Best Practice Guide

Published February 2014
b2bmarketing.net

B2B Marketing™



Crowdsourcing

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About B2B Marketing

B2B Marketing is the comprehensive information resource for B2B marketers. Its mission is to provide practitioners with the information they need to perform better and achieve more, whatever sector of the B2B space they are operating in.

Launched in 2004 as *B2B Marketing* magazine, it has since evolved into a multi-faceted resource, delivering a broad range of content in a variety of different forms and formats.

Its key products are:

Magazine: The essential monthly guide to B2B marketing, with a key focus on best practice guidance, plus monthly features looking at current trends, regular research and profiles.

Awards: The showpiece event for brands and practitioners, attracting over 800 people. Former winners include a host of top-tier B2B brands, including Amex, Barclays, Cisco, Dell, Fujitsu, IBM, KPMG, Nokia, O2, Oracle, Orange, SAP, Thomson Reuters, Vauxhall UK, and many more.

Research and reports: A library housing the best in B2B practice, in-depth practical guidance and research into specific channels or industry issues.

Training: Comprehensive, integrated and flexible training programmes enabling client-side and agency marketers to boost their skillsets and confidence, improve their effectiveness and increase impact on their brand.

Events: Highly-focused events and training sessions aimed at helping marketers hear and learn first hand from the experts in order to hone their skills.

Membership: Become a member and receive all research and reports for free. You will also receive exclusive invitations to members-only networking events, get discounts on training seminars, workshops and conferences and receive a subscription to the monthly magazine. There are different levels of membership available. Please call +44 (0) 20 7269 6592 to find out more.

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"Many marketers think crowdsourcing is dumbing down research as the concept is still unknown as a business model"

Executive summary

Section 1. Introduction

From t-shirts to space flights, lattes to laptops, crowdsourcing has enabled businesses and organisations large and small to tap into the wisdom of crowds to gain better insight, design better products, build engagement and reduce costs. But it's not without its risks.Crowdsourcing is not a new phenomenon, but due to the growth of the internet, diverse online crowdsourcing models have evolved over the last decade. This introduction will review the crowdsourcing phenomena as a whole, what's worked for who and why, the pros and cons, and give some pointers on how to decide if crowdsourcing could play a role in your business.

Section 2. Planning and preparation

When planning crowdsourcing activity, it is vital organisations maximise returns of all kinds and ensure the project as a whole, and its individual elements, ultimately contribute to the organisation's high level strategy and goals. To ensure this happens, the objectives of the crowdsourcing activity must be defined and set at the appropriate level of detail. In addition to creating and communicating the right kinds of objectives, the strategy for implementing the crowdsourcing exercise should be integrated with pre-existing digital strategy, ensuring channels and platforms used are not only appropriate for the project, but also relevant to the specific research being carried out, and the audiences being asked to contribute.

Of equal importance is the message that launching a crowdsourcing project can send. Many organisations fail to fully capitalise on the marketing and service opportunities that go hand in hand with crowdsourcing. Others fail to consider budgeting and resource allocation in a broad enough context, examining how budget allocated to crowdsourcing can contribute to, or save money for a whole host of departments and teams across the entire organisation. Understanding the merits, failings, difficulties and opportunities associated with different strategies for planning, communicating, implementing, and measuring crowdsourcing will ultimately allow businesses to truly take advantage of the practice.

Section 3. Audience research

You've researched crowdsourcing, set clear targets and agreed on action points, so now it's time to start building the foundation of market segmentation. It's true to say crowdsourcing market research is more complex than your traditional routes to market, being much more of qualitative and quantitative exploration.

That said, many marketers today think crowdsourcing is dumbing down research techniques and it's easy to understand why; the concept itself is still very much unknown in terms of a business model, and with this, comes a lack of understanding from your marketplace. So, how do you shout about it to the right people? Do you know how much your company spends on crowdsourcing every year? Do you have crowdsourcing guidelines? Where are people finding the crowd groups?

This chapter will help you develop a coherent communication strategy and demonstrate all you need to know about researching your audience and how you can attract them to be your best customers.

Section 4. Implementation

All the preparation for your crowdsourcing project has been done. You have set yourself targets and objectives and you have a pretty good idea of what success will look like. You have done your research into the different types of crowdsourcing models that are available and have selected whether you are going to work with a crowdsourcing vendor or build your own. You know the questions you need your crowd to answer and you have even set yourself a budget.

Your crowdsourcing site is ready and your crowd has been assembled. It's now time to sit back and watch as your crowd leaps into action and provides you with all the answers you need. Hollywood would have us believe that 'if you build it, they will come,' but in crowdsourcing it doesn't work like that. In crowdsourcing, implementation comprises the realisation of your plan, the optimisation of your platform, the engagement of your crowd and the delivery of the best results. This chapter shows you how to implement a crowdsourcing programme successfully.

Section 5. The future

This chapter will analyse and discuss the ways in which crowdsourcing might develop in the future, as well as the effects this will have on B2B marketers and the marketing profession as a whole. In particular, this chapter will seek to look at specific websites and platforms on which to keep a close eye, referencing brief case study examples as evidence where relevant.

It will also focus on the notions of 'the rise of the amateur' and 'power to the people'; as well as how further ventures into innovation and collaboration in technology and social media will facilitate the development of community sites. Finally, the chapter will finish with an exploration into other personal predictions and thoughts on the topic of crowdsourcing, with explicit relevance to the advertising and marketing industry. Is crowdsourcing really a thing of permanence in the marketer's world or might the challenges and pitfalls it faces ultimately lead to its downfall?

Section 6. Case study

GE opened itself up to outside innovation, engaging a range of communitites to find, fund and accelerate technology development that delivered real environmental performance gains.

"Is crowdsourcing really a thing of permanence or might the challenges and pitfalls it faces lead to its downfall?"

Contributors' biographies

Rob Curran

Consultant analyst
Reading Room



Rob trained in design before becoming a project manager and coordinating a range of digital activity including large scale publishing projects, social media campaigns and mobile applications. Since then he's moved into consultancy, advising organisations of all shapes and sizes on the latest web technologies, social media and user experience. He is an experienced public speaker, writer and blogger and has contributed columns to the *Financial Times*.

Email: robert.curran@readingroom.com
Telephone: +44 (0) 20 7173 2800

readingroom

Claire Curzon

MD
Brighter Directions



Claire Curzon is MD of marketing agency Brighter Directions, which specialises in outsourced marketing solutions for growing SMEs and international corporate organisations. Winning national awards for its impressive portfolio of clients and success stories, Brighter Directions works with companies acting as their 'marketing department in its entirety' or as a bolt-on to their existing structures, supporting in PR, social media, digital marketing and email marketing. Claire launched Brighter Directions in 2006, after a successful career at a global publishing firm where she headed up the marketing division.

Email: claire@brighterdirections.co.uk
Telephone: +44 (0) 1246 252 855

Brighter Directions
The complete marketing solution for business...

Nathan Fulwood

Business development director
Realise



Nathan started in digital content sales; selling news and sports feeds for the PA to AOL, Handbag.com and the tabloids' emerging online sites. He helped launch Ananova, the virtual newsreader and news service, trading content for traffic. A move to Orange followed, where he spent his time figuring out how to give digital services a physical presence so they could be sold in shops. He then switched to agency, working for Realise in Edinburgh and London. His main focus is business development, specifically CMS sales, web strategy, online advertising planning and generally advising clients, on which trends and technologies to take seriously.

Email: nathan.fulwood@realise.com
Telephone: +44 (0) 20 3217 2800

Nick Jefferson

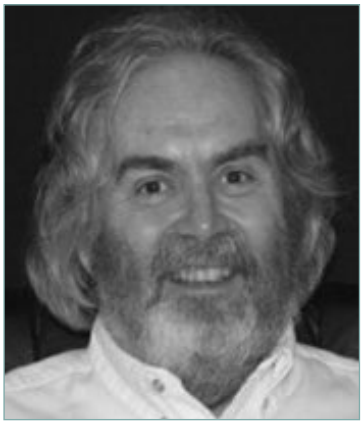
MD
Gyro



Nick Jefferson is the managing director of the London office of Gyro, the global ideas shop. He currently oversees a host of blue chip clients including BBC, Shell Killik & Co and others. Jefferson speaks regularly about the topic of accelerating creativity in the UK and is a regular contributor to the Huffington Post and Forbes. He is also an active member of The Marketing Society. Previously, he was CEO of brand consultancy Corporate Edge, which he contemporised and led to a successful cultural and financial turnaround. Clients included EDF Energy, Shell and Aramco Overseas Company. Additional contributions have been made by Georgiana Foster, new business associate at Gyro.

Email: nick.jefferson@gyro.com
Telephone: +44 (0) 20 7351 1550

John Williams
Founding partner
Wiki-Solutions



John has both client and agency experience. He set up his own integrated marketing agency, Marketing Perspectives, one of the first UK agencies to be awarded ISO 9001 for its business processes and one of *Fast Company* magazine's original 'Fast 50'. In 2001, he was a founding partner of Red Cell, WPP's global network for challenger brands. Two years later he was inaugurated into The Marketing Agencies Association Worldwide Hall of Fame. And in 2009, he founded Wiki-Solutions to create and facilitate online environments where people come together to capture and share insights, generate ideas and develop action plans. Wiki-Labs are fully facilitated environments open 24/7, and have been designed to overcome the traditional barriers to innovation and collaborative working. John is also the executive director of The Marketing Agencies Association Worldwide.

Email: john@wiki-solutions.com
Telephone: +44 (0) 20 8123 1958

Introduction

1

NATHAN FULWOOD
BUSINESS DEVELOPMENT DIRECTOR
REALISE



When asked to write a chapter about crowdsourcing it seems there are two obvious places to start: first, ask your friends and colleagues and then turn to Wikipedia.

Let's start with Wikipedia, less for a definition, more for a demonstration of what's achievable when you fire the imagination of a huge body of people, and enable them to create something for the common good.

Wikipedia, quite simply, would not be possible without the contributions of the public. Initially conceived as a free encyclopaedia with a fairly traditional, closed group of expert authors and peer reviewers, progress was slow (with only 12 articles written in the first year). On 15 January 2001 contributions were invited from the public. The result is a resource that, as of today hosts 22,000,000 articles in 285 languages. There are more than 77,000 active contributors and 1400 administrators editing, growing and maintaining the site.

A number of factors came together to make Wikipedia possible, and the success that it is today:

1. **The internet –** Wikipedia's growth has mirrored the meteoric evolution of the internet and the general populace's access to it, to the point where it's considered a basic right by many in the developed world.
2. **A platform –** a site and the software for people to consume and contribute.
3. **A vision –** the Wikimedia Foundation's vision is 'a world in which every single human being can freely share in the sum of all knowledge'.
4. **A shared benefit –** not everyone who reads Wikipedia contributes to it, but enough people recognise the shared benefit to give up some of their time to contribute.

These are elements that, we'll see, reappear consistently as we look at how crowdsourcing has evolved over the last 10 years. The same factors have been leveraged by many organisations, including yours, to help achieve a goal – be it building a revenue stream from a creative community, to getting people into a space at a fraction of the cost of a decade ago.

1.1 Crowdsourcing models

So, let's give in to temptation and turn to Wikipedia for a definition of crowdsourcing: 'Crowdsourcing is the practice of obtaining needed services, ideas, or content by soliciting contributions from a large group of people, and especially from an online community, rather than from traditional employees or suppliers.'

So who are these people or communities that businesses typically reach out to?

Experts

If you can find them and engage them, crowdsourcing gives you access to experts, problem solvers, creative geniuses, fanatics and visionaries that it would otherwise be impossible, or at least expensive and inefficient, to retain on a workforce. With crowdsourcing, you only engage and reward this resource when you need them, and when they deliver results. You possibly also have the advantage of capitalising on work, insight or research already done, rather than starting from scratch.

Customers (or prospects)

Who better to get ideas and insight from when shaping a product or service than the people you hope to eventually sell it to? Companies have long engaged in customer research and focus groups to gain insight or test ideas – crowdsourcing can take the principle further to

"Crowdsourcing can offer an increased sense of ownership of a brand, which could motivate the target audience to contribute"

engage your user base in the generation of new product development.

A distributed workforce
Crowdsourcing enables some companies to subdivide (often tedious) tasks to a distributed workforce of thousands, working 24/7 around the globe, on a results basis. They keep working when the last of your office-based employees has locked up for the night.

What's in it for me?
It's apparent there are some great potential benefits for companies using crowdsourcing, but for the exchange to work both parties – company and individual/community – need to get something back. In other words, what's in it for them?

Of course, we can all think of brands that command great loyalty and passion among their fans – Apple being the most prominent example – and any of these companies could leverage the excitement of offering their customers a genuine say in the brand's development. However, for most businesses or organisations, this level of passionate interest is not a reality – so how can the rest of us make crowdsourcing appear an attractive option to our target audience?

There are several drivers behind a successful involvement of customers in crowdsourcing; it can offer an outlet for talents, expertise, interest or even just their spare time for instance. People can often see the logic in offering feedback to improve a brand's services or offering, as it will then improve their experiences in dealing with them. Crowdsourcing can offer an increased sense of ownership of the brand in question, which could motivate the target audience to contribute.

The actual ease of engagement itself may also prompt customers to get involved – if they are already on a company's web estate, hassle-free opportunities to contribute are easily taken up. Arguably, if pitched correctly, people can feel inspired to be part of a bigger whole – contributing to a project that's larger than just them on their own. A sense of a community striving together can be a powerful motivator.

It should be noted that currently examples of B2B crowdsourcing are a little thin on the ground. However, the multitude of successful B2C uses of crowdsourcing should serve to inspire businesses marketing to other businesses; there are so many ways in which crowdsourcing can be used that it would be foolish to rule it out of your future plans.

1.2 Crowdsourcing techniques

So with all of these potential benefits for deploying crowdsourcing, who is currently making use of it, and how?

1.2.1 Crowdsourcing to involve customers

This is one of the most recognised uses of crowdsourcing, and could even be said to be forming a trend, such is its increasing prevalence among companies seeking to make their customers feel valued and invested in their brands. One example is Starbucks, which provides a simple, easy-to-understand site called 'My Starbucks Idea' allowing registered users to propose ideas, view successful past ideas and view and comment on ideas currently being proposed. There is also the facility to give a 'thumbs up' or 'thumbs down' to other users' suggestions, granting or docking them points, which affects their ranking and likelihood of being acted upon.

Nissan has perhaps shown the ultimate commitment to crowdsourcing to date in the design of the 370Z – a car that was put to the vote at all stages of its development. Nissan fans were allowed to feed in at each point in the design process, expressing opinions on the choices that were to be made – from the exhaust to the suspension, to the fuel/air mix and interior. Votes were cast through Facebook, and videos produced of each stage of the build – not only providing car lovers with beautiful shots of the vehicle under construction, but also highlighting particular comments left by users, rewarding the thought that had gone into their decisions.

"Content creation can be immensley time consuming, and for some brands crowdsourcing content is the answer"

This potential for public recognition by the brand was a key incentive to participation, with users feeling their choices were being taken seriously and acted upon by the company.

While most examples are consumer at the moment, it is likely businesses will take advantage. One revenue model that is particularly appealing is from GE. It is hoping to make money from patents it is not actively using by opening up the technologies to the inventor community and a share in the revenue from resulting products.

There are multiple other examples of brands currently using crowdsourcing to shape product development. However, crowdsourcing can have much wider applications than just in design.

1.2.2 Crowdsourcing to provide content

Of course the hot topic of late is content and its role in driving increased customer engagement with a wide variety of brands and sectors. Naturally, content creation can be immensely time consuming, and for some brands crowdsourcing content is the answer.

Using another GE example, the company was a blogging pioneer among global technology brands, and so it should come as no surprise that it used the concept of crowdsourcing to help fuel its content. Phase two of the GE ecomagination challenge, 'Powering your home' (see p78) was a $200 million experiment in innovation that saw businesses, students, entrepreneurs and inventors sharing their thoughts on how to capture, use and manage energy in the home. The call for ideas was a huge success, with over 70,000 people submitting around 800 ideas and leaving over 10,000 comments – all providing valuable inspiration for future blog content.

In the consumer space, Footlocker used the power of the masses to develop an online 'Sneakerpedia', allowing users to post their trainers online. This provided the world's first directory of shoes, highlighting the individual style of each contributor – an idea similar to Burberry's 'Art of the trench' website, which acts as 'a living document of the trench coat and the people who wear it.' Brands collaborating with their audience provide a powerful demonstration of the people-driven nature of their activities and make a deep impression as to how much they value the views (or in this case, style) of those who are using their products. Here, Burberry and Footlocker are demonstrating their admiration of purchasers' fashion know-how, but how about those whose expertise lies in other areas? Crowdsourcing can help leverage these authorities' talents too.

1.2.3 Crowdsourcing to access a wider talent pool

Appealing to the public can enable the consultation of a much larger number of experts on a topic – and the crowd can keep going when your regular workforce would long since have gone home. It's long been said that two brains are better than one – imagine the potential of hundreds or thousands.

Goldcorp, a Canadian mining company put the B2B crowd to work once its own technical advisers had told them its mine's deposits had been exhausted. Undaunted, they opened up the geological statements, surveys and reports that had previously been private to public viewing online, allowing anyone to peruse them and offering a sum of money to anyone who came up with leads for new gold deposits. The strategy was a roaring success – new computer modelling technology found in another small organisation was able to be deployed and successfully predicted the location of new deposits simply using the existing geological data.

Cesar Harada, a scientist and engineer, provides a great example of an individual leveraging the intelligence of the masses. When the BP oil spill in the Gulf of Mexico occurred, Harada was working at MIT in what he describes as his dream job, developing solutions to environmental disasters. However, he knew that any solution he could come up with would be not only be far off in terms of the time needed for development but also would be tremendously expensive – anything he produced would have been patented

"This commercialisation of creativity offers multiple benefits, all made possible by crowdsourcing"

by MIT. So, showing great courage, he left his secure job and began designing independently. Not only this, but he opened up his designs to the crowd, to gain input from people all over the globe. Responses came from Korea, the USA, and the Netherlands – and these rapidly helped him to develop a groundbreaking prototype. Each iteration of the design proceeded faster than it would have done without crowd support, and a revolutionary sailing robot, Protei, was produced.

But not all crowdsourcing is so free of concern about competition. For a large number of projects and companies, creative crowdsourcing with an element of competition is at the very heart of what they do.

1.2.4 Crowdsourcing to inspire creativity

A significant number of crowdsourcing vendors exist for the purpose of commercialising a community's creativity.

Well-known companies such as Threadless (t-shirts and other apparel) and Tattly (temporary tattoos) allow users to submit designs for potential production. Other users then vote on which of the designs should make the cut and go into production, the top works being selected. The model works extremely well, creating brand advocates in the users who are seeking votes, and exposing the company to a greater number of possible buyers. The crowd selects the shirts/tattoos they prefer, indicating with a reasonable degree of accuracy their commercial viability. For the artists, the company offers the opportunity to have their work seen (and possibly worn) by a much larger audience than they would achieve on their own. The incentive to spread the word about each company is strong – and even for those who don't regularly vote, each brand has developed a reputation of creative individuality and diversity of offering that would not have been possible without crowdsourcing.

A B2B example can be found in Local Motors, an Arizona-based creative collective who connect a worldwide community of more than 30,000 engineers, enthusiasts, makers and designers to provide inspired vehicle solutions. They aim to pioneer next-gen automotive design, manufacturing, modelling and marketing innovative vehicles. Their underwriters include big names like BMW and Siemens, and they seem set on the path to success.

It's clear this commercialisation of creativity offers multiple benefits, all made possible by crowdsourcing. Naturally, though, not every business is based around design or artistic endeavour. How else can crowdsourcing help in the business world?

1.2.5 Crowdsourcing to create games with a purpose

Also known as gamification, the idea behind this is to make an activity that would otherwise be boring, laborious or lengthy into a game to source answers. The problem to be solved is very dependent on the business concerned, but gamification can help to solve an incredible diversity of issues – from medical research to feeding developing nations to digitising the world's library books.

For example, in 2011 players of a game called Foldit helped to decipher the crystal structure of the AIDS-causing Mason-Pfizer monkey virus (M-PMV). While the puzzle was available to play for a period of three weeks, players produced an accurate 3D model of the enzyme in just 10 days. The problem of how to configure the structure of the enzyme had stumped scientists for 15 years.

And what about digitising books? Luis von Ahn, one of the inventors of the CAPTCHA system for filtering out spambots from online forms, grew concerned at the sheer amount of time millions of people were spending on a daily basis solving the two-word puzzles he'd created – about 200 million are solved globally each 24 hour period, with a total of 150,000 hours being spent every single day on the task. He linked up with Google's project to digitise the world's libraries.

"It's vital to go in to any crowdsourcing activity with your eyes open"

Most books are electronically read and the words recognised by a computer programme called optical character recognition (OCR) but a certain amount of the text will always prove illegible and require human verification. By incorporating these electronically unreadable words as part of the reCAPTCHA system, von Ahn was able to use crowdsourcing to help solve millions of the words each day. Users are presented with one artificially generated word and one word from a printed document; if users get the artificial word right, the system gives credence to their interpretation of the printed word. Each printed word is presented multiple times to multiple users to achieve consensus – and so books and publications are being digitised at a far faster rate than would have been possible without the power of crowdsourcing.

1.2.6 Crowdsourcing to drive the future

Crowdsourcing has been used to advance a vast array of business endeavours, with industries as diverse as space technology and next generation combat vehicles utilising open-sourcing to help drive forward progress.

Crowdsourcing provided an impetus for change in the way space was explored, for example. The Ansari X prize was won by Space Ship One – $10 million for the first non-governmental organisation to launch a manned reusable spacecraft into space twice within two weeks. Twenty-six teams in total competed for the prize, in the process developing a wide array of technology that will be likely to play a vital role in humanity's future expansion into the solar system.

This kind of competitive crowdsourcing is by no means a new idea, either, the Ansari X prize having been inspired by the Orteig Prize (which offered $25,000 to help usher in transatlantic flight – a prize eventually won by Charles Lindberg in 1927). The Ansari competition not only resulted in a win for Space Ship One, but has led to the first hints of widespread space flight for more than just the ultra-wealthy – the designs for the craft have gone on to be the foundation for Richard Branson's Virgin Galactic.

Netflix offers us another B2B example, in its appeal to businesses to build a better way to recommend movies to its users than its own software was able to. The prize was set at $1,000,000. The process took three years, but the large sum was finally awarded to a seven-person team called BellKor's Pragmatic Chaos. The team was formed of three teams that had merged, and produced software 10 per cent more accurate in its predictions than that which Netflix already had. BellKor was required by Netflix to publish their methods, a victory for the open source movement. Not only this, but seconds after the prize money was given, Netflix announced a new contest, asking businesses to predict film preferences of those who don't rate many or any movies based on factors such as their location, age and gender. Clearly, Netflix has seen the value in B2B crowdsourcing.

A similar idea of using crowdsourcing to drive technological advancement can be seen in the fast adaptable next-generation ground combat vehicle (FANG GCV) project. The project offers considerable prize money in three different stages for the company or person who successfully designs each of three different components of a new fast amphibious military vehicle. Every stage of the project will be open-source – proof, should it be required, that concerns about confidentiality of information may be overcome no matter how clandestine the organisation.

1.3 Drawbacks of crowdsourcing

This mention of confidentiality might mark an appropriate moment to consider some of the potential disadvantages of using crowdsourcing. While clearly the list of possible benefits is considerable, it's vital to go in to any crowdsourcing activity with your eyes wide open as to the list of pitfalls to avoid.

Firstly, there is the loss of confidentiality mentioned above. Open-source designs are ripe for adoption by other users – as seen earlier this year in the massive online distribution of

"Crowdsourcing is innately somewhat unpredictable, and therefore needs a vision from the outset"

the plans for the world's first 3D-printed gun. The possible IP ownership issues are tricky – who owns the result of the crowdsourcing? It's definitely worth making this clear to participants from the outset to save any bad feeling resulting from miscommunication.

There's also no guarantee of success. What could be more humiliating or embarrassing for a brand than inviting participation and yet receiving no responses? Remember, I said I would turn to my peers for input? I got approximately zero returns.

Even worse is receiving responses that take the campaign far away from its intended destination. Mountain Dew provides us with an apposite example of this – in an attempt to crowdsource the name of their latest product, an apple-flavoured drink. The crowd decided that rather than taking the voting process as seriously as Mountain Dew would have liked them to, they would instead show their wit so the top-voted name rapidly became 'Hitler did nothing wrong'. Unsurprisingly, the brand quietly dropped the vote and the drink simply became known as 'Apple Mountain Dew'. While a consumer example, the cautionary tale is equally applicable in the B2B space.

Additionally, while crowdsourcing might get you to a solution quickly, it might equally take longer – contributions and the community need to be managed, adding time and effort. A crowdsourced solution may take longer than completing the task inhouse.

Of course, steps can be taken to mitigate these potential challenges such as setting boundaries, monitoring responsibly and ensuring an external perspective is considered prior to launch. However, crowdsourcing is innately somewhat unpredictable – probably the most important preparatory step to recognise is that any crowdsourced project needs a vision from the outset. What are you hoping to achieve? How will crowdsourcing help you to get there? And how will you respond if it goes differently than you expect?

1.4 Summary

Notwithstanding the potential difficulties, it's apparent crowdsourcing is here to stay – not least because of the sheer number of platforms that have sprung up to facilitate the process, such as Crowdflower and Mechanical Turk. From T-shirts to spacecraft, the possible applications are innumerable.

Planning and preparation

2



ROB CURRAN
CONSULTANT ANALYST
READING ROOM

The concept of crowdsourcing has been put to thousands of unique uses since it was originally conceived by Jeff Howe in his article 'The Rise of Crowdsourcing', *Wired* Magazine (June 2006). In the years since the term was coined, the business world has witnessed projects of all types attempt to take advantage of the contributions and creativity of the crowd. Among these projects are many that have succeeded in harnessing the power of a community of contributors to produce astounding results; results that would have been impossible to achieve without the collective efforts of the crowd. Unfortunately, for every story of success in crowdsourcing, there are numerous tales of projects that have produced mediocre, or even disappointing results.

Examining the various crowdsourcing successes and failures of the past eight years merely exposes the importance of the initial planning and preparation stages of the process. Getting this phase right invariably dictates the trajectory of the project, and the quality of the result.

This chapter will explore four aspects of the planning process. The first is the importance of using crowdsourcing only when appropriate, and only when it solves a specific and existing problem. The second is the challenge of truly understanding the cultural environment that potential contributors exist within. Third is the task of intelligently motivating people to take part by going beyond traditional incentives and appealing to deep-seated desires. Finally, the fourth element concerns planning for long lasting value that extends far further than the project's supposed 'end date'.

To begin, let's look at exactly what it is that crowdsourcing projects need to do.

2.1 Vision and strategy

Crowdsourcing ultimately aims to take advantage of the contributions of a crowd made up of audience members, and people other than those planning and producing the project. It is an outward-looking practice, more user-focused, and more contingent on the active participation of the audience than many marketing projects. Because of this, the planning of crowdsourcing projects can benefit significantly from 'getting inside the head' of the crowd members. It's helpful to begin this process by stepping outside the mindset of the organisation and instead considering the steps an audience member goes through before becoming part of a crowdsourcing project.

The first hurdle potential 'crowd members' must get over is becoming aware of the project in the first place. Most will hear about the project from people they are close to. This closeness may be a geographic proximity (e.g. a friend or family member), but is more likely to be a cultural one. For example, someone may become aware of a project thanks to a tweet from someone they follow, but do not know personally. Just as likely is that the awareness comes from being involved in an online community of some sort. In both cases, the connection is a community-based, cultural one that is not related to real-life personal relationships – a fact that places online communities at the heart of crowdsourcing planning, more on that later.

The second decision point facing potential contributors involves an assessment of whether or not they are interested in the project, and its aims: 'Am I interested in this project?' 'What will I get out of it?' 'Is it worth my time and effort?' 'Do I care about the project succeeding?'

"The real value of a successful crowdsourcing project vision lies not in predicting the future, but in examining the past and present"

Assuming the audience member is interested enough to explore the possibility of becoming a contributor, the next assessment involves the process of contributing. At this point, the difficulty of contributing is weighed against the rewards of doing so, and any project with a poorly balanced 'effort versus reward' ratio will speedily be dropped for a more enjoyable or rewarding use of time.

Successfully bringing potential contributors through these various stages of evaluation while maintaining a quality user experience requires more than just a thoroughly thought out strategy. It requires an emotional, and cultural understanding. Each part of the proposition must hit the right chords with the audience. It has to make these people aware of the project, then capture their interests, and finally make a compelling case for why they would want to contribute, and how easy it is for them to do so.

The 'vision' is often created for you

As with any project, clarity of vision is crucial. Arriving at this vision is a process that differs significantly from other kinds of marketing projects. For example, it is both tempting and logical to begin a crowdsourcing project by gathering a team and collectively creating a beautifully crafted project vision that will launch the company into the crowdsourcing realm. However, while many organisations view the creation of an initial vision as the first steps in producing a crowdsourcing project, in reality the project has (whether the organisation knows it or not) begun long before any attempt to create a strategy.

A crowdsourcing project truly begins as soon as there is a problem. The solution to that problem may be a crowdsourcing project but crucially, it may not. It's here that any nascent plans for it should be challenged with the following two simple questions:

1. Does it solve a specific existing problem?

2. Is crowdsourcing the best method of solving this problem?

Enforcing the answering of these two questions at the outset defends against the temptation to produce a crowdsourcing project for the sake of it. The attraction of innovation powered by crowds has led many organisations to instigate crowdsourcing projects where other kinds of problem solving may have been more appropriate. So, step one in planning a crowdsourcing project is – make sure you actually want to plan a crowdsourcing project.

It's important to note that honestly answering the two questions above may lead you away from crowdsourcing – if so, so be it. If not, then a vision (tied to a specific, solvable problem) can begin to take form.

Solving specific problems in this way can be especially powerful where a single problem is being experienced by two different sides of a B2B relationship. For example, 99Designs is a company that has identified a problem that impacts both those seeking designs, and those providing them. By creating a meritocratic marketplace it is able to provide companies seeking designs with high quality and good value, while offering designers the chance to have their design skills put to use by participating in a fair and democratic marketplace. Identifying the problem itself was crucial, but to some extent, it was the easy part. The harder challenge is crafting the form of the solution, and it's at this stage that cultural understanding becomes of vital importance.

2.2 Cultural sensitivity

In many ways, 'vision' is an unhelpful term to use when describing the strategy required to carry out crowdsourcing. Vision implies forward-facing thought, and an attempt to see into the future. More often than not, the real value of a successful crowdsourcing project vision lies not in prediction of the future, but in examination of the past and present.

One crucial element of the past and present is the existing audience. Truly understanding the

"Empathy and understanding for culture and attitudes of a community is necessary to convince the crowd to contribute in any way"

individuals that will make up your crowd is vital in planning an effective project.

Crowdsourcing projects require organisations to correctly answer questions such as: 'What should we ask the crowd to do exactly?' 'How should we ask them to do it?' 'What platform should it all happen on?' and 'Why would people want to contribute'? All of these questions have numerous possible answers, and arriving at the single best answer requires a depth of knowledge and understanding of the audience that you may not already have.

So, how should companies go about increasing their understanding of the audience? Firstly, the organisation should set its sights on understanding the cultural environment that the crowd exists within. For example, when US media distribution company Netflix sought to crowdsource a recommendation algorithm, it first sought to understand the 'hacker' mentality (The Netflix Prize, launched October 2, 2006). The company identified what kind of person is most likely to offer valuable contributions to the project and adapted its crowdsourcing activities to appeal directly to such a person.

An ethnographic approach to seeking such an understanding will more often than not result in more valuable insights than quantitative research into the audience. Talking to individuals and actually participating in communities allows organisations to truly understand what tasks, tone and tactics will resonate with those who will make up the crowd. Such an empathy and understanding for the culture, attitudes, and behaviours of a community is necessary if an organisation hopes to convince this community to perform tasks or contribute in any way.

2.2.1 A far-sighted vision

It's very easy to think of crowdsourcing activities as a form of campaign, with a finite scope and timescale. Increasingly it is becoming clear the organisations who see the greatest benefit from crowdsourcing projects are those that allow the activity to evolve over time, and continue to develop even after a problem has been solved, or a specific goal achieved. For example, as mentioned in the introduction of this guide, 'My Starbucks Idea' (MyStarbucksIdea.com launched March 2008) was created in response to a specific problem, namely that Starbucks' customer base clearly had suggestions and ideas for the company, but no good way in which to submit or voice them. The solution, was an online suggestions box that allowed the company to crowdsource improvement by letting visitors submit and vote on ideas. The concept provided an outlet for suggestions, and a satisfactory method of having these suggestions heard.

The site is now in its sixth year, and has been developed and supported far beyond the point at which it would be reasonable to say it has served its purpose. By not treating the project as a campaign with a limited shelf-life, the company has succeeded in creating an efficient suggestion box that differentiates it from competitors, and provides ongoing improvement to customers while making them feel valued. The usefulness of the tool to customers is matched by its usefulness to the company. Starbucks can now make highly informed choices as to how exactly to improve their services, while customers see intelligent changes regardless of whether they contributed to the project or not.

While crowdsourcing is often best thought of as an ongoing process as opposed to a campaign, when creating a strategy and vision for the project it is worth considering the marketing impact of instigating the crowdsourcing project.

Presenting the vision

Understanding that a crowdsourcing project can both provide solutions and act as marketing, it is vital the project and the vision driving it, is presented to potential contributors in a natural and convenient way.

As important as the presentation of the idea for the project is the place in which it is presented. For example, when fashion designer Oscar de la Renta initiated a project to crowdsource photo coverage of his latest runway show, he did

"Chief among the challenges crowdsourcing presents is providing an appealing incentive for participation"

so on Tumblr (Oscar de la Renta, Spring 2012 Show, odlrlive.tumblr.com), a platform where the most valuable potential contributors already spend time. Presenting the idea here placed the project directly in front of those who were most needed. These users were not required to move anywhere in order to participate, and they could take part using a platform they were already familiar with. Establishing where exactly the target crowd congregates, then presenting them with a compelling proposition are the key elements of this approach.

2.2.2 A suitable and simple home

Having arrived at a vision for a crowdsourcing project, with a clear idea of what problem the project is intended to solve, it then falls upon organisations to select the most effective methods of motivating the crowd to take part. As discussed above, a key consideration in terms of platform selection is reducing the friction and effort required to participate. In many cases it is therefore sensible to announce the project on the same platform on which the crowdsourcing activity will actually occur. If this is not possible, then a concerted effort should be made to make the movement between announcement and engagement area as simple, quick, and easily understandable as possible.

The platform selection itself should to a great extent be dictated by the audience research that has been carried out. Which platform is best for conducting crowdsourcing on? The answer of course is whichever platform is most natural and convenient for those members of the crowd that have the potential to contribute the greatest value. Again, an honest assessment of which platforms can truly provide a convenient and effective experience will either lead to an appropriate selection, or expose the fact that the project may need a home that is yet to be created.

Arriving at the correct platform choice requires the selection process to be grounded in the organisation's close understanding of the crowd, where it naturally coalesces, and how it behaves. If this platform does not exist, or an existing platform cannot easily be appropriated for the needs of the project, a home for the activity may need to be built from scratch.

Even having successfully created an ongoing vision, and presented it in the right way and in the right place, more challenges remain. Chief among these challenges is providing an appealing incentive for participation.

2.3 Motivation

2.3.1 Why should I care?

One of the most overlooked aspects of crowdsourcing is the question of how to get people to give their time, expertise, thought and creativity to the project. Thankfully, there exists a wealth of research and insights about how best to motivate people to perform manual and cognitive tasks. The findings from these studies are in places counter-intuitive, but uniquely useful for anyone planning a crowdsourcing project.

Chief among the interesting pieces of knowledge about motivation is the tenuous link between monetary reward and performance. A number of studies (including one funded by the Federal Reserve Bank of Boston, 'Large Stakes and Big Mistakes' – Federal Reserve Bank of Boston, MIT, University of Chicago, July 23, 2005) have found that offering high financial rewards to those who perform well is a model that works for groups performing mechanical tasks.

Where this traditional motivation model breaks down is where groups are asked to perform tasks that require creativity, or more than a basic level of cognition. In these kinds of tasks, the positive correlation between high reward and high performance becomes corrupted. Why? Thanks to humans being more complicated than the traditional motivation model assumes them to be. It turns out that money is in many cases a poor motivator. This can, to some extent, account for the thousands of relatively unsuccessful crowdsourcing activities that offer participants cash rewards or vouchers.

"Crowdsourcing should seek to appeal to deep seated motivations when setting up the project"

So, how should organisations motivate individuals to participate in their crowdsourcing projects? The answer to this question is centred in appealing to desires that run deeper than the desire for a £20 Amazon voucher. For example, the desire to master a craft is strong in many individuals, communities and cultures. It's a desire that can be harnessed by those creating crowdsourcing projects.

Improving one's skills is satisfying in and of itself. In this sense, many crowdsourcing activities are their own reward, where participation is as satisfying, if not more satisfying, than receiving a cash prize.

Alongside the desire to master a skill is a 'sense of purpose' and the desire to make contributions in the name of that purpose. This motivation can drive people to do things that require huge amounts of effort, and often this effort is contributed without monetary reward in mind. Charity volunteers are one such example of those offering time and effort in the name of a purpose other than financial reward. The business world on the other hand contains several examples of entrepreneurs who have founded companies not in the pursuit of a financial gain, rather to effect change in an industry or sector.

Crowdsourcing activities that require more than a basic level of cognition should seek to appeal to these deep seated motivations when setting up the project, allowing contributions to the project to be seen as purposeful, while calling upon (and helping to improve) the skills of individuals. It is important that project teams resist the urge to fall back on simple financial reward models. For most projects this will involve an assessment of how best the project can give back to those contributing to it, with teams considering how the project can help contributors improve their skills, and/or contribute to a cause or purpose they care about.

2.4 What does success look like?

2.4.1 Going beyond 'the end'

Crucial to the planning and preparation of crowdsourcing is considering the end of the project. It's clear that those who identify the potential for lasting value in crowdsourcing projects often reap the greatest (and longest lasting) rewards from a project. For this lasting value to be realised, the project should be seen as an ongoing one from the very start. This approach can apply even to those projects intended to solve a specific, one-off problem. The project may quickly solve the problem, but creating a platform or repeatable framework for solving future problems is something many organisations overlook.

One reason for the importance of continued crowdsourcing activity is the inherent difficulty of creating communities or crowds in the first place. Successfully collaring hundreds or thousands of people into contributing to a common cause is a great feat. Having managed to do it, dissolving the community or crowd can prove to be a huge waste of a valuable resource.

Viewing crowdsourcing as an open-ended, ongoing process has a unique influence on timelines and budget. The aspiration to allow the activities to develop, flourish, and evolve over time needs to be considered at the planning stage.

A key insight when it comes to budgeting and planning for an ongoing project, is the knowledge that few (if any) people will agree to sponsoring or backing an open-ended project. In the light of this insight, after the initial setup and execution, the planning should include regular project checkpoints that allow the team to assess the past few months of the project, and work how best to hone and improve the activity over coming months. The crucial element of this approach is the need to resource the team appropriately allowing them the time and budget to not only meet periodically, but also to execute on the content of these discussions.

"Allow individuals to use each other's contributions to produce unusually useful or unexpected results"

2.4.2 Capturing chaos

A crowd that has been built and retained, can be an incredibly useful tool for organisations, one that has the potential to frequently produce serendipitous, or unexpectedly useful results. One of the most obvious benefits of crowdsourcing is the presence of a great many brains, all of which can be directed toward a topic or problem to consider.

These brains can be used to produce a single outcome, or solve a single problem. While they are doing this, we need to ensure that organisers are overseeing the formations of ideas, and piecing together fragments of ideas that when combined make up larger, more innovative ones. Tangential ideas must be allowed to bounce off each other, and be batted about. The environment should allow for individuals to use each other's contributions to produce unusually useful or unexpected results. In this sense, it's crucial the project planners expect the unexpected because the ideas that are randomly bouncing around the crowd will sometimes align to produce an especially valuable idea.

The value of these tangential contributions is well explained by Steven Johnson in his book, *Where Good Ideas Come From*. In it, Johnson explains that great ideas are rarely produced in a sudden 'light bulb' moment, with the innovative idea appearing fully formed in the mind. Instead, good ideas are more often than not created when a range of distributed and fragmented thoughts align, forming an idea that brings together composite parts to create innovation that is greater than the sum of its parts. This research is particularly pertinent to crowdsourcing projects where fragmented and distributed thoughts and ideas can be produced at an amazing rate and volume. It falls upon the project team to devise ways in which a) these partial ideas can continue to flow thick and fast, b) how they can be collected and captured, and c) how they can be analysed, amalgamated and aligned.

2.5 Summary

There are infinite possible challenges that a crowdsourcing project may face. The planning and preparation stage cannot ever be expected to anticipate every challenge. However, the plan can set out a direction of travel.

This direction should move the project through a number of stages:

1. The honest questioning of if crowdsourcing is in fact the most appropriate method of solving a specific, already identified problem.

2. Identifying, and then understanding, the culture that potential contributors exist in before making a truly compelling case for their participation – one that appeals to deeper desires than financial gain.

3. Ensuring the environment that is selected (or created) for the crowdsourcing activity is convenient, simple and sophisticated enough to capture and potentially combine the thoughts and contributions happening within it, no matter how random or unrelated they may seem.

4. The fourth and final stage is an ongoing, open ended one, and this part of the plan must make sure all the hard work that has been done up to this point is not wasted.

It strikes me that the essence of these four challenges reflect the emphasis in the term 'crowdsourcing'. The route to success in crowdsourcing lies in thinking less about your organisation, and far more about the lives, desires, aspirations, and personalities of the crowd.

Audience research

3



CLAIRE CURZON
MD
BRIGHTER DIRECTIONS

You've researched crowdsourcing, set clear targets and agreed on action points, so now it's time to start building the foundation of market segmentation. It's true to say crowdsourcing market research is much more complex than your traditional routes to market.

That said, many marketers today think crowdsourcing is dumbing down research techniques and it's easy to understand why; the phrase itself is still very much unknown in terms of a business model, and with that, comes lack of understanding from your marketplace.

So, how do you shout about it to the right people? Do you know how much your company spends on crowdsourcing every year? Do you have crowdsourcing guidelines? Where are people finding the crowd groups?

If any of these questions are relevant in your organisation, please read on. This chapter will help you develop a coherent communication strategy and demonstrate all you need to know about researching your audience and how you can attract them to be your best customers.

3.1 Targeting your audience

As every marketer knows, throwing out a consistent stream of new and appealing marketing messages can be difficult. Thanks to social media platforms, using crowdsourcing techniques to gather content by the people for the people, the process is now easier than ever making it no surprise that crowdsourcing has become extremely popular over the past five years.

Companies that embark on the crowdsourcing journey, have a tendency to learn early that the most successful crowdsourcing campaigns focus on a specific target pool of respondents based on a strict criteria.

Targeted crowdsourcing is likely to receive more attention and success than one that is approached with no strategy or focus in mind. Marketers need to ensure they're able to get sufficient exposure to the right audience, on the right media, at the right time.

3.1.1 A battle between two minds

Crowdsourcing is very much about openness of the marketplace, whereas marketing is focused on targeting and impact evidence. Crowdsourcing offers foresight when marketing is looking for predictability and proof.

Brands often want to reach a specific target audience: e.g. SMEs or men aged 30-40. The truth is that crowdsourcing is predominately conducted online, and the internet is a global medium that everyone can participate in. While targeting a crowdsourcing campaign is difficult, it isn't impossible. Audience research should come early in your actions when thinking of crowdsourcing. You need to ensure you know the community you want to engage with for your project and why.

Remember that different crowds will react differently by the way you approach them, the key to getting the right people and group on board is based on your strategy and doing your homework about your audience and what you expect them to contribute towards the campaign.

"Crowdsourcing works best when the right type of crowd is matched up with particular types of crowdsourcing projects"

By starting to think about your crowd, you are also starting to understand their perspective and how they will view your campaign, will it be interesting to them in its current state or does your campaign require some adaptation to make it ready to market?

The crowd you choose can make or break your project. This is why it's important to think about them as much as you think about the particulars of the project itself.

Here are some key considerations when researching your target crowd:

1. If you utilise closed questions you will be analysing quantitatively. Ensure your questions reflect what answers you need from the campaign.

2. If they are being paid to answer the questions will this make an impact on the overall responses?

3. The issue with crowdsourced research is that although you can set research parameters, they cannot always be checked. For instance, although you can state you are only looking for a certain criteria, there is little that can be done to verify whether a computer user is indeed who they claim to be.

4. To reduce the amount of unverified users in your research, develop a number of pre-qualifying questions before they are passed through to the next stage.

5. Use both qualitative and quantitative research for your campaign. Move away from closed end questions where boxes must be ticked and instead opt for open-ended questions where users are asked to write in their own responses.

While crowdsourcing research does differ from traditional marketing methods, it isn't a totally different system. Insights and analytics are valuable in providing tangible evidence that contributes towards your final assessment by taking in mind details like patterns and shifts within your research project. Crowdsourcing works best when the right type of crowd is matched up with particular types of crowdsourcing projects.

"Research continues to show one of the most important triggers to donations and actions are compelling stories"

3.2 Build it and they will come?

Social media has fundamentally changed the stability of the brand. Social media openness makes or breaks a company, yet by involving customers in the process of innovation within a company, this can also extend a product's lifecycle and expand profits like never before.

The simple fact is people love to contribute and offer their opinions. Clients and prospects providing input are not only valuable for you in terms of your market research, but also that input can then be used to attract others who think and feel similarly.

Crowdsourcing in most cases is predominately made up of professionals within their field, offering their expertise to contribute to innovation in the industry.

Finding the right audience is one of the most difficult aspects of a crowdsourcing campaign, yet if you have a clear vision and have done your audience research to refine 'who' and 'why' you want the crowd you do, finding them should be an altogether more straightforward task.

When designing for the crowd you need to think:

- **Shareable –** messages, content and actions that are shareable and don't necessarily include a link can be picked up and pushed around.
- **Consistent messaging –** to ensure this layer of people who do not know you are able to understand what you do and who you are, your messages need to be consistent.
- **Compelling story –** research continues to show one of the most important triggers to donations and actions are compelling stories.

The next step in sourcing your talent pool is where will you find them? There are several common ways of attracting people to your crowd campaign, the most popular I have found are:

Meet ups
Most businesses have a local network of contacts and professionals they rarely make full use of. Even if your group is small, people often underestimate the power of their social circles; the value that can be gained from a conversation is still worthwhile. Talking to people face-to-face also ensures they buy in to your vision and ideas, by seeing your enthusiasm they are more inclined to be advocates for your campaign to others.

Remote discussions
Using the phone to connect with an audience is the next best communication route after face-to-face as you can still convey your excitement and vibrancy for the project and it is also a quicker form of connecting. You can reach further afield to connections in other countries using platforms such as Skype or other video conferencing solutions.

Promote by email
'The world is at the click of a button', a true phrase coined by marketers. Email can provide a reminder about your meeting or telephone call, or it can act as a separate point of contact to connections and verify databases.

Being one of the lesser personal communication styles, the email should provide an insight and introduction into your crowdsourcing campaign and provide an insight and clear direction of what you are looking for from the readers so they can respond accurately.

Social networking sites
Social media sites were born out of opinion and interest sharing, so make use of sites such as Facebook, Google+, Twitter and LinkedIn. They are all excellent sources to seek crowdsourcing professionals and if not reach them directly, provide the opportunity for more people to get involved with your project as you encourage sharing.

Additionally, you may want to look into groups and forums you contribute to. These are high traffic areas and can drive new interest to your campaigns through exciting conversation.

"Crowdsourcing websites act as marketplaces for companies to interact with the crowds and source the right talent pool"

Viral sharing
YouTube is one of the biggest social media sites, with over 100 hours of video uploaded every minute. Crowdsourcing is still a relatively complex subject, so by creating an easy to comprehend 'explainer video' and uploading it online ensures you are reaching a wider market.

3.3 Identifying crowds

Some companies promote their crowdsourcing projects by solely posting updates and available projects on their websites. While this may be a suitable strategy for larger identities, for SMEs reaching a wider audience it isn't the best way to gain exposure.

A more effective way of accessing the right crowd for your project may be through the services of online crowdsourcing websites which act as marketplaces for companies to interact with the crowds and source the right talent pool.

Some of these websites may have their own specialised crowd in the form of an online community, or they may agglomerate a more generalised crowd who will then pick and choose which tasks they wish to complete. Individuals working on tasks through these crowdsourcing sites may not even become acquainted with the client firm they are completing the task for.

There are thought to be over 500 specialist crowdsourcing sites worldwide, the majority of which are based around America and Europe. Here are some of the most popular crowdsourcing task sites that cover various topics and a wide range of campaign specialists:

Amazon Mechanical Turk
This is one of the more popular crowdsourcing sites, very useful and well-known for its simple projects, such as tagging photos, categorising products on a website etc. Used by businesses and developers, the site gives immediate access to specialist crowd workforce that you can then source the best 'crowd' for your campaign.

CrowdSpring
This is a crowdsourcing site specifically for graphic design. Traditionally used by agencies who place requests for client logos, designers will then compete for the work in a bid system. Traditionally there is around 110 entries per project listed, so competition is very high. Project costs can vary from anywhere between $200 to several thousand dollars/pounds.

Feedback Army
This is a great site for crowds, specifically used to test a website. It's very simple to use and ensures independent feedback, where you can submit the questions at just $20 a time it's also very cheap considering the targeted approach to distribution.

UTest
This is crowdsourcing and software testing at its best. The software offered on this site provides a way for software projects to be tested on desktop and mobile software by a large amount of users instantaneously. Tests look at all aspects of the software including functionality, usability and application.

Freelancer.com
This is one of the most famous international crowdsourcing sites that offers the projects very similar to a jobsite. You can seek tasks from anything from design through to technical innovations and programming and bid as a company or a individual.

Elance
Similar to Freelancer.com as projects are listed online through a bidding system as 'jobs'. The site processes over 50,000 jobs each month so is a popular media for crowdsourcing and allocating specific project based tasks.

"Identify and select relevant motivational drivers to attract members to the crowd"

99designs
A crowd marketplace for all sorts of design work where you can post projects (known here as contents) for anything, from a logo to full website design. A designer will then submit their designs and bid openly for the projects on offer.

InnoCentive
This is a great site for those businesses looking to solve complex issues and get answers to serious questions. The site is one of the most professional and focused crowdsourcing sites, heavily driven towards important problem solving and innovation through a host of professionals and experts in their fields; however, the cost also reflects this.

Innovation Exchange
Another one of the more high-profile and experienced crowdsourcing websites. This operates in a similar vain to InnoCentive in terms of innovators developing tangible solutions worldwide finding the right professional for the project in hand. It boasts being used by some of the best Global 500 companies and welcomes new challenges.

Depending on which community, crowd or platform you choose to engage with, this will determine your ability to access the expert talent pool you need in order to succeed with your project.

3.4 What makes them tick?

As a business, you need to approach crowdsourcing as an opportunity to engage a new group of potential supporters to your brand/business. Be as creative as possible in your outreach and plant your campaign in places that you hope will reach new audiences.

Consider giving incentives to reward participation – what do people really want in exchange for their help? You need to really understand their motivation in the first instance. Do they just want to be heard/acknowledged or are they simply in it for fun or to learn something new?

In 2009, a study conducted by Ross et al surveyed the demographics of more than 400,000 registered crowd workers using Amazon Mechanical Turk and found that most complete tasks for pay and financial gain. Saying that, many individuals involved in crowdsourcing are happy with a simple acknowledgment, but other times, cash incentives might well need to be used.

The standard revenue model for crowdsourcing platforms tends to be percentage based on the projects at hand, with funds paid out after the project is completed. More rarely crowds can generate income by offering white labelled solutions.

Over the years, there have been multiple research projects to try and attain the most popular motivational aspects of crowdsourcing yet there is no definitive proof that extrinsic motivation (external motivations) which can include cash payments, develop career paths, prizes, and credit systems, outweigh intrinsic motivations (internal motivations) for people who are driven by an interest or enjoyment in the task, and therefore do it for their own progression reasons.

The other type of intrinsic motivation in crowdsourcing is community motivations where willingness is driven by community participation, and includes community identification and social contact.

The thing to consider is that crowdsourcing can attract participation from individuals located in different countries that can mean different cultures. By understanding your potential crowd, companies can identify and select relevant motivational drivers to attract members to the crowd. For example, motivational drivers that work globally may not work locally and may be country-specific.

"Any information source that captures subjective information can contribute towards sentiment analysis"

3.5 Sentiment analysis

Crowdsourcing is often linked to sentiment analysis or opinion mining – which is the application of natural language processing, computational linguistics, and text analytics to identify and extract subjective information.

Sentiment analysis is a set of methods, typically (but not always) implemented in computer software, that detect, measure, report, and exploit attitudes, opinions and emotions in online, social, and enterprise information environments.

Generally speaking sentiment analysis has one purpose – to decide the attitude of a speaker. The attitude may be his or her personal judgment or evaluation, emotional state, or the intended emotional effect the author/company wishes to have on the user.

So, what does sentiment data and analysis mean for marketers and brands? Well, for a start when thought of alongside crowdsourcing, it is vital for evolving the standard research and feedback techniques to contribute to an overall more 'natural' progression to facilitate and encourage broader conversations through social media. In fact, any information source that captures subjective information can contribute towards sentiment analysis which lets marketers get to the root of the challenges/ issues faced within your crowdsourcing project. There are some wonderful tools available on the market for sentiment analysis, here are some of the most flexible and accessible sites:

Topsy
Offering both free and paid-for versions of the site, it's easy-to-use to quickly find out what people are saying about your brand through Twitter, your website and branded keywords.

Social Mention
This site offers 'real-time social media search and analysis' which allows any visitor to research sentiment on a variety of topics. They offer social media alerts that allow you to monitor your brand consistently. Combined with Google Alerts, this is a great tool to access information.

Reachli
Designed for Pinterest, this site lets you schedule pins in advance and track feedback data. It's great for companies who want to know when click-through and re-pin rates are at their highest.

Sentimentalytics
This site offers a browser plug-in that automatically scans and tags what appears on your timeline in a variety of social media networks and tools.

AlertRank
This is a fairly new kid on the block, a web-based tool that adds great features to your existing Google Alerts settings giving you the ability to configure the sentiment manually to gain additional insights into search terms and keywords.

"Think about how good habits are formed when developing your research campaign"

3.6 Summary

The driving factor for many businesses running a crowdsourced campaign, is the fact new ideas and content can be accessed for much less than the cost to hire new employees.

Crowdsourcing's strength is that many minds come together, and for the crowds themselves, often they boast a freer lifestyle and flexibility as a freelancer that they simply could not get working for a company.

A final word: think about how good habits are formed when developing your research campaign. Regardless of what campaign you are implementing, success doesn't happen overnight and it certainly doesn't come to be without effort and practice. Treat your crowdsourcing campaign with the same ethos and you will do great.

Implementation

4



JOHN WILLIAMS
FOUNDING PARTNER
WIKI SOLUTIONS

All the preparation for your crowdsourcing project has been done. You have set yourself targets and objectives and you have a pretty good idea of what success will look like. You have done your research into the different types of crowdsourcing models that are available and have selected whether you are going to work with a crowdsourcing vendor or build your own. You know the questions you need your crowd to answer and you have even set yourself a budget.

Knowing what you want to achieve and the technological platform you are going to use, you have started to build your 'crowd'. You probably will have either selected a vendor who has an off-the-peg crowd that has a track record of delivering the type of solution you need, or you will have set about creating your own. In which case you will almost certainly have picked the low hanging fruit – those people you already know who have knowledge and experience of your brand to be able to answer your questions. And you will have turned your attention to finding other thought leaders, influencers, customers or prospects who you think can help.

Your crowdsourcing site is ready and your crowd has been assembled. It's now time to say 'go' – sit back and watch as your crowd leaps into action and provides you with all the answers you need. Good luck.

Hollywood would have us believe that 'if you build it, they will come' but in crowdsourcing it doesn't work like that.

The way you go about implementing your programme will be the major differentiator between success and failure. What's at stake is the difference between getting answers and getting valuable answers.

When Wikipedia was first set up there was a lot of criticism of the accuracy of the information. Sure it had answers but not necessarily always the right ones. It was the way it refined and implemented its plan and worked its crowd that made it a good and increasingly reliable source of information. Similarly, you also need to invest in implementation to get the best out of your crowdsourcing venture.

To paraphrase the oft quoted phrase from estate agents, the three most important factors in marketing property are 'location, location and location' the three considerations that matter most in crowdsourcing are 'implementation, implementation and implementation'.

In crowdsourcing, implementation comprises the realisation of your plan, the optimisation of your platform, the engagement of your crowd and the delivery of the best results.

4.1 Realising your plan

When you embarked on your crowdsourcing project you had a clear vision of what success would look like. How you implement your plan will determine whether or not you achieve that success. Up until the point of implementation your attention will have been focused on inputs such as:

- What crowdsourcing model will I use?
- Will it be open to everyone or will it be a closed community?
- How will I recruit my 'crowd'?
- Who shall I invite to participate?
- What questions will I ask?
- How much do I need to budget?

"Whichever type of platform you decide to deploy you need to make sure the features you need are either built-in or customisable"

As we move from planning to implementation your focus needs to shift from inputs to outputs and outcomes. Here are some of the questions that you need to ask yourself. The answers will help you understand what you can do to positively or negatively impact on achieving your objectives:

- What do I need my platform to deliver?
- What are the opportunities and risks attached to open and closed communities?
- What are the advantages and disadvantages of participants opting in or being pre-registered? Which will work best for me?
- What are the relative benefits of a focused or diverse community?
- How do I frame my challenge or questions to get the responses I'm looking for?
- To what degree do I want to control the input and to what extent will I rely on the crowd to organise itself?
- What will I gain by increasing my budget or lose by decreasing it?

4.2 Optimising your platform

4.2.1 Bespoke or off the peg?

The type of platform you select will impact on the amount of personalisation you can undertake to tailor the site to your own specific needs.

The software used by crowdsourcing vendors will be highly developed to deliver their own specific requirement. As you will be one of many clients using their platform the opportunities for personalisation will be limited. If their requirements match yours they could be a good choice and they will probably represent the cheapest option.

Software-as-a-service vendors offer pre-developed platforms that you can download and use. These often come in a choice of different packages at different prices depending on the features and level of personalisation you require.

The most versatile but also the most expensive option is building your own bespoke system. There are a number of open-source software products that can be incorporated to lower the amount of development. Interestingly, open-source software development is itself a very good example of crowdsourcing.

Whichever type of platform you decide to deploy you need to make sure the features you need are either built-in or customisable.

Don't think only about the user interface but also give some consideration to which administrative features you will need for example:

- How you can communicate with your participants through the site.
- How participants can private message one another.
- How contributors are kept informed about new activity.
- The quality and quantity of analysis that's available.
- How you can search the site.
- How to remove inappropriate posts.
- How you can add and remove participants.
- How you can control what individuals can see or do.
- How stimulus material can be used.
- Security.
- Guaranteed uptime – the reliability of your hosting site.
- Intellectual property rights.
- How accessible the data is on completion of the project.

4.2.2 Working with a crowdsourcing vendor

If you decided to run your crowdsourcing venture through a vendor such as CrowdSpring then it may seem like there is nothing you can do to optimise their platform.

Most crowdsourcing vendor sites are, essentially, a competition where you put up a prize and the crowd submits answers (e.g. a new logo design) and you pick the winner. The winner gets the prize and everyone else gets nothing.

"To get the best result you need to get the best people to give you their best work. Think about how you can make yourself look special"

You won't be able change their code but there are still a number of very important things you can do to get the best out of their platform.

For a start, you can optimise the quality of all the data you upload onto their site, starting with your brief. This will make a huge difference to the quality of the response you receive.

The brief is all-important not only because you want something that is right for your business but also because it's an indication of your professionalism and your ability to make a good choice. If your brief is poor and ill-conceived then it's likely your judgement will be as well. The best creatives will run a mile and those that participate will probably produce mediocre work at best.

It may sound obvious but start with the title. It will be the first thing everyone sees and it's important it catches their attention and makes them want to find out more. Make sure it's accurate but distinctive: something that will fire the interest and imagination of the best creatives.

Right at the outset, you also need to consider what incentives you are offering. Is it enough to make your project attractive to the best creatives and how does it compare with the going rates for similar projects on the same vendor's site?

Bear in the mind the prize money will be a comparatively small part of the total investment in a crowdsourced project, the significant costs will come in the time you invest in managing the project and then in turning the raw ideas into finished work.

Then you need to paint a quick picture of the type of business you are and the image you want to portray. Make sure you have a single-minded proposition and try to make it specific to you.

It's often a good idea to show examples you have seen elsewhere and say what it is you like or hate about them. Try to avoid the obvious brands like Apple because everyone will have their own view of what makes them special.

Remember, the way to write a good brief is to keep it short. Sometimes you will have the opportunity to view portfolios or bios of crowd members. When you see someone whose work or experience you like you may be able to send them a message through the site to ask them to participate. There may also be a list of members who have won awards in the past, if so invite them as well.

Remember, individual members of the crowd are in competition for your business but you are also in competition with all the other briefs for their time. To get the best result you need to get the best people to give you their best work. So think about what you can do to make yourself look special and how you might stand out from other clients.

In managing a project through a vendor's site, there are a number of essentials to manage throughout the project:

- Review the input regularly from the day your project goes live. The first responses many come in remarkably soon: these first responders will give you clues about whether you have phrased the brief correctly or whether you need to clarify some of the points in it.
- Give good feedback fast to every entry. Be honest but constructive; this way you'll encourage the best contributors and weed out those who simply don't get it. The volume of high-quality submissions you attract will be determined to a large extent by the speed, accuracy and quality of the feedback you provide.
- Don't be afraid to rephrase the brief or add in supplementary information. If too many submissions are completely off beat, it may be that the brief was giving out unclear messages.
- Make sure you have the time and capability to review and respond to entries at least twice a day: these sites are usually time sensitive and you need to be set up to make the most of the narrow time window in which these sites operate.

"As a rule of thumb the more you want to personalise and the more features you need the more it will cost"

- Be prepared to reach a decision quickly at the conclusion of the project: you will have only a few days to decide which entry wins your award. If you're in a consensus-driven organisation, make sure you have arranged a way to evaluate the best entries immediately after the closing date.

4.2.3 Software-as-a-service

Software-as-a-service (SaaS) companies are also vendors but what they are supplying is the software to run your programme not the crowd. The advantages of SaaS is the vendor takes care of all the site development, hosting and maintenance. The downside is finding one that has the features you require.

Most companies offer different versions of their platform with added features and benefits allowing you some degree of customisation and personalisation. As a rule of thumb the more you want to personalise and the more features you need the more it will cost.

This is a very competitive market with some companies offering a free basic product at one end of the spectrum to others offering highly sophisticated solutions with advanced features like reward systems and even game play. There are also some crowdsourcing apps that support the desktop versions.

Once you sign up you are very often left to your own devices; so in selecting a platform you need to think very carefully about how easy and intuitive it is going to be for your crowd to use, and for you to administer.

One of the widest examples of a free SaaS platform is LinkedIn forums. They provide a good illustration of what works and what doesn't. You'll see some forums that lack any form of active dialogue and others that are a hive of activity. If you look closer you'll see the best ones have very active facilitation and engagement by the author and the ones with little or no participation having little or no facilitation.

With SaaS as with vendor sites, there are a number of critical success factors:

- Is the site design capable of delivering the input you need?
- Which features of the service are relevant to your objectives?
- How will you attract the participants you need to generate the results you are looking for?
- How long will the project run and how will you monitor progress?
- What scope do you have to influence the direction of the work?

4.2.4 Added-value service providers

One step on from SaaS vendors are added-value service providers (AVSP). In addition to providing the software they also provide additional consultancy services.

In addition, added-value service providers help their clients deliver their whole crowdsourcing programme by taking away any guesswork and helping optimise each area of the process from the initial strategy, site build, crowd identification and recruitment, crowd engagement, idea generation and the final report.

The biggest added value is in the facilitation of the site to make sure it delivers the original aims and objectives. There are a number of other AVSPs that help clients with different aspects of their crowdsourcing venture most notably in the area of using crowdsourcing as a market research tool to gain insights from prospects and customers.

Success in working with an AVSP depends on a number of factors:

- Identifying a supplier who understands your business challenges and opportunities.
- Setting clear objectives for the project. What do you want to get from the crowd that you can't achieve internally?
- Deciding whether you will achieve more through competition or collaboration.
- How are you going to attract the people most likely to help find the right

"If crowdsourcing is going to become a way of life in your business then it's probably worth starting from scratch and building a site from the ground up"

answers and then keep them interested and engaged?

4.2.5 Creating your own platform

The ultimate option is to create, manage and operate your own platform. If you have your own bespoke platform it will give you more opportunities to optimise it for your own specific requirements.

If crowdsourcing is going to become a way of life in your business then it's probably worth starting from scratch and building a site from the ground up.

You can then build in the flexibility to adapt it in the light of experience and incorporate new technologies as they become available in the future. It will be an expensive option so you need to weigh up the cost (time and money) against the value of the outcomes before going down this route.

There are a number of pre-built options that exist that offer varying degrees of customisation. As a rule of thumb the more you want to personalise the more it will cost. Most platforms have a sliding scale of costs depending on which features you want to include. Whichever platform you chose you need to make sure that:

- It is intuitive to use.
- It's easy-to-navigate.
- It's easy for you to provide feedback.

Then for every project, you will need to address the same issues as those I have listed for working with added-value service providers.

Answer these questions to help you decide which platform to use:

- How important is crowdsourcing going to be to my business?
- How much time do we have to devote to it?
- How technologically enabled is my business?
- Do I have someone experienced to manage the programme?
- How important is privacy and confidentiality going to be?
- How important is having my own crowd?
- How important is collaboration going to be?
- How much specialist knowledge is needed?

4.3 Engaging the crowd

When considering a crowdsourced solution it's all too easy to get swept away with all the advantages it offers you: bringing in new talent, new insights, innovation, speed of results, low cost to name but a few. But if I'm part of your crowd why should I give up my time and expertise to help you?

The answer to that question lies in one of two areas. Either as a participant I'm going to get rewarded for my time and expertise or I will be a beneficiary of the outcome, so I want to help make it happen.

Rewards come in many shapes and sizes from a simple cash reward at one end of the spectrum to image/status enhancement at the other. The most widely used financial reward is the competition prize favoured by most of the major crowdsourcing sites like CrowdSpring. This isn't even a guaranteed reward, it's the chance to win a reward.

One alternative is to reward people for participating. If you choose this route you must also be very clear upfront what you are expecting in return as both you and they need to be able to make a value judgement on their participation. You also need to ensure they deliver on their end of the bargain and what they contribute is valuable.

But far and away the most effective 'what's in it for me?' is to be a beneficiary of a successful outcome. For example, if you are crowdsourcing a community project to improve a public space you are going to get much better participation from people who are either affected by the issues surrounding that space or will benefit from the enhanced facilities that will result from the exercise than someone in another town. It's the same in a work environment: if you can see yourself being a beneficiary of the outcome you'll be far more willing to participate in finding the solution.

"There is nothing worse than having been actively involved in a crowdsourcing project only to find nothing has been done with the results"

Not all benefits are that clear and it's well worth spending some time to consider what the hidden benefits of participation are. For example look at ways you can enhance the status of active participants. If you can find out what's important to them other than money and can deliver that, it can be extremely motivating.

4.3.1 Keeping up momentum

One advantage of crowdsourcing is that you aren't dependent on participants being in the same place at the same time or even in the same time zone.

Participants also won't be on your site 24/7. Typically they will flit in and out maybe only spending a few minutes at a time. It's essential you understand this way of working and how to get the best out of it. If people are going to pop in for a short period of time to engage with them you need to:

- Make sure your site is intuitive to use. Users won't have time to learn how to use a complicated system.
- Anticipate which information users are going to need and make sure they can get it quickly and clearly. Every second they spend searching reduces the time they have to contribute.
- Have a system for users to see what has changed since they were last on the site because new content is being added all the time.
- Have a way to push important information to users e.g. via email – because most of their time will be spent away from your site you can't rely solely on them logging on.
- Have a way to be able to identify which of your participants haven't visited your site yet, those who have visited but only looked around and those actively contributing so you can message them accordingly.

The more you can understand about your participants and the process of how they contribute to your site and engage with its different levels of functionality, the better placed you will be to know how to motivate them.

4.3.2 When you think it's all over, it isn't

Engaging with your crowd doesn't end when you have got what you want. Your crowd has become an important asset and you need to look after it.

- Thank them for their participation.
- Let them know what is happening with their ideas.
- Make sure you implement the results. There is nothing worse than having been actively involved in a crowdsourcing project only to find nothing has been done with the results. You won't get involved again.
- Don't just reach out to them when you want something from them. Think of ways you can stay in touch and give them something of value.

"An advantage of crowdsourcing is when it comes to making a judgement call you can ask the opinion of the crowd"

4.4 Delivering the best results

It's very important throughout implementing your crowdsourcing project that you never forget your key objective is to deliver a result. Not any result but the best possible result. If you think another methodology is more likely to do that then go with it.

The reason you considered a crowdsourced solution in the first place was because you believed 'all of us were smarter than one of us'. When starting a crowdsourcing project you won't know who knows the best answer. If you did you would just engage them and have no need for a crowd.

4.4.1 The need for diversity

To get the best possible result I believe you need diversity in your crowd. By all means start with the 'low hanging fruit' – those people you think will most likely know the answer or at the very least part of the answer. But that in itself is a double edged sword. Their knowledge is likely to be born of conventional wisdom and as a result less likely to be new and innovative. To balance this you need other people with less direct and relevant knowledge of your challenge. Smart people who can bring an intellectual naivety to the process, challenge sacred cows and think outside of the box. Let them have what I call 'big bad ideas' – ideas that at the moment don't work but with the right development have the potential to be huge. To realise that potential you need expert facilitation to first recognise the germ of an idea and then make sure it doesn't get strangled at birth to give it a chance to grow into a great idea. There are probably three types of people you need in your crowd:

1. Out and out ideas generators who are great at coming up with ideas but probably don't know (or even care) if they are practical.

2. Improvers who probably struggle with blue-sky thinking but when presented with a raw idea can identify ways of improving it.

3. People who know and understand your market and your company and what needs to be done to make things happen.

Put these three groups of people together and you have the recipe for generating breakthrough ideas that work.

4.4.2 The need for freedom and focus

To deliver the best solutions you have to strike the right balance between unstructured free thinking and focus and direction. Too much direction will place a tourniquet on creativity and complete freedom will quickly become creative anarchy.

Again it's the skill of the facilitator/client to allow both to co-exist so long as they continue to move toward the desired outcome. When they stray bring them back into line, when they stall kick-start them but also make sure you can tell when they are dead so you can bury them.

This is true whatever form of crowdsourcing you are undertaking:

- With vendor competitions where you start with no quality judgement, you need to reject the horrors, provide suggestions to the possibles (but if no improvement is made reject them) and encourage the best ones to go that extra mile.

- With SaaS or AVSPs you will be able to comment openly when what you are saying is relevant to everyone and have a private conversation when being more personal in your comments.

4.4.3 Making judgements

Another advantage of crowdsourcing is when it comes to making a judgement call you can ask the opinion of the crowd. This can be done on an individual post basis by 'scoring' or 'liking' or conducting live research by running a poll.

If your analysis tools allow, you will be able to segment the results by subsections of your crowd and even weigh them according to the relevant importance of each group.

"One person may not know how to overcome a roadblock but a number of people may know part of the solution"

4.4.4 Overcoming roadblocks

As a project progresses you may come across a roadblock that you don't know how to overcome. If that happens, open the problem up to the crowd and see if they can rise to the challenge. Again one person may not know how to overcome the roadblock but a number of people may know part of the solution.

4.4 Summary

David Ogilvy said: "It's not creative unless it sells". In the world of crowdsourcing "It's not crowdsourced until it's implemented". By that I don't just mean implementing the crowdsourcing project but implementing the ideas that crowdsourcing produces as well.

Before you set off on a crowdsourcing project be sure you have the will and authority to implement what comes out of it.

Crowdsourcing may not be an expensive exercise in terms of money but to do it well will take a lot of time, and the cost of that time must be factored into the value equation. Having said that, crowdsourcing done well can lead to breakthrough ideas that you would never have known were out there.

The future

5

NICK JEFFERSON
MD
GYRO



With additional contribution from Georgiana Foster, business associate at Gyro

Crowdsourcing remains a much-debated topic, in the sense that many still disagree on its exact definition, as well as its level of efficiency. Nevertheless, its growth over the last few years suggests that it shouldn't be overlooked as a future player in the world of B2B marketing. The application of crowdsourcing in marketing can be both rewarding and trying, and as industries look to discover entirely new ways of renovating old and inefficient business methods, this concept could well be on the up. So exactly how useful is it to the world of business and the B2B marketer in particular, and does it have the potency to last?

Often referred to as 'the wisdom of the crowd', crowdsourcing as a concept has certainly gone from strength to strength over the last few years across various different disciplines. Particularly, Fortune 500 companies seem to be welcoming the crowdsourcing initiative in a very positive way. In 2010 alone, microtasking saw a growth of 496 per cent and has shown no signs of slowing since.

Microtasking is the concept of breaking down a large project into much smaller, well-defined tasks. The subsequent microtasks can then be put to the crowd, in order for them to use their collective intelligence to find solutions. Amazon's Mechanical Turk is perhaps one of the most famous crowdsourcing platforms that deals with microtasking and the main reason for its success is that, with such a large and loyal online-community comes diversity and flexibility, as well as the opportunity to communicate with a lot of people with experience in providing intelligent answers.

The idea of being able to harness the skill and intellect of a great number of people, to deliver diverse ideas and optimum results is immensely powerful, especially when it is combined with the universal reach of the internet.

"Every two days now, we create as much information as we did from the dawn of civilisation up until 2003." Eric Schmidt, former CEO of Google.

Just a short time ago, we as marketers could easily govern the majority of the information and messages seen by the customer about our respective brands. The quantity of that information was also still fairly easy to manage; so reaching the customer exclusively via the platform of mass media continued to be a totally viable and effective strategy.

Today however, the sheer extent and speed of the information being shared and the way in which innovation is realised, is rapidly rendering this trusty formula obsolete, and the future shows no sign of this slowing down. It is clear the level of information available to the customer will never be reduced, it can and will simply continue to increase, aggressively. It is therefore crucial that marketers continue to innovate more than ever before. Moreover, how can we start to think of new ways in which we access and engage our customers alongside all the additional white noise?

What better way than to ask customers and stakeholders what they think of products and brands and to invite them to collaborate?

Zooppa, founded in 2007, is a prime example and should be of real interest to us in the world of advertising and marketing, because it perfectly demonstrates how the concept of crowdsourcing can work for us. The site has launched campaigns for well-known brands such as Google who, for several consecutive years and with continual success, hosted the 'Doodle 4 Google' crowdsourcing campaign in partnership with the New York Public Library and Crayola – with the theme "If I could travel in time, I'd visit…"

"Crowdsourcing platforms could develop into those that the everyday person begins to use regularly"

With access to cost-effective services like these, businesses can open themselves up to a wide range of both marketing and more general solutions, as well as to a huge amount of universal talent.

The crowd can produce some amazing problem solutions and create wonderful things but it can also do the exact reverse. The wonderful opportunity here for the marketer is to welcome amateurism with open arms, in order to make the final outcome even better. Expertise can absolutely benefit from the perspective and information provided by the outside crowd.

However, although you can certainly engage with a whole army of people outside the four walls of your office, that doesn't take away from what needs to happen successfully within it. Having a strategic approach to crowdsourcing is key. So many organisations still feel crowdsourcing's efficiency ends with research and development. This sees a huge opportunity missed for the marketer.

Rather than choosing to employ a greater number of staff and partner with numerous other agencies to keep up with the pace, marketers could instead begin to find ways in which to collaborate with the crowd in a much more profound way, throughout the entirety of the marketing process, who can then in turn, enlighten and influence others on the brand's behalf.

Think big data, but tailor-made to fit your specific brand or product. As enterprises continue their battle to do much more for less, the future could well look positive for those willing to take the leap into the realm of crowdsourcing and open innovation.

5.1 Platforms to watch

Technology will only continue to make it even easier for the customer to have an opinion, design, create and communicate with brands in real time. In turn this will see the customer become ever-more pivotal to a brand's marketing success.

The technology on which crowdsourcing is based is relatively simple – much the same as the basic mobile app or content site. Today, we are all well accustomed to being connected and swapping information with the click of a button. So, as technology continues to play a huge part in all of our lives, it makes perfect sense that adaptable crowdsourcing platforms could develop into those that the everyday person begins to use regularly.

InnoCentive, launched in 2001, is a perfect illustration of how lucrative and valuable straightforward and extensive platforms can be for both companies and individuals.

It works by accepting, by commission, research and development issues across a variety of different fields such as engineering, computer science and businesses. It then frames them as challenge problems for anyone to solve.

It is exactly this kind of platform that businesses might consider taking inspiration from in the coming years. The result of this, as Darren Brabham explains in his book, *Crowdsourcing*, is that in just a short time we could find ourselves taking platforms such as these as much for granted as we do email.

"A crowd will be more willing to cooperate and spread the word about a brand if there's a strong sense of affiliation"

5.2 What could a crowdsourced future look like?

Most traditional descriptions of crowdsourcing limit it to the process of seeking a crowd of people for the best creative ideas, execution or business solution. However, for the brand and the marketer, its use could bring far more.

In the future, companies wanting to be actively seen to take responsibility for the way in which their products are consumed could take into consideration the global reach of crowdsourcing and use it as an effective way of creating a buzz about their organisation.

A great existing example of this comes from Unilever, who with a desire to be seen as a creator of a sustainable product, recently decided to turn to crowdsourcing in a bid to develop and create a 'sustainable shower of the future'. The project will be facilitated through Unilever's recent partnership with co-creation community eYeka, meaning eYeka's online population will gain the exciting opportunity of developing ideas for several well-known Unilever brands.

Crowdsourcing enables brands to connect constantly with the customer, meaning they can create a direct path to the customer, one that is ongoing. That crowdsourced path will create a quasi-symbiotic relationship between the customer and the brand, therefore allowing the customer to have a position in almost every decision the brand makes.

Let us take an example: a fashion start-up wants to target university students. Market researcher Heist, when looking at higher education, discovered most students have relatively little knowledge of universities prior to attending. A lot of them actually select their university on a brand name basis, choosing those with long-established reputations or those that share names with cities, to impress their friends and peers.

So the fashion start-up in our example could choose to turn to the crowd of students themselves, instantly surveying and ideating, building up and testing products in real time. As we start to see a shift of communications from a mere quarterly ad campaign to weekly, or even more frequent communications, that constant connection with the customer will become even more valuable.

Once a new product and/or content is created, brands can then look to this crowdsourced connection channel as their voice. By being involved in both the creation and evolution of the brand, its products and marketing, this crowd is likely to be much more willing to cooperate and spread the word about a brand because of a stronger sense of affiliation.

But although customers may feel more inclined to help brands to which they feel connected, they realise that brands are not non-profit organisations. The crowd recognises their contributions help brands to make money. So in order to build long-term relationships, brands must recognise the contributions their crowds are making and find engaging ways to reward and reinforce them.

Although one cannot argue that customers appreciate and respond well to monetary rewards, it's not enough to simply offer discounts or lower prices. Perks such as VIP content and private access play important roles in customer motivation. Moreover, acknowledgment is a great way of maintaining engagement. Think of how stimulating it is to be for asked for an opinion, as opposed to being cajoled into buying something we don't particularly want or need.

With that in mind, we could well start to see more in the way of businesses using their crowds to preview adverts before they officially air on TV, distribute product samples before they hit the shops, and provide invites to exclusive PR events. That living extension of the brand could serve as a profitable tool, enabling them to sift through the clutter.

"Businesses may, one day, focus more attention on the ways social media and crowdsourcing can fuel their campaigns"

5.3 Challenges marketers face

Despite the simplicity of the technology behind crowdsourcing, many issues in terms of theory and practicality have arisen during a decade of testing and experimentation.

The crowd must always be ready and willing to participate whenever necessary. The majority of current approaches, including closed platform communities that are specific to just one brand, lose strength relatively quickly because of a lack of enough content, benefits and activities to keep customers/prospects engaged in the long term. So in order to achieve future success, interaction with the brand in real-time will be crucial.

'Any crowdsourcing application is only as vibrant as its online community. A crowd dissatisfied with a crowdsourcing organisation is free to leave and a large exodus can cause a crowdsourcing application to collapse entirely.' Daren C. Brabham, *Crowdsourcing*, 2013

To achieve maximum impact, it is imperative that brands have the capacity to easily identify the right audience and engage with the right crowd, using surveys and polls in order to gain useful insights and penetrate central, influential communities. It is vital that broad research is undertaken to gain real insight into the ways in which crowds have helped in the past – the brand must then ensure it has the capacity to retarget those who have been most helpful previously. Incentives have got to be efficient in order to attract both the old and the new customer to your platform.

5.4 Recognising key influencers

Countless newly launched products and businesses initially fail because of a distinct lack of understanding of what their customers really want. Reliable information on the customer's needs and desires is important for success but market research is still often seen as the only way of gaining such insight. Crowdsourcing could be the ideal alternative if used effectively. Let's take Threadless as an example (mentioned previously in the introduction of this guide). This online community of artists and ecommerce website based in Chicago is hugely efficient in providing the customer with what they want while boosting engagement.

How does it do this? By asking pretty much every single customer the same question, while testing each idea with them and then actually listening to them by basing the final decision upon what their feedback was. On top of this, every single design is also co-designed by the online community. Because customers are actively involved throughout the whole process, Threadless' base of vital information regarding applications and solutions is increased dramatically. Co-founder of the business, Jake Nickell, explained: 'The software could really be made by anyone, but building the community that Threadless has become is not easy, it grew because there is such sincerity between the company and the customer.' (teehunter.com)

Also, let's not forget the power of social media. Crowdsourcing campaigns of the minute, more often than not, use social media in order to acquire a greater number of crowdsourced contributions. Although not always correct, theoretically speaking, this leads to a much better quality solution. Social media monitoring technology is quickly becoming increasingly popular and more sophisticated, yet 33 per cent of marketers do not monitor social media at all (prescientdigital.com). In the coming years we could see many more businesses focusing more attention on the ways in which social media combined with crowdsourcing can fuel their campaigns and solve their business problems.

"The crowd could well become the most influential communications channels for a business"

Essentially, if you have good content combined with the skills to use social media effectively, there should be no reason why everything you create crowdsourced or otherwise, wouldn't have the potential to go viral. The crowd will be more than happy to willingly share your content and the customer would much rather be given the opportunity to discover a brand than simply be told about it.

For marketers and advertisers, the focus always remains on creation. We should be experts in creating and bringing new solutions to the market, as well as in constructing and refining any external communications. Surely then, our industry should be embracing an open innovation revolution and what's more, be leading it. On top of being the innovators ourselves, we have the expertise to separate great ideas from the clutter, while maintaining an efficient strategic approach and good content – essentially transforming us into curators as well.

5.5 Personal predictions

As we have demonstrated so far, crowdsourcing and open innovation have certainly, already caused a stir. One of the reasons for this is being a generic expert within your chosen field just doesn't cut it anymore. There is now a strong need for the 'specialised professional' which often requires incorporating expertise from multiple disciplines as opposed to just one. In the future it will only become more and more difficult for businesses to keep up with demand, without finding and employing numerous third parties for just one problem solution.

So the future could see the focus shift to a much greater level of outsourcing via the route of crowdsourcing as opposed to marketers and brands struggling to constantly innovate solely from an internal perspective. The industry could begin to see marketers turning their thoughts to how well they can embrace this growing concept and work alongside the crowd outside of business, spending much more time on identifying and prioritising issues and then combining their solutions with those of the crowd, to create optimum results.

"If I had an hour to save the world, I would spend 55 minutes defining the problem and five minutes finding solutions." Albert Einsten

5.6 Summary

This chapter has discussed the ways in which crowdsourcing has begun to transform the way in which people communicate with one another in the world of business, as well as the idea that we may soon begin to see more of a drastic shift in the ways in which marketers, specifically, connect. My guess is that we can expect the next decade to make this one look positively pedestrian by comparison.

Crowdsourcing is a unique and hugely valuable way for brands to tap into that on-going cocktail party conversation, enabling them to collate thoughts and ideas from the people they really want to target, before they commit themselves to other ideas and alterations that their customers simply do not want. Those who really succeed are likely to be those who embrace open innovation and co-collaboration, particularly but certainly not exclusively via the channel of social media.

That said, the full potential of crowdsourcing has yet to be realised. The young concept remains something of a gamble, in which businesses can expect to see failures and successes all at the same time.

What seems most apparent is the customer will not only play an even more decisive role in the future of B2B marketing, but fundamentally they will be in charge. Furthermore, not only will the crowd harbour more power to exert and contribute much more in terms of development; they could well become the most influential communications channels for a business.

GE ecomagination challenge case study

6

About GE

GE works on things that matter. The best people and the best technologies taking on the toughest challenges. Finding solutions in energy, health and home, transportation and finance. Building, powering, moving and curing the world.

Launched in 2005, ecomagination is GE's commitment to drive better productivity and cleaner energy outcomes for its customers. It has faster, cleaner, better technology systems for energy, locomotives, lighting and airlines.

At its core, ecomagination is about helping transform industries, driving greater efficiency and improving environmental outcomes at a scale that is unique to GE.

The challenge

There are hard problems to be solved in developing cleaner energy solutions. To find solutions requires a global network that spurs open innovation and collaboration backed by real investment.

Rapid innovation that impacts real world outcomes also requires the right partnerships. GE knew it couldn't do this alone so it opened itself up to outside innovation, engaging a range of communities to find, fund and accelerate technology development that delivered real environmental performance gains.

The solution

Launched on 13 July 2010, the 'GE ecomagination challenge: powering the grid' was a $200 million open innovation challenge to uncover breakthrough ideas to create a smarter, cleaner, more efficient electric grid, and accelerate the adoption of more efficient grid technologies. GE teamed up with some of the best-known venture capital firms, including Emerald Technology Ventures, Foundation Capital, KPCB and Rockport Capital, to help back the most promising ideas.

Despite the complex energy issues at play, 'GE ecomagination challenge: powering the grid' was the most successful of its kind, engaging 70,000 participants from more than 150 countries who submitted nearly 4000 ideas – all over a 10-week period.

In response to the overwhelming level of participation and passion the company saw in the first challenge, GE launched a second phase of the ecomagination challenge: 'powering the home'. Phase two focused on home energy with an open invitation for innovative ideas about capturing, managing, and using energy in the home.

Building on the success of these two challenges, GE created two further phases – a region-specific ecomagination challenge in China and a 'low-carbon ecomagination challenge' in Australia and New Zealand.

Results

The challenge drew in fresh thinking from across the globe to accelerate innovation and proved that open innovation can drive real business results.

In addition to galvanising a community of innovators around finding solutions to the world's energy needs, the challenge has yielded a significant return on GE's $134 million investment.

Between July 2010 and July 2011, GE reviewed 5000 business plans and ideas, made 22 investments and commercial partnerships, and provided additional seed funding to 10 start-ups and innovators.

The second phase of the ecomagination challenge, 'Powering your home', resulted in nearly 300 idea submissions and produced

10 new concepts from clean tech sectors including solar, communications, software and building efficiency. Also, as part of phase two, GE announced five innovation award winners, who each received a $100,000 grant to further develop their technology.

The awards ceremony for phase two was followed by a live, eight-hour 'Ask anything' online conversation with more than 25 leading innovators, such as Yves Behar and Tim O'Reilly, and moderated by *Wired*'s Chris Anderson and Jason Tanz. Delegates engaged with the virtual event by the thousands; within 24 hours of the event kickoff, more than 187,000 impressions were generated via Facebook posts, along with 415 likes, 87 comments and 459 poll responses; furthermore, the event drove more than 2030 tweets from nearly 900 people.

Finally, GE's two regional challenges were great successes in their own right. In China, the ecomagination challenge was the largest of its kind in the country, generating more than 200 submissions from participants in the public, private and national sectors. The companies and individuals behind the four winning ideas received $50,000 each in prize money. GE's ecomagination challenge in Australia and New Zealand awarded $100,000 to five teams for their low-carbon innovations.

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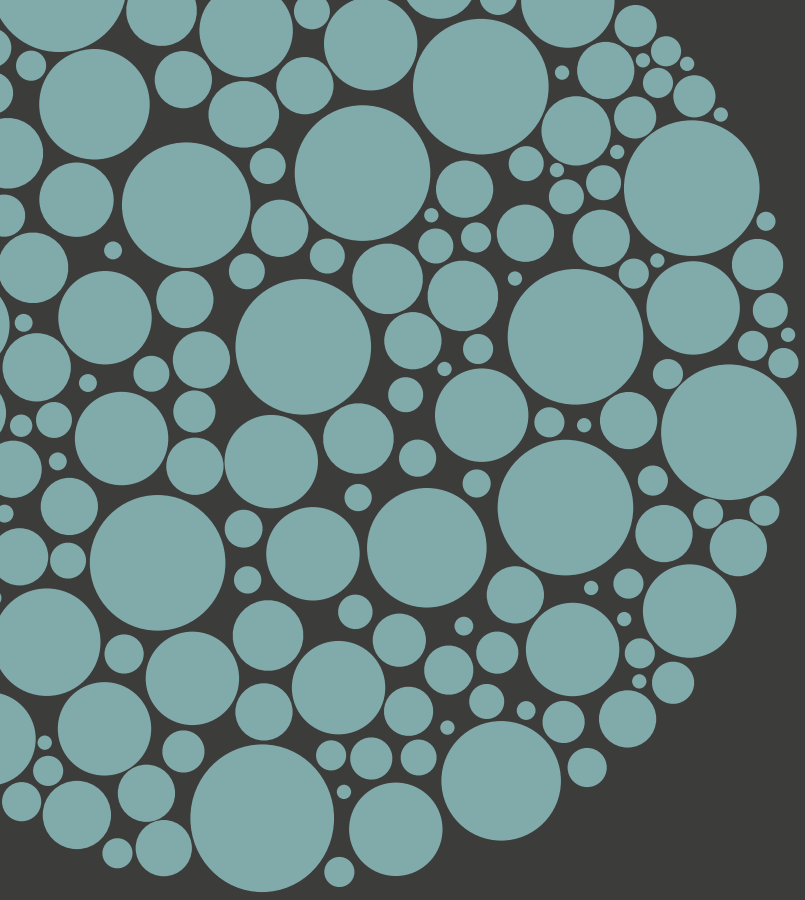
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B2B Marketing
Clover House
147-149 Farringdon Road
London
EC1R 3HN

Tel. +44 (0) 20 7438 1370

info@b2bmarketing.net
b2bmarketing.net