



USER-GENERATED COMMERCIALS

By Anita M. Barci
May 2007

Note: The Media Management Center (MMC) at Northwestern University thanks the author for this paper, which is being published in conjunction with the Social Media Marketing Symposium May 9, 2007. The Symposium is organized by graduate students at the Kellogg School of Management and jointly hosted by MMC and Kellogg.

The paper was written as part of a Kellogg graduate media management class (Media Management 912: Understanding The Media and Their Content) taught by Prof. Michael P. Smith, executive director of MMC and director of Kellogg's Media Management Major. Please direct any comments or correspondence regarding papers from the Social Media Marketing Symposium to m-smith3@northwestern.edu.

All opinions and observations expressed in this paper are the author's and do not necessarily represent MMC's position.

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User-generated commercials (UGC) have been around for longer than many people realize. A *Brandweek* article cited the fact that MasterCard's "Priceless" campaign has been inspiring such satirical ads for nearly ten years. And Converse was considered an early adopter of UGC, having solicited 30-second "films" beginning in 2004 and paying consumers whose spots appeared on-air \$10,000.¹ But this past year, several more companies began experimenting with UGC, due in large part to the proliferation of consumer-generated videos and YouTube. Bob Liodice, president of the Association of National Advertisers said, "While customer input harkens to the early days of jingle-writing contests, today's level of interaction is unprecedented... Computer-savvy consumers, many already crafting personalized Webpages, blogs and streaming videos, have the ability to make near professional-level commercials."² This became particularly evident during Super Bowl XLI, which was the first to include UGC in its broadcast and paved the way for what some believe to be the year of user-generated marketing.³

UGC can take various forms, depending on whether or not a company has solicited consumer input for its commercials, how much control the company wants over the final product, what incentives the company has offered, and what motivates a particular consumer to create the commercial. According to Mike May, an interactive media analyst and consultant with The Acorn Group, there are three criteria for determining if a product or brand can successfully support a consumer-generated campaign, including having consumers who (1) feel passion for your brand and want a relationship with it, (2) are inclined to be creative and (3) have enough spare time and the technological means to participate.⁴ Depending on the circumstances, UGC has the potential to either go very well or to backfire, as described further below.

UGC attracted much attention in March 2006 when General Motors partnered with "The Apprentice" to set-up a Website enabling consumers to create ads for the all-new Chevy Tahoe. The Website outlined specific guidelines for the commercials and gave people the necessary tools to choose backgrounds and video images, as well as input their text, in an effort to win various prizes. Things went terribly wrong when GM found that people were using the site to create negative ads emphasizing the vehicle's low gas mileage and contributions to global warming.⁵ This initiative is often mentioned as an example of how UGC can backfire.

¹ Petrecca, Laura. "Amateur advertisers get a chance," *USA Today*, March 27, 2006, http://www.usatoday.com/money/advertising/2006-03-27-amateur-advertisers_x.htm.

² Tanaka, Wendy. "D.I.Y. Ads," *Red Herring*, January 29, 2007, <http://www.redherring.com/Article.aspx?a=20955&hed=D.I.Y.+Ads>.

³ Ibid.

⁴ Moskowitz, Robert. "The Agency of the Future: Consumers," *iMediaConnection.com*, April 26, 2006, <http://www.imediaconnection.com/content/9265.asp>.

⁵ Autoblog, "Chevy's 'Make Your Own Tahoe Commercial' idea not exactly going as planned," March 31, 2006, <http://www.autoblog.com/2006/03/31/chevys-make-your-own-tahoe-commercial-not-exactly-going-as-pl/>.

On the other hand, UGC also has the potential to be very successful, as evidenced by some of the advertising on this year's Super Bowl broadcast, where Frito-Lay, General Motors and the NFL all conducted contests inviting consumers to create commercials for their brands. While both GM and the NFL helped "finesse" the final ads, Frito-Lay actually aired the winning Doritos spot unedited, although consumers were required to work from a creative brief developed by Frito-Lay's ad agency that outlined the intended theme. In addition, Frito-Lay claimed to rely on Yahoo's track record of editorial review to make sure that no ads got posted to the "Crash the Super Bowl Challenge" contest site that would potentially denigrate the brand or send a message not in-line with company values.⁶

There was indeed significant upside for Frito-Lay with this UGC contest: (1) the company was able to save six or seven figures on ad production costs, (2) the production of all the commercials generated huge buzz online and offline, (3) the public voting process generated millions of page views, and (4) the videos found their way to many other popular video Websites.⁷ Despite its success, Reprise Media's Super Bowl search-marketing scorecard pointed out that the effort could have been even more impactful had Frito-Lay followed-up and supported all of the buzz generated with paid-search ads.⁸ In any case, the initiative definitely seems to have paid off, not only because the winning "Live the Flavor" user-generated Doritos commercial was the most-liked ad on the Super Bowl (according to the IAG Research reported in *Advertising Age*), but it was also able to tap into two of the biggest attention grabbers online right now – amateur video and social networks.⁹

As Robert Moskowitz said, "By using consumer-generated advertising to harness the love of a target audience for a specific brand or product, an advertiser can position itself on the receiving (end) of vast amounts of grass roots creativity, industry buzz, media attention and consumer interest – all at a bargain price."¹⁰ Grant McCracken, an author, anthropologist and consultant, takes a broader view, describing consumer involvement as a kind of branding Reformation: marketing professionals used to be the high-priest gatekeepers, but now we can all have a direct relationship with the Almighty Brand. He refers to this as brand "co-creation" (a term he credits to C.K. Prahalad, a business professor at the University of Michigan), and sees it as both inevitable and smart, even in the case of the Tahoe controversy.¹¹ As marketers continue to try and breakthrough the clutter of an increasingly fragmented environment, they will certainly continue to explore new ways of connecting with consumers, such as user-generated commercials, as appropriate.

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⁶ Usborne, Nick. "Do User-Generated Ads Work Harder?" *iMediaConnection*, February 1, 2007, <http://www.imediaconnection.com/content/13452.asp>.

⁷ Ibid.

⁸ Klaassen, Abbey. "Many Super Bowl Advertisers Drop the Ball on Search." *Advertising Age*, February 5, 2007, http://adage.com/superbowl07/article?article_id=114826.

⁹ Usborne, Nick. "Do User-Generated Ads Work Harder?" *iMediaConnection*, February 1, 2007, <http://www.imediaconnection.com/content/13452.asp>.

¹⁰ Moskowitz, Robert. "The Agency of the Future: Consumers," *iMediaConnection.com*, April 26, 2006, <http://www.imediaconnection.com/content/9265.asp>.

¹¹ Walker, Rob. "Free Advertising," *NY Times*, 28 May 2006, section 6, p.20.

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