. Other examples include MCI's "Friends & Family" promotion, which resulted in 10 million residential customers switching to MCI from the competition.

If you want to use viral marketing on the Web, there are three principles you should keep in mind:

● **Make your product part of the communications process.** Viral marketing has the strongest effect if your product can be somehow incorporated into the communication between two people. That's why free electronic cards (Blue Mountain) and free e-mail (Hotmail) spread so quickly.

● **Have your customers interact.** Many companies that started selling on the Web acted as if they were conventional businesses. Then they discovered that getting people to spend time interacting with each other on the Web site worked much better. Examples include e-Bay, where sellers tell friends how much money they're making and buyers boast of what a bargain they got.

● **Prompt your customers to spread the word.** You may want to offer tools for your customers to spread the word. These may include pre-written e-mail messages that customers can forward to friends or online post-cards that play a tune. Be careful not to appear too intrusive, though, or you will turn customers off. ■

Does Madison Avenue Still Matter?

Advertising is not dead. Few products can rely on buzz alone. When used correctly, advertising can help buzz. Unfortunately, the wrong kind of advertisement can also kill buzz. Therefore, you need a sensitive advertising policy that stimulates buzz.

Advertising is needed to let networks know that a product is being launched. Print advertising is effective for reaching the opinion leaders who can generate buzz. Remember, opinion leaders are hungry for information,

(continued on page 8)

Should You Give Incentives For Referrals?

To decide whether an incentive should be offered for a referral, keep these guidelines in mind:

- ✓ Don't make the incentive the main motivation. If you do, the message loses credibility. Keep incentives modest.
- ✓ Ask customers what they think through interviews, focus groups or surveys. Or give them a choice of rewards.
- ✓ Minimize loopholes and keep it simple. You don't want customers taking advantage of the incentive without delivering a good referral. Don't encourage fraud.

Six Rules about Ads and Buzz

- ✓ **Keep it simple.** Short, concise ads can be passed on.
- ✓ **Tell what's new.** Don't bother with exaggerated self-praise; focus instead on what's new about your product or service. Customers won't pass on that a bank cares about its customers, but will talk about a bank that's open on Saturdays.
- ✓ **Don't make claims you can't support.** For example, if you brag about customer service, you had better be able to deliver.
- ✓ **Ask customers what's special about your product or service.** If they can't articulate it, they can't pass it on.
- ✓ **Start measuring buzz.** After a campaign, ask customers if they have recommended your product or services lately. Over time, such surveys will give you an idea of how much buzz the ad generated.
- ✓ **Listen to the buzz.** Ask customers what they think of your products and services.

Does Madison Avenue Still Matter?

(continued from page 7)

so they read more than average people. Advertising also reassures people that they are not alone. Milestones like selling 100,000 copies of a software program or book will help build awareness and let customers begin talking about your product.

It's also possible for a clever advertisement to create buzz as people talk about the commercial. Funny commercials do this best, such as the Energizer bunny and the Taco Bell chihuahua. Ads that are testimonial in nature can also stimulate buzz, if done well. They must be believable. One good example: the Saturn real people testimonials. ■

Buzz in Distribution Channels

Once upon a time, distribution channels were the only source of buzz. Retailers informed customers about what was new and exciting. While retailers may not be the only source of information for today's consumers, they still play a significant role. This is true whether the distribution channel is an online or a bricks-and-mortar retailer. As long as there is interactivity and trust between consumer and channel, buzz can result.

To create buzz about a product through a traditional retailer, work with those salespeople who interact with and are trusted by customers. This works especially well in specialty stores with a reputation for personal attention, such as bookstores and sport-specific stores.

To create online retailer buzz, look for partners who

personalize the consumer's online experience. Amazon.com, for example, provides customer book reviews and recommendations. Other online retailers allow customers to chat with each other, providing a forum for buzz to generate.

A key strategy for creating buzz through a channel is to seed resellers who are trusted in their networks. For example, in 1991 the publishing company Knopf sent 5,000 gift-wrapped copies of a first novel, *Damage*, to managers, buyers and clerks at bookstores all across the country, each with a personal note from the president of Knopf. The book became a best-seller.

Other strategies to build buzz include limiting distribution, at least at first, to simulate scarcity, and using public areas like shopping malls to demonstrate products. You can also use a little mystery. This strategy worked for the creators of the board game *Trivial Pursuit*. The company sent selected toy store buyers single game cards in unmarked envelopes. It wasn't until the third card arrived that the buyers learned the identity of the seller and got information about the game. ■

Putting it Together

You have learned what buzz is and how to go about creating it. Now it's time to put it all together by looking at one company's successful buzz campaign. The product is PowerBar, an easy to digest, low fat, tasty and nutritious snack bar designed for athletes. Invented by marathon runner Brian Maxwell in 1983, the product faced many marketing challenges. PowerBars didn't immediately become the talk of the town; spreading the word took tremendous effort.

Athletes are a competitive lot, so a snack that promised enhanced performance and endurance was a potential winner. But before sales took off, a serious marketing effort had to be undertaken. Part of the plan was easy. PowerBars are a very visible product since they are consumed in public. Once athletes started eating them, others asked what they were and how they tasted. That was a good start.

Athletes from different sports don't travel in the same circles, so the company began to seed different sports at the same time. Skiers, runners and cyclists were treated to free samples at sporting events. Next came an offer from the company to send a friend five PowerBars for just a shipping fee. This built further buzz. Coaches and athletes were then signed up as part of the PowerBar Team Elite. They and their team were given logo-embellished gear and products. When the American cycling team on the Tour de France ordered 1,000 bars, media shots of the team chewing PowerBars created even more buzz. Today, the company sells more than \$100 million worth of the bars a year. ■