

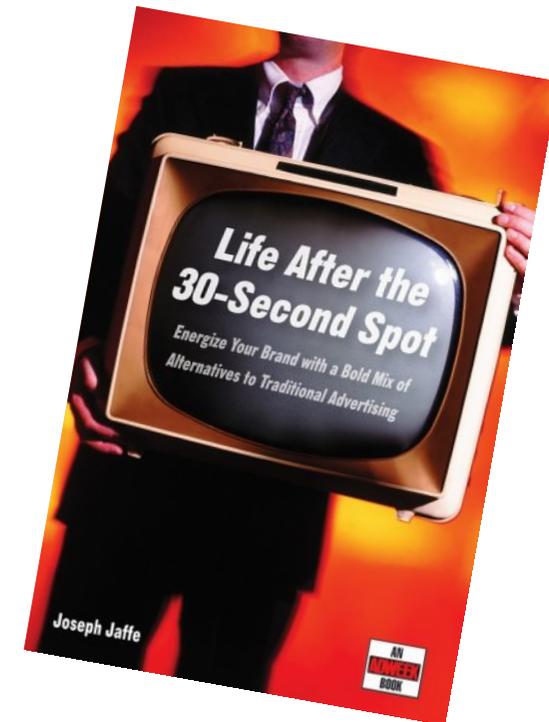
Digital Thought Leaders

Joseph Jaffe

Author and President of Crayon

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Making sense of a digital world

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Speed read

Jaffe exposes the truths and challenges of television advertising and the staggering media wastage facing most brands.

Brands have to wholeheartedly start engaging in the digital spaces. What's important in new marketing is the power of community, dialogue and partnership.

Consumers are fragmented. Marketers have to fragment with them to become relevant for them.

Data analytics is the key for online success. If you know where your customers are and what their behaviour is like then you can win easily. Data is the DNA of the new marketing model.

The new tasks for marketers are to demonstrate products and empower consumers.

It's crucial to get engaged with the real influencers among online communities who are driving the discussion about brands online.

Flight into the heart of online

Joseph Jaffe is refreshingly plain spoken; and pretty outspoken with it. He's enjoying exposing the truths and challenges of television advertising and the staggering media wastage facing most brands. His book, 'Life after the 30-second' spot, is a vitriolic attack that goes beyond the TV commercials to the people who make them and the philosophy that justifies them. Jaffe has set himself out as a change agent within the marketing industry, and his book opens with the frank observation that "the marketing community is divided into those who embrace non-traditional forms of marketing and those who fear them".

“As the marketing industry, we've lied to our consumers. We told them they would get rich, we told them they would get the girl, we never listened to our consumers, it was a world of 'ready, shoot aim': just firing messages at them.”

The numbers are on his side; in a world that exposes us to more than 3200 commercial messages every day, his challenge to television to achieve cut-through is seductive. In the channel zapping, Tivo generation, the disconnect between marketers' thinking and life on the high street is worth some study. It's not that there's a gap; it's that there's a chasm. And that's where Jaffe's bridge is being built.

Crayons and Second Life

Take his agency, Crayon: in the virtual world of Second Life, Crayon, has put a massive energy into their presence, with a beefed up space and a show reel more in sync with a pop video than a credentials pitch. This is a guy who likes getting his feet wet: "The model is real simple. If the weather bureau wants to find out the size and damage of a storm, they fly right into its heart, and that's the only way you can tackle online".

Podcasts and immersion

Full immersion is clearly part of the Jaffe way. Out comes a microphone and up goes a podcast. 'Across the Sound' is not far off its hundredth episode, and while most folks are just starting to listen to podcasts, Jaffe has set up a whole podcast channel: this is a guy who doesn't do things by halves as I find out after he finishes talking through some of the ideas in the book. Yep the podcast is ready to download by the time you read this.

The new consumer and the challenge for the corporation

When it comes to new marketing for the new consumer, Jaffe boils it down to a confrontation between three key strands:

- Technology: massive change
- Consumers: constant changing
- Organisation: change resistance

An obvious tension emerges here, but his connection to the organisational dysfunction of most firms is particularly interesting. Marketing chiefs have a short life span, moving pretty much within two years on average. Jaffe makes the link that the resulting myopia in thinking is an institutionalised barrier to embracing digital marketing, and responsible for the inertia.

“As the marketing industry, we’ve lied to our consumers. We told them they would get rich, we told them they would get the girl, we never listened to our consumers, it was a world of ‘ready, shoot aim’: just firing messages at them.”

Jaffe says that’s why he wrote the ‘Life after the 30 second spot’. He’s adamant that the whole marketing process needs a rebuild from scratch, and the thinking behind it needs a paradigm shift. Citing annual budget cycles as being a perfect tool that works against smart long term marketing thinking. 152 Chief Marketing Officers left their jobs in the US last year, with an average tenure of 24.2 months. “Two years to make a difference just isn’t long enough.”

“Marketers have to start asking the question: ‘why doesn’t it work the way it used to?’”

“Marketers have to start asking the question: ‘why doesn’t it work the way it used to’. Iconic brands are having to compete with crap on the left and crap on the right.” Jaffe is vitriolic about brands that wholeheartedly fail to even bother engaging in the digital spaces.

Jaffe's aim is to make businesses understand the digital environment and find ways to keep up with its pace of change. He decided to write the main points down which he turned into a book: “Join the conversation: How to engage marketing-weary consumers with the power of community, dialogue and partnership” is due to be released in October.

Jaffe’s ten truths for marketing strategists

This is a neat way to sum up the challenges marketers are facing. It may prove a daunting ‘to-do’ list for most firms, but just getting a few of these wrapped will stand you in good stead.

1. Your consumer is fragmenting; fragment with them

It’s a neat way of bridging the gap for what firms should do, and Jaffe says that “you need to fragment with them because every time they fragment further it makes it easier for you to be relevant to them.” ...and the bad news is that it’s only going to get tougher: “We’re not walking in the park any more, we’re climbing Everest: the rate of change is increasing all the time”.

“To call the web a medium is an insult; it’s a storefront, a community, a psychologist, an entertainment platform. It’s whatever you want it to be”

2. It’s time to regain the trust of our consumers

“Small print is the instant indicator that you’re lying to your customers,” and Jaffe is not pulling any punches in challenging brands to be more honest.

“The rate of change is increasing all the time”

3. Follow the trail

Data and analytics may not be the sexiest branch of marketing, but Jaffe is absolute: “where most marketers are looking is the wrong place, if you open your eyes you see them. Data is the DNA of the new marketing model.”

“Data is the DNA of the new marketing model”

4. Explore new roles for marketing

The explosive growth in new marketing formats is something Jaffe neatly champions. As an aside Jaffe’s take is that the high frequency of advertising in any media is just a direct correlation to its inefficiency. To explain it he twists around the classic models of marketing to indicate the legacy of the thinking.

- Traditional models: Informing, persuading and reminding
- New models: Demonstrating and empowering

Jaffe cites four strategic trends as the drivers of change: the always on nature of broadband, the any-place nature of wireless, the power of search advertising and the concept of social networks. He sees them coming together to create “the perfect storm” in the scale of change they demand.

5. Embrace the 93 colours (it’s an analogy of the colours in packs of crayons)

Today’s consumers need more than three primary colours in their communications. Jaffe has a neat way of summarising this by looking at the colours in a massive box of crayons and all the shades and blends that go way beyond the primary colours. “To call the web a medium is an insult; it’s a storefront, a community, a psychologist, an entertainment platform. It’s whatever you want it to be”.

On the topics of integration he’s clear that “everyone talks about it but not that many people really get it”.

“Everyone talks about integration within digital channels but not that many people really get it”

“The internet is the integrator in marketing. If you’re buying integration and there’s no web element then you’re simply not buying integration”. He argues that it’s not about the duplication of messages between channels, but about how each channel can work in a combined media mix.

6. You are the community you keep

“....or more importantly you are the community that keeps you.” This is another neat way of twisting the convention of ‘you are the company you keep’. It’s one of those truths of the digital networked society and hard to fight against. It’s just that now your community is networked and the connections often widely apparent, it’s a neat way of looking at things.

7. Join the conversation

The shotgun approach to marketing in the early days gave way to Peppers & Rogers. In Jaffe’s reading of the market, the gods of one to one in turn gave way to today’s mashed up YouTube many-to-many debates.

8. You must activate the new influencers

The message here is to get engaged with the real influencers who are driving the discussion about brands online. This is a good bridge to Malcolm Gladwell’s Tipping Point where Gladwell deconstructs the social marketer’s challenge into about three key phases and just a few key types of players.

“The internet is the integrator in marketing. If you’re buying integration and there’s no web element then you’re simply not buying integration”

9. Production is the new consumption

The rise of the consumer content creator has hit the media industry like a tsunami in the last three years. It’s hard to imagine the full implications for brands, but Jaffe is clear that firms need to be embracing this. It echoed our interview with Joel de Rosnay who talked of the Pro-net-ariat as a group who had in their hands the tools of the means of production.

10. Experiment (or be experimented on)

Like Jaffe, we’ve been arguing for a decade that this isn’t about minor change in the economic landscape, but about the death of brands that don’t get it. It’s worth checking out Jaffe’s manifesto for experimentation.

Meet your Digital Thought Leader



Joseph Jaffe is President of Crayon

One of the most sought-after consultants, speakers and thought leaders on new marketing, Joseph Jaffe is President of Crayon, a new marketing company. He also runs a popular blog, "Jaffe Juice," (www.jaffejuice.com) which provides daily commentary on all things new marketing. He also hosts a weekly new marketing podcast called "Across the Sound."

His first book, "Life After The 30-Second Spot: Energize Your Brand With A Bold Mix Of Alternatives To Traditional Advertising" (Wiley/Adweek) was released in June 2005. In October 2007, his second book titled, "Join the conversation: How to engage marketing-weary consumers with the power of community, dialogue and partnership" will be published by Wiley.

Joseph is a Senior Fellow at the Center for the Digital Future at the USC Annenberg School and he has also lectured part-time at NYU's Stern School of Business, Cornell's Johnson School of Business and Syracuse University.

“I predicted a long time ago that one day, the new wave of leadership in the marketing/media space would come from within the digital space. There is absolutely no conceivable way that the leaders of tomorrow can possibly come from anywhere else than the digital realm.

That doesn't mean they necessarily have to be in digital at the time, but they're going to have to be deeply and intimately versed in the interactive space in order to stand an iota's shot in hell of being considered.”

Joseph Jaffe

Our take at Digital

We carry out these interviews to connect you to people making waves in the digital networked society. The aim is reflection, then action. After digesting our conversations with Joseph Jaffe, here are a few take-aways that might be worth deeper consideration:

1. Check the numbers

If you're heavy TV users then think about his message and check the data tallies up; that the audiences really are where you expect.

2. Role-play life without classic marketing

Just imagine what it would be like; where you'd go, how you'd reach your audience. Jaffe hits the extremes to make the point, but in a new world of pull rather than push, engagement rather than interruption, how does your marketing play out?

3. Take part

If you're marketing team isn't already taking part in online communities then get their feet wet. It doesn't mean setting up Facebook profiles or retail outlets in Second Life, but it does mean some active exploration.

4. Fragment with them

Think about the strategy; think about how it will work. As the pace of fragmentation quickens, think about what happens next.

5. Run the trust audit

Jaffe's claim that marketers have been lying to their customers is bold, abrasive, but sadly not unfounded. By running a 'trust audit' you'll get a sense of where the gaps are. At business school it might be called cognitive dissonance – the gap between how you think you'll feel when buying the product and how you actually feel – but there's no flowery language to hide behind.

Reflections: a new thinking in marketing

Brands need to get real or get out. Jaffe is great for bringing this all into focus, and in an unashamedly confrontational style. It's too easy for firms to hide behind the walls of their marketing siloes, be resigned to the speed of thinking that naturally flows from an annual

marketing budgeting process, or continue to paddle on the edge of the pond rather than diving into the water.

In the last two years I've helped teach thousands of marketers from more than 20 countries about the power of digital marketing, and I'm sharing Jaffe's frustration. This shouldn't be sugar-coated anymore. Brands that forget digital marketing are forgetting their customers, and by doing that, forgetting their shareholders. Brand loyalties are shifting and there's a new awareness among consumers of the power they have.

Jaffe's ten themes are solid, his language neat, and the pathway as challenging as it is rewarding. He's hitting hard on corporate structure as bullwarks against change, but what I personally took away was a sense that it's okay to get angry: this is 2007 not 1997, marcoms teams in some of the world's largest brands continue to fail their firms and nobody's shouting.

The era of interruptive advertising is giving way to engagement, the dumbed down models of ABCs within social grade are finally being kicked into touch, and the web is emerging as both a catalyst for change as well as a plethora of channels. The landscape for marketers is barely recognisable to what it was when the web started, just fifteen years ago, and yet the thinking of most firms seems to have barely changed. Jaffe's explosive mix of plain speaking, cynicism and confrontation is refreshing; it's time that more of us got out there and got angry.

Actions

Review your relationship with consumers; work as a group to develop the route.

- 1. Check the numbers: If you are a heavy TV user then check it still delivers the reach.**
- 2. Role-play life without classic marketing: Just imagine what it would be like.**
- 3. Take part: Get your feet wet in online communities.**
- 4. Fragment with them: Think about the Jaffe approach and what it means.**
- 5. Run the trust audit: Test if Jaffe's claim that marketers have damaged the beliefs of consumers is a live problem in your market.**

Think how you can engage more.

Meet other Digital Thought Leaders

Here are three other Digital Thought Leaders who are pioneering user-generated content. Their brands and models are each different, but in times of huge economic and social change, this type of knowledge becomes a critical success factor. That's why we created the Digital Thought Leaders interviews: to bring you closer to people and brands shaping the digital networked economy.



Professor Joël de Rosnay, CEO Biotics International

Professor Joël de Rosnay is at the forefront in the fusion of biology and technology. In this discussion he explores ideas behind the next generation web, and talks about the relationship between technology and people. Joël is an accomplished author and "The Symbiotic Man: A New Understanding of the Organization of Life and a Vision of the Future" provides a deeper insight on many of these issues.

Jim Sterne, CEO Targeted Marketing

Sterne focuses his twenty years in sales and marketing on the changing landscape of the web as a medium for creating and strengthening customer relationships. Today his main focus is on web metrics and how they can unlock commercial value. He is the recipient of the 1999 Tenagra Award for Internet Marketing for Excellence for Individual Contribution to Internet Marketing. Sterne was named one of the 50 most influential people in digital marketing by Revolution, the United Kingdom's premier interactive marketing magazine.



Vince Broady, Founder, GameSpot.com

Ten years ago, Vince set out to create an online magazine for gamers. What he's succeeded in building is one of the web's pioneering community sites, with millions of avid gamers chatting, messaging and now videoing for each other. GameSpot is a laboratory of early adopters.

Antoine Clement, Elle.fr

For sixty years Elle's magazines have been media icons. Under renewed enthusiasm they're embracing the web, and they're taking on board the new models of publishing. With 39 editions and 20 websites, Clement's brands have come a long way from a single media proposition. But only continued innovation will let them succeed in an increasingly challenging online market.

Craig Newmark, Founder Craig's List

This vast network of local communities covers 175 cities in more than 30 countries. The List offers a free place to post adverts and information, and it's triggered a wholesale migration of classified advertising in North America.



Training and Development from Digital Strategy

If your firm wants to harness the power of Web 2.0 publishing strategies, blogs, rss feeds and analytics, then why not talk to the team here at Digital? Our network of senior associates can deliver the hands-on expertise you need to change the way your team behaves, enabling them to understand and implement new publishing strategies. We can work with you to support the rapid prototyping of new ideas and the building of simple tools that will allow you to use these new insights to improve your conversion rates, unlocking more of the value from the digital channel investments you've already made. Our range of training services spans executive briefings for boardroom colleagues to hands on workshops for data analysts and marketing managers. Call us to find out how we can help your team achieve more.

About the author

Danny Meadows-Klue has been a commentator on the digital networked industries since 1995. He managed the UK's first online newspaper and has helped run web businesses ranging from mass market portals and consumer magazines, to online stores, search and email services. Among his industry roles he is the co-founder and former chairman of the UK and European Internet and Interactive Advertising Bureau, and has been lecturing on digital marketing for more than a decade. He set up Digital Strategy Consulting in 2000 to help firms accelerate their businesses through digital networks.



About Digital Thought Leaders series

In times of huge economic and social change, knowledge becomes a critical success factor. We created the Digital Thought Leaders interviews to bring you closer to people and brands shaping the digital networked economy. They are based on private interviews or lectures we've participated in, and are published monthly. We also publish similar insight papers to accompany our own talks and training workshops, to unlock the potential of your team.

Resources & Links

www.DigitalStrategyConsulting.com/thoughtleaders for more interviews - contact us to sign up for the email edition of Digital Thought Leaders and share with us your comments about this interview.

Digital Training Academy courses on related topics include:

- Digital's Community and Web 2.0 Strategies Academies
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- Digital's Blogging and Citizen Journalism Academies
- Digital's Organisational Academy for building agile and innovative teams

Digital's Executive briefing seminars about media in the digital networked society

Our company support programmes includes

- Coaching and mentoring for senior management
- Customised in-company training programmes
- Management clinics for critical issues
- Workshops for staff at all levels
- Research briefing services
- Training and development

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