

Discover Web 2.0

Marketing as you know it is dead. Instead, embrace these online tools to build interactive, engaging relationships with existing customers and virtual prospects.

By: MATT ALDERTON

Maybe you've seen it: An Internet video that's been passed along virtually from one consumer to the next in order to answer the age-old question, "Will you explode if you drink Diet Coke and eat Mentos?"

The [video](#)—which depicts folks dropping Mentos candy into bottles of Diet Coke to create a series of massive soda geysers—debuted last summer at [EpyBird.com](#) and spread virally to thousands of users via the Internet. Mentos embraced and even promoted the buzz-worthy video and its surrounding hype. Coke, meanwhile, did not. Only one of them benefited from what marketers estimated to be worth \$10 million in free online advertising. The lesson here is simple: The way that consumers consume is changing—and so, therefore, is the way that companies are marketing. You can either get on board, or be left behind.

"It's all about the democratization of the Web," says Joe Lichtenberg, vice president of business development at Eluma, a Tewksbury, Mass.-based company that specializes in building online communities. That democratization is taking place, he adds, in the form of Web 2.0, a collective term for a breed of emerging Internet tools—including blogs, social networks and viral videos—that are designed to turn consumers into marketers, ending advertising as we know it.

"The whole Web 2.0 movement has absolutely changed the way that consumers behave," Lichtenberg says. "They're more interested in what other people have to say about a company's products and services than in what the company says on its Web site or in its marketing materials."

The change doesn't only affect big guns like Coke and Mentos, either. It affects small businesses, too. "Ultimately, small business owners are going to have to play in these new forums in order to reach customers—in order to reach *people*," says Brian Solis, principal of San Francisco-based FutureWorks PR and author of the [PR 2.0 blog](#). "Web 2.0 is about conversations, and these conversations are taking place with or without you."

Change Your Thinking

Small businesses have a lot to gain from Web 2.0, including increased brand awareness, deeper customer loyalty and—as a result—higher sales. Taking advantage of those benefits, however, requires a fundamental change in the way they market their businesses.

“People are still stuck in what I call the 20th-century model of marketing,” says marketing consultant Kevin Stirtz, author of *Marketing for Smart People*, “and that is where they’re selling, selling, selling and pitching, pitching, pitching. That’s old school. We’re in the 21st century, and it’s all about serving your customers.”

In other words, Solis says, people don’t want to be sold to. They want to be provided for. “Nobody wants to be marketed to,” he says. “And because it’s a peer-to-peer playing field, it requires a whole different mindset.”

“The whole purpose of marketing is to help your customers,” Stirtz adds. And that’s exactly what Web 2.0 is all about. The tools are already there, he says, and most of them are free. All small business owners have to do is use them.

Cast a Wide Net

There are scores of Web 2.0 tools online. There are a few staples, though, that every business should consider, which Lichtenberg has organized into a pyramid that he calls the Customer Engagement Pyramid. At the bottom are the following tools, designed to cast a wide net and reach a broad base of consumers who have little loyalty to your brand:

- **Social Networks:** Social networks such as [MySpace](#), [Friendster](#) and [Ziki](#) are a great place to interact with potential customers—as long as your target customers are using them.

“Any smart business owner is going to always analyze where his customers are,” Solis says. That goes for offline as well as online. Browse user profiles to find out if your target demographic is represented on a particular site. If it is, create a profile for your business and begin interacting with users.

Remember, though, this isn’t an ad. It’s a conversation. “Participate as a person,” Solis advises, “not as a business owner.”

- **Online Videos:** Sites like [YouTube](#) and [Revver](#), which catalog online videos, are growing in popularity. Their value, however, is in going viral—uploading a video that gets passed along from consumer to consumer in a giant chain of recommendations.

It’s impossible to say what will make a video go viral, but Stirtz suggests that

humor and how-to lessons are likely to perform best. “Think about what you can communicate in a video that would be really useful to your customers,” he says.

- **Wikis:** Wikis are encyclopedias of information that users can edit in order to build a user-generated knowledge base. The most popular, [Wikipedia](#), is the ninth most visited site on the Internet, according to Lichtenberg. “Whatever your market space is,” he suggests, “you might want to read the Wikipedia entries around that and edit it appropriately.”

- **Social Search:** Social search sites like [StumbleUpon](#), [Digg](#) and [del.icio.us](#) allow users to aggregate content, tag it and share it in the interest of creating mini libraries of useful information. To take advantage of the concept, Lichtenberg recommends building your own library of recommended content in your industry space, and submitting your own content—original articles, blogs, etc.—for inclusion in others’ collections.

Build Relationships

The middle tier of Lichtenberg’s Customer Engagement Pyramid is all about building and sustaining relationships with a smaller, more loyal group of existing customers. Tools include:

- **Blogs:** Blogging, according to Stirtz, is the heart and soul of Web 2.0. “Blogs tend to be real personable,” he says, recommending free tools such as [Wordpress](#) and [Blogger](#). Customers like reading them, he adds, and search engines like including them in their results.

“I think every small business owner should in some way, shape or form blog,” Solis says. “The reason is for nothing more than to demonstrate your passion and expertise for what you do and how you do it better than anyone else.” Remember, though, your blog isn’t a soapbox on which to brag. Instead, it’s a place to provide readers and customers with useful information from one person to another.

- **Forums:** Perhaps the oldest Web 2.0-type tool is the discussion forum, which you can create with tools like [phpBB](#). Forums function as bulletin boards where your customers can discuss you, your products or anything else they might find relevant.

“Your customers are talking about you and your brand, so it makes a lot of

sense to create an environment on your Web site where people can be talking about you,” Lichtenberg says. “You can learn a lot by just being a fly on the wall.”

- **Communities:** Online communities are where Web 2.0 comes together, full circle. Consider building on your Web site a virtual community for your customers—complete with video, discussion forums, social networking features and more—using tools such as [KickApps](#), which allow you to transform your Web site into a Web 2.0 space for your customers.

Chase Loyalty

The top and final tier of Lichtenberg’s pyramid is all about branded desktop applications, courtesy of companies like [Eluma](#), which businesses are using to build online loyalty programs that engage their most passionate fans. You can create an application that delivers news, information, coupons or discounts directly to your customers’ desktops, making those who opt in feel special with exclusive content.

“Brands benefit from an always-on connection to their most valuable customers,” Lichtenberg says.

In fact, that always-on connection is what makes the entire Web 2.0 pyramid worth exploring. It’s no longer “you” selling to “them.” Instead, according to Solis, it’s “us” chatting—24 hours a day, seven days a week. “Just talk to people,” he says. “Have conversations. It’s all about trust.”

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