

PATRICK CLARK DAVIS CONSULTING | AN OVERVIEW AND POSITIONING DOCUMENT

Patrick Davis is a dynamic and developed thinker rooted in education and practical business experience, whose thoughts can bridge the gap between what is and what will become. As an expert social learner, Patrick's capacity to decode pattern and meaning within the social context of business is unparalleled. Coupling logical, relational thought with out-of-the-box concepts, Patrick is relevant to a myriad of professionals, businesses, non-profits, public/private partnerships, etc.

Unlike other idea men, Patrick Davis is not intent on coloring understanding by passing it through a singular, corporate or agency-directed filter. His offering is simple, yet profound: the best ideas come from those already conceived of. A leader of thought, Patrick is unpretentious and flexible, willing to make the time to understand, inform and transform thought in ways that transcend traditional consultative models.

Patrick's process of engaging with each client begins with real learning tasks geared toward the discovery of root concerns, constituencies, connections and concepts. Through this collaborative-analytical model of discovery, rooted in deeply personal and "undressed" communication, Patrick is able to synthesize salient and otherwise meaningful areas of development and intelligence. Informed by quantitative values significant to successful business, Patrick's qualitative, client-informative process yields results that are pivotal to any discussions of self, customer or brand.

Positioning

If the 19th century was the industrial revolution, and 20th century was the information revolution, then the 21st century is the social revolution. This social revolution results from the convergence of three forces.

Social media: the ability to connect people and ideas with velocity. Connectivity and knowledge are generating empowerment, participation, and transparency.

Social responsibility: the expectation that companies make a positive contribution to society. Successive corporate scandals from Enron, AIG, and BP have raised the level of scrutiny.

Social innovation: the need for creative solutions to complex challenges. New approaches are needed in jobs, health care, education, water, transportation, energy, and the environment.

This convergence creates a challenge for organizations who are accustomed to targeting messages to discrete audiences, maintaining separate public and private personas, and assuming the public sector will provide the public goods necessary for a well-functioning society.

Organizations of all sizes, in the private and public sectors alike, are grappling to make sense of this new social landscape. They recognize the need to give up control, but have yet to find the new methods of influence. They hear the call for more participation by customers and citizens, but wonder when collaboration goes too far. They understand that the role of business is changing, but have yet to find the equilibrium that achieves both profit and purpose.

Today's companies face this challenging and ever-changing economic and communications environment: a chaotic social marketplace centered around new technologies and social networks, in which customers have myriad sources of independent information, as well as a visceral distrust of corporations, weakening their reliance on and need for traditional business marketing and advertising.

- o **Television advertising**, once the standard communications medium for companies and brands, is increasingly viewed as either pure entertainment or merely irrelevant as consumers rely on the Internet and friends—their “social network”—for product information. And television, as a medium for advertising, is in serious decline—particularly in the United States, where 18- to 34-year-olds are defecting to the Internet in ever accelerating numbers. In many cases, it no longer makes sense for advertisers to spend millions of dollars on big-production TV commercials.

- o **Well-publicized corporate scandals** and debacles such as the Enron affair, the Wall Street crash and bailout, the BP oil spill, and the Toyota recall have created a “climate of suspicion” among consumers, who instinctively tend to distrust companies and brands and view even “socially responsible” messages from companies as purely marketing devices and inherently untrustworthy.

- o **“People and institutions interacting** with firms have unprecedented access to information about corporate behavior, operations, and performance. Armed with new tools to find information, a variety of stakeholders now scrutinize the firm like never before, informing others and organizing collective responses.” (Don Tapscott, coauthor of *Wikinomics* and *MacroWikinomics*)

- o “The savvy marketing leader knows that reaching customers is increasingly becoming challenging as **their touchpoints continue to fragment.**” (Jeremiah Owyang, Altimeter Group, author of *Web Strategy* blog)

\$500 billion is spent each year on marketing in the United States—but whereas formerly companies and their marketers communicated with consumers and influencers in what was essentially a controlled, one-way monologue, now, with the rise of the Internet and social media, consumers, influencers, bloggers, friends, and communities of fans all “talk back” to companies and comment on brands, positively and negatively, authentically and irreverently.

- o “The era when a small set of professionals controlled media creation is over. **Anyone can now say anything to anyone.**” (The Guardian, May 18, 2009)

o “There is a level of intrusion and the difficulty for brands is that they are not only competing with each other but, more importantly, **with the people having the conversations [about them]**, sharing photos and enjoying each others’ company.” (Marketing Week)

o **“The emerging crisis of brand identity could very well be the first syndrome of its kind for the new social media age.** And it’s not just the result of brands opening themselves up to more consumer control, a fact of doing business today. **The rapid rise in use of blogs, branded social network sites and video syndication has created a far more fragmented and inconsistent online presence and voice for many brands now engaged in social media.** So what was once a clearly defined identity gets easily lost in the race to create another Twitter account here, or Facebook fan page there.” (Chris Perry, Advertising Age, Sept. 8, 2010)

o “Here’s something four-year-olds know: Media that’s targeted at you but doesn’t include you may not be worth sitting still for. Because four-year-olds...just assume that media includes consuming, producing and sharing.” (Clay Shirky, author of Here Comes Everybody and Cognitive Surplus)

The old idea of merely targeting to demographic or psychographic profiles is dead. Marketers now need to understand the social network—derived from Mark Zuckerberg’s notion of the “social graph”—not what people of a certain type think, but what people actually do in certain situations and social circles. There can be no typecasting anymore. People choose the brands they want to interact with. Customers are independent actors and free agents now; companies must interact and engage with them, rather than targeting them.

o “If you are still marketing the same way you were five years ago, you’re almost certainly doing **the wrong thing.**” (Andy Green, CEO, BT Global Services)

o In this new environment, companies **can easily find themselves taken by surprise and themselves publicly targeted by customers for their misdeeds,** as in the YouTube video “United Breaks Guitars” (about United Airlines).

BEYOND FACEBOOK AND TWITTER: COMPANIES STRUGGLE WITH SOCIAL MEDIA

Most companies today know the basics: they must have a Web presence, they must be responsive to customers, they need to somehow leverage social networks such as Facebook and Twitter. But what are the next steps? Where should companies go to reach and interact with customers beyond “likes” and “tweets”?

o “Where it does not work is when cold, hard, lifeless organizations start trying to spark interactive social media conversations. It’s not welcome. It’s not valuable. And it’s not working.” (Marketing Week)

“People don’t need to be more like brands. Brands need to be more like people.... If anything needs some ‘personal branding,’ it is brands and companies.” (Esteban Contreras, author of Social Nerdia blog)

“If social media tools are going to make a meaningful commitment to the way our world is run you have to remember to build trust, to build institutions and to build strong ties.” (Malcolm Gladwell, author of The Tipping Point and Blink)

“If you follow me on Twitter, I do not own your heart. I may own your pocketbook momentarily. And I may own your attention for five seconds, but that’s it.” (Malcolm Gladwell)

“[D]irecting people to branded social media pages should be done with care.... Marketers should use methods such as competitions or clickthrough virals to drive brand engagers towards social media in a relevant way. Simply putting a TV ad or humorous out-take online is not enough....” (Marketing Week, Sept. 9, 2010)

“The biggest downfall of social media for business is that it’s really easy to half-ass and think you’re doing it right.... To access the business value in social media takes as much time and effort as any other business strategy.” (David Spinks, author of The Spinks Blog: A Fresh Look into Social Media)

TO SURVIVE IN A FAST-CHANGING BUSINESS AND GLOBAL ENVIRONMENT, COMPANIES MUST BE COLLABORATIVE

Slowly, some corporations are beginning to employ collaborative social media strategies to promote greater citizen engagement and customer interaction with their brands, to partner with other companies in a collaborative way, and to make consumers both their best marketers and their in-the-field researchers.

o Collaboration between firms is not new. But the breadth and depth of collaboration has changed in recent years, with companies now cooperating, with each other and with customers, on everything from sales and marketing to basic product research and development. This has been spurred on in part by the pressures of globalization and increased competition, and aided by rapid recent advances in information and communication technologies.

o “Brands should focus on social marketing that harnesses the ‘social graph,’ which is getting friends to share with their own friends. By developing advocacy programs and focus[ing] on

word of mouth marketing, brands can increase marketing and sales margins by getting customers to do the work for them.” (Jeremiah Owyang)

o “Last.fm has an audience who engage, and brands have been asking them questions. Nike, for example, has been asking what the best running track is. And when Motorola asked what music should be used in its next TV ad, it got 10,000 responses.” (Miles Lewis, senior VP of International Ad Sales, Last.fm music and networking site)

Key Messages:

Patrick Davis helps companies navigate the complex world of social media and engage authentically with customers by building and maintaining truly collaborative brands.

o We help companies shake off the habits of “one-way thinking” that worked before media became social, and audiences became communities. We instill new habits based on two- and three-way thinking, and design innovative programs that engage citizens, consumers, and influencers in authentic and meaningful dialogue.

o We believe collaborative brands are built on seven pillars—“The Seven Co’s”:

- § Content
- § Conversation
- § Community
- § Co-creation
- § Competition
- § Commerce
- § Contribution

o We combine these elements into new marketing initiatives and business ventures that create value for individuals, organizations, and society as a whole, including:

- o Branded Education**
- o Open Innovation**
- o Public/Private Collaboration**
- o Influencer Communities**
- o Conversational Design**