

WELCOME TO THE  
**AGE OF**

**CO**

**CREAT  
IVITY**

**Side**



This we know: branding is no longer a monolithic exercise. Trust and transparency are paramount. Brands are co-owned by youthful stakeholders more wired to care than you think. Purpose is the new passion, participation is the new consumption. The only brands that matter (eventually) will be those that consumers find meaningful and useful, brands in which they feel invested thanks to authentic stories that emerge from the inside-out rather than being imposed from the outside-in.

# “Marketers today no longer have full control over their brands because they are now competing with the collective power of consumers.”

Philip Kotler, *Marketing 3.0*

## The New Marketing Imperative

We have moved. More accurately, we are moving. From one-way mass communications to dialogic social media. From the commodity of “what we buy” to the culture of “how we act.” From doing “less bad” to doing “more good.”

Thanks to globalization, new media technologies, generational shifts and the urgent issues we face in a world of diminishing resources, the disciplines of branding and marketing have undergone more stress and strain in the past five years than they have in the past fifty. Time, attention and trust continue to decline, while product choice, media options and message clutter grow more overwhelming each day.

Against a backdrop of shifting media budgets and agency tug-of-war, the emerging paradigm says: you don’t market to customers; you market *with* them. You invent; they participate. They invent; you consider and improve and produce and distribute. They validate. They adopt. They spread the word. The dialogue, the exchange, the relationship ideally continues to grow, change, mature, improve around a sense of shared value and shared values. Efforts to embed values have exploded across business

design (Tom’s Shoes), trustmark design (1% for the Planet), consumer reporting (Good Guide), cause marketing (Pepsi’s Refresh Project), employee engagement (Walmart’s My Sustainability Plan) and so much more. In the near future, any branding or marketing initiative that does not authentically create shared value will be practically dead on arrival.

In other words, as Philip Kotler asserts, the sustainability imperative so acutely felt by business is now inspiring marketers to reexamine and reimagine what works and why it matters. The shift from a consumer-centric approach (target and conquer) to a values-driven approach (engage and discover) is under way.

How, then, might we accelerate the move beyond “command and control” marketing to “real collaboration”? How do we stop pushing impressions and start attracting conversations on the issues that matter? How many people will show up? How can we trust them? How honest will they be? How engaged will they be? What will they want in return? And where will it take our business?

## Enter “Co-Creativity”

Let’s be honest. Software engineers and alternate-reality gamers long ago proved the value of co-designing new solutions.

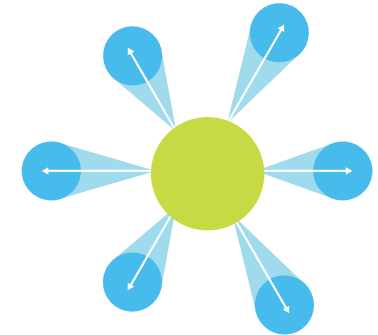
But for marketers the gap between theory and practice remains quite wide: for all the hype about brands inviting customers into the conversation, the reality is it’s hard work (recruiting, retaining, incenting, curating, facilitating, participating, analyzing, synthesizing, acting, reacting, cuing up to do it again and again). The internal capacity is not yet there at most brands, much less the resource commitment. And the corporate perspective often does not look beyond the industrial model of value creation.

Web 2.0 wisdom has pushed marketers to understand where their brands intersect the passion points of their consumers, and then to empower consumers to express themselves via their connection to the brand. Some have succeeded (Nike-Plus, Dove Real Beauty); many more have not (Chevy Tahoe, Motrin Moms). By and large, it’s still a one-way, target-and-conquer approach: the media may be new, but the mindset is an old one, disconnected from a collective zeitgeist centered on sharing more, collaborating more, doing more with less.

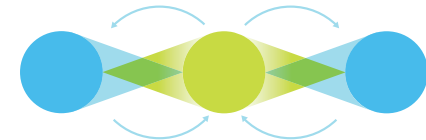
## MARKETING Then & Now



1.0 Position & Push



2.0 Target & Conquer



3.0 Engage & Discover

That's why we argue here for putting the stakeholder at the center of a new framework for creating more sustainable, participatory brand experiences.

We say co-creativity because we want to underscore the ongoing, proactive collaboration that's required. Co-creation is too singular. Too functional. Too focused on a carefully defined outcome or event, limited in scope or duration, when in reality brand engagement requires purposeful relationships to deepen over time.

Persuading thousands of Converse fans to submit ideas for broadcast TV spots certainly is an act of co-creation, but it is not co-creativity. Similarly, Twestival, webisodes, fan pages, like buttons, challenge contests, idea storms, flash mobs, swarm sketches, wappenings and the like may represent promising new me-to-we tactics but they are just tools in the toolbox. They lack the depth and quality of curated experiences with known fans, experts, advocates and influencers.

We also say co-creativity because we want to recognize the rise of the creative class, rightly predicted by futurists like Alvin Toffler. When it comes to social

media, the importance of the *creator* (the 1% of consumers who produce actual content) has been well documented and validated by our own work.

Perhaps most important, we want to underscore the consciousness behind this change. With Generation Y more wired to care about how things are sourced, made, distributed, consumed, upcycled, recycled or freecycled—the challenge is not merely to leverage social media to inspire more awareness and trial, but how best to use it to inspire more of what matters. The connection between individual purpose and social purpose is critical to co-creativity.

Of course, asking how best to engage stakeholders in the process raises strategic questions:

Who initiates? What platform are we using? Who's invited? Why them? Why should they care? How will we find them? Who owns the content? How public is it? How transparent are we? What is the time pressure? How will results be shared? Who will manage this thing? Where did Barry go with my coffee?



## THE COLLECTIVE :: AT A GLANCE

BBMG's private online community connecting values-minded consumers with values-minded brands, organizations and thought leaders.

**34**  
MEDIAN AGE

SIX MONTHS  
**33,119**  
IDEAS SHARED

**"I actually feel like my opinion is valuable."**

**74%**  
FEMALE

**"There's a real conversation going on. Crowdsourcing is a voting thing, this requires me to think."**

"The Collective has been an opportunity to shape brands and causes that are important to me."

**88%**  
B.A. OR HIGHER

COLLECTIVE IMAGINATION X SOCIAL INNOVATION = CO-CREATIVITY

## HOW IT WORKS

### CHALLENGES

- Open innovation
- Sustainable design
- Supply chain management
- Issues management
- Third-party certification
- Brand positioning
- Brand extensions
- Marketing concepts
- Advocacy campaigns

### TOOLS

- Recruiting protocols
- Event plans
- Live chats
- Surveys/flash polls
- Journal studies
- Video blogs
- Discussion forums
- Meet-ups
- Data mining

### MEMBERS

- Profiles
- Activities
- Incentives
- Social networks

### MANAGEMENT

- Strategic communications planning
- Real-time dialogue and feedback
- Personalized attention
- Insights and implications

Signed petition

**75%**

Forwarded email for a cause

**67%**

Friended/Joined a cause online

**57%**

Blogged/Tweeted about a cause

**39%**

Generally speaking, there are four major pathways to social innovation:

1. Inviting the crowd to respond (e.g., Pepsi's Refresh Project, My Starbucks Idea)
2. Inviting experts to weigh in and collaborate (e.g., Innocentive, GreenXChange)
3. Harnessing an open community for peer production or support (e.g., Wikipedia, Kickstarter)
4. Harnessing a private community for insights and innovation (Generation Benz, Walmart's Eleven Moms)

Each approach creates value in different ways, thanks to different levels of ownership and openness, and because value creation is contingent on the quality of the call and response.

In March 2010, BBMG launched The Collective, the first private online community designed to connect conscious consumers with sustainable brands and related causes. Based on our experiences to date, we believe private communities offer a compelling way to move faster on more substantive issues. And when it comes to sustainability, specifically engaging conscious consumers offers a more effective way to gain perspective, explore new ideas and identify opportunities in

any number of mission-critical areas, from supply chain optimization and certification to sustainable design, category growth and positioning strategies.

Truth be told, the issues are so great—from energy, toxicity, waste and water to population growth—that we must accelerate the sharing of new technologies and the promotion of responsible behaviors.

### The Five Forces of Co-Creativity

In advertising, the 1960s are often called the "Age of Creativity," thanks to DDB's seminal work for Volkswagen, which ushered in promoting a brand with a distinct point of view (campaign headlines like "Think Small" and "Lemon" puzzled many readers). Fifty years later, we know that the primacy of the Big Idea is yielding to the primacy of Our Ideas.

What marks this "Age of Co-Creativity" then? We believe there are five forces at work, all linked by the notion that marketing can no longer afford to shirk its role in social change: mutuality; shared purpose; cross-pollination; innovation; and shared value.

MORE INFO: [jointhecollective.net](http://jointhecollective.net)

## CROWDSOURCING vs. Co-Creativity

**Mutuality.** Thanks to the democratizing power of new media, consumers now enjoy a level playing field. Just ask Dave Carroll. The singer/songwriter gave United Airlines a social media stick-in-the-eye with his viral hit video last year: “United Breaks Guitars.” Such stories have legacy brands that practice “command and control” tactics shaking in their boots.

But as symbolic as Dave’s experience is of the power shift, mutuality goes beyond fix-it-or-else-I-Tweet-about-it. Mutuality invites a real relationship, recognizing that we are complex, dynamic human beings, not simply consumers. And it recognizes that businesses are complex, global ecosystems, where the back office cannot be separated from the front office.

*The upshot:* Winning brands in the Age of Co-creativity will honor openness, honesty, transparency and mutual respect. Examples of mutuality in action include Dell’s Idea Storm; Nike’s WE Platform; and Patagonia’s Footprint Chronicles, which makes no bones about “the good, the bad and the ugly” of its supply chain.

**Shared Purpose.** Based on BBMG’s experience with The Collective, we know that consumers are willing to participate in shaping practices, policies and products that are aligned with their values. And what do they value? They care about health and safety, price and quality, honesty and transparency, relationships and authenticity, creativity and community. Ultimately, they value doing good, leaving the world significantly better than they found it.

This is a group of youthful, highly educated, concerned citizens who do not want to compromise...on anything. Even though conscious consumers may be willing to pay more for sustainable brands, the reality is they often don’t (this is the action gap we often flag for clients). They will, however, choose the comparable brand that offers more societal/environmental benefits and that invites them into the conversation in a meaningful, authentic way.

*The upshot:* In the Age of Co-Creativity more consumers want a place to help shape the future with like-minded, like-hearted individuals and organizations. They recognize the powerful role that business can play in growing community and scaling more sustainable solutions.

Examples of shared purpose in action range from brand-driven initiatives like the Fiskateers (connecting those who love crafting) to Net Impact (a network of some 15,000 change agents) and Freecycle (a global movement committed to keeping items out of landfills).

**Cross-pollination.** Gunter Pauli, the noted environmentalist and author, argues that if we want to realize a low-carbon, resource-efficient 21st century economy, then we ought to start replicating the zero-waste operations of diverse ecosystems. The most diverse ecosystems tend to be highly functional, able to adapt by leveraging various structures, processes and designs to address challenges and ensure continued progress.

Co-creativity hinges on the cross pollination of ideas, opinions and talents. And the “peering” of the Internet is driving previously unthinkable cross-pollination. That we can now cheaply connect millions of people around common projects with common tools offers us a vastly different way to produce things and create new forms of value.

**Crowdsourcing** uses an open call to outsource tasks, traditionally performed by an employee, to a large group of people (e.g., Amazon’s Mechanical Turks). Generally speaking, the crowd is anonymous or unknown. The requests may or may not have anything to do with sustainability; the challenge could entail crunching reams of data, refining a new string of code or tackling a design project. It works best for fast, doable items.

**Co-creativity** makes very specific calls to a known community on specific projects, some of which may be task-oriented or involve multiple tasks over some period of time (e.g., Hyundai’s Think Tank). Co-creativity sees brand innovation not as a linear progression of singular events (observe > prototype > test > refine > test > launch) but as a continuous, real-time dialogue with the same group or groups. It views sustainability as an innovation imperative and also asks how the community might get involved in championing the cause.

## WHO IS THE New Consumer?

Since 2007, BBMG has conducted national studies to better understand the purchasing behavior, brand loyalty and peer-to-peer influence of so-called “conscious consumers.”

Based on surveys with 2,000 respondents and follow-up ethnographies in key markets, a clear picture of this rapidly growing consumer segment has emerged:

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Youthful, wired, highly educated, majority female

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Three times more likely to try new things

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Three times more likely to reward/punish a brand based on corporate practices

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A dedicated “box turner,” seeking to learn more about what goes “in me, on me, around me”

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One in four says they have “no way of knowing” if a product is green or actually does what it claims

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Only 5% turn to company advertising to help verify claims

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Even in the recession, a majority still believes it’s important to purchase products with social and environmental benefits

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More than half are willing to pay more for sustainable brands

*The upshot:* Wikipedia, Mozilla Firefox and Creative Commons prove that thousands of dispersed volunteers can move quickly, nimbly and cost-effectively to create innovative products and services. Going forward, we will see even more self-organizing, egalitarian communities coming together voluntarily to share thoughts, dreams and outcomes. We must.

**Innovation.** Accelerating any enterprise, transforming it from the inside-out, elevating its ability to break from the take-make-and-waste habits of an outdated economic model, requires trying old things new ways and new things new ways.

Co-creativity takes the long-term view. It aligns with “triple bottom line” thinking, recognizing scarcity, factoring in impacts, focusing on social capital, not debt. As a result, it aims to introduce new innovations that require less investment, generate more revenues and build the strengths of the community. It brings more sustainable brands to market, raising stakeholder awareness and levels of engagement. This kind of growth requires real moxie. To paraphrase Samuel Beckett, it calls

for a certain fearlessness at both the top and bottom of the pyramid: “Fail. Fail again. Fail better.”

*The upshot:* Brands that embrace a long-term view, engage their stakeholders and embody an openness or willingness to change will emerge as leaders, not laggards. Witness the examples of Interface; GE’s Ecomagination; and Clorox Greenworks.

**Shared Value.** Long before Maslow’s hierarchy of needs came Plato’s Republic with its thesis that our best self is tied to the realization of our best society. Predictably, since the advent of “positioning” in advertising, all great brands trend toward self actualization; indeed, what lifestyle brand does not promise to make our lives better? When driven by quarterly returns instead of shared value, such promises tend to be empty ones, and examples abound of brands that are pushing product instead of creating meaning.

Fortunately, pioneers like Newman’s Own, Clif Bar & Co., Eileen Fisher, Burt’s Bees, Tom’s of Maine and Seventh Generation paved the way for upstarts like Tom’s Shoes, MethodHome, New

Resource Bank, Good Magazine and New Belgium Brewery. Even established players like Walmart are reshuffling global deck chairs with their aggressive sustainability goals, bold new measures and employee engagement initiatives.

*The upshot:* More companies are behaving more like causes, focused on prospering while helping people and the planet. Brands that succeed in the new economy will drive shared value on three levels: Practical (delivering price/quality/convenience); Societal/Environmental (enhancing society without negative impacts); and Tribal (fostering creativity and community).

What happens next? We predict that experiments in crowdsourcing will help pave the way for co-creativity. Smarter enterprises will move faster to work with smarter communities. And those that embrace this new framework of co-creativity will experience deeper engagement on the issues that matter, richer collaboration on innovation opportunities and the gratification of shared value creation. The outcomes will be concrete: greater brand loyalty, accelerated sales, new market growth, reduced costs and greater long-term prosperity. →

In the end, co-creativity hinges on participation. With real engagement comes real momentum. And with that, co-creativity has half a chance of living up to its potential, spiraling outward exponentially like some runaway kaleidoscope, an unstoppable galaxy of change. **Long live co-creativity.**

#### **About This Booklet**

This booklet is meant to inspire business to use the principles of co-creativity to develop and promote more sustainable brands. To save paper, complete notes and resources may be found online at <http://ageofcocreativity.com>. Any errors belong to us, and you can direct comments or questions to [info@bbmg.com](mailto:info@bbmg.com).

#### **About BBMG**

By integrating branding with sustainability, technology and social purpose, BBMG helps organizations embrace innovation, forge new markets, create new experiences and drive real culture change. Recent clients include Samsung, Walmart, Brown-Forman, Williams-Sonoma, Inc., Clif Bar & Co., Eileen Fisher, Harvard Kennedy School, Robert Wood Johnson Foundation and ShoreBank, among many others. For more information, please visit <http://www.bbm.com>.

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