Crowdsourcing in the service of online marketing:

Fans turn out new ideas

It's common knowledge that the changes in the field of IT and "new media" are progressing at a very quick pace and involve continuously new possibilities and trends. Based on its importance for marketing management, one can say that online marketing is providing much more new knowledge than any other topic.

by Ines Maione

Companies must constantly observe the trends and changes in the areas of search engine optimization, search engine advertisement, further online advertisement options, social media, mobile devices, communication channels as well as web based interactive options in order to provide marketing activities that are target-oriented and up to date.

Crowdsourcing in its current form is the result of the development of comprehensive interactions, data storage and data exchange that web technologies in particular offer. Used together with cloud computing, crowdsourcing enables companies to carry out many procedures irrespective of time, space, quantity and resource limitations. This extra flexibility makes crowdsourcing an ideal tool for the efficient realization of innovative and up-to-date online marketing measures.
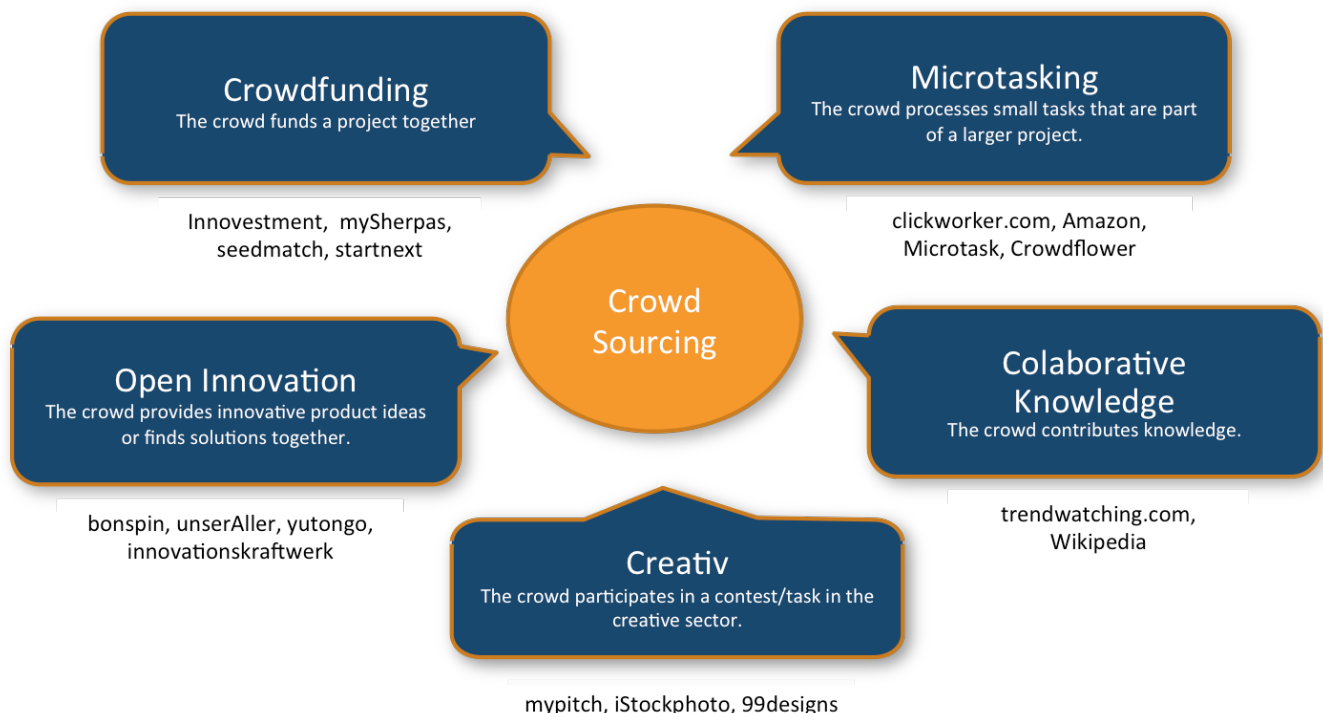
The diversity crowdsourcing offers

Crowdsourcing can initially be classified in two areas. In (unpaid) crowdsourcing and paid crowdsourcing. Crowdsourcing is a word combination that comes from crowd and outsourcing. Tasks and projects are distributed to the intelligence and work force of a "crowd" of Internet users (outsourcing). The most prominent example is the encyclopedia "Wikipedia" where Internet users contribute their knowledge and articles free of charge. On the other hand, in paid crowdsourcing Internet users, so-called crowdworkers or clickworkers are paid for their services. Paid crowdsourcing is sub-divided into areas of use and process flow. Creative tasks are generally offered in the form of tenders where only the winner receives payment. Tasks that include the creation of large amounts of short texts, translations, tagging, categorization, surveys and web research are offered in the form of micro jobs (microtasking principle). Every clickworker receives a fixed fee for each task that has been correctly performed.

Breaking large projects into smaller micro jobs is advantageous because the jobs can be completed simultaneously and the entire project can be processed at record speed. Depending on the crowdsourcing provider, the crowd is made up of thousands of national or international clickworkers each of whom is qualified for specific tasks.

The illustration "Crowdsourcing diversity" gives a quick and comprehensive overview of the application areas and fields of crowdsourcing.

Crowdfunding
The crowd funds a project together

Innovestment, mySherpas, seedmatch, startnext

Microtasking
The crowd processes small tasks that are part of a larger project.

clickworker.com, Amazon, Microtask, Crowdflower

Crowd Sourcing

Open Innovation
The crowd provides innovative product ideas or finds solutions together.

bonspin, unserAller, yutongo, innovationskraftwerk

Colaborative Knowledge
The crowd contributes knowledge.

trendwatching.com, Wikipedia

Creativ
The crowd participates in a contest/task in the creative sector.

mypitch, iStockphoto, 99designs

Crowdsourcing in the field of online marketing

McDonalds has officially referred to crowdsourcing as an important aspect of its marketing. With the German "Mein Burger" action, the company reached nearly two million consumers who actively participated in the contest either with their own burger creation or by casting a vote. But other large companies such as Tchibo, Fiat, Starbucks, Lego or DeBeukelaer have also discovered the use of crowdsourcing. They use their fan communities on social platforms, their websites and blogs to acquire new product ideas and opinions directly from the consumer. Or they gain and retain new customers by involving them in the development of their products.

Small and medium-sized companies with small fan communities on Facebook and co. can also make use of the crowdsourcing concept and involve suitable crowdsourcing providers. However crowdsourcing can be used in further areas of online marketing. The use of crowdsourcing in online marketing gives a particular significance to communication (promotion) and product policy (product) within the typical marketing mix distribution based on the 4P model (product, price, promotion and place). The following list exemplifies how companies can incorporate crowdsourcing in their marketing mix.

Product policy (product)

To the greatest possible extent, assortment and product planning are performed in a typically conventional manner. Both in the past as in the present, a product must be tailored to the exact needs and wishes of the target group to be successful. The feedback and review options, as well as the storage of consumer behavior and statistical data information offered by the Internet can shape decisions in the area of assortment planning.

With the use of crowdsourcing, the Internet can be used as a marketing tool to acquire opinions, suggestions for improvement, product ideas and information with regard to consumer behavior and relevant market users.

- Obtain consumer opinions / surveys
- Test online products and services
- Acquire innovative product development ideas, design and product names
- Create product and packaging design
- Obtain ideas about possible or missing value added services that are offered online
- Creation and research of value added services offered online for example additional information, lexica, reviews, blog articles, instruction manuals, screen savers, links, etc.
- Web research of product information of competitors

Price policy (price)

Prices, discounts, payment and delivery conditions are not determined through online marketing measures, but they often offer favorable conditions as an incentive for online purchase. The Internet offers many different information options regarding prices and conditions and provides transparency concerning the price policy of the competitors, which can also be decisive for their own price calculation. This is where crowdsourcing can be used to observe the market.

- Web research of price information and conditions of competitors

Communication policy (promotion)

With the growing number of Internet users many target groups of companies are increasingly being contacted through the Internet. This is why every company must proportionately increase its use of the Internet to communicate the desired messages and information regarding the company and the products and services it offers. Since texts and graphics are the central instruments in the area of online promotion the use of crowdsourcing is a particularly effective and versatile tool.

Advertisement

- Graphic creation of logos
- Acquire ideas and creation of slogans
- Programming and design of websites
- Creation of pop-ups
- Graphic creation of banner ads for search engine advertisement (SEA) and other online advertising opportunities
- Graphic creation and texts from and for landing pages as target page of online advertising campaigns in the area of SEA
- Creation of search engine optimized information and advertising texts for search engine optimization of the website (SEO), for example product descriptions, blog articles, information texts, advertising texts, glossaries, landing pages, etc.

On the Internet, content is the essential factor for success. Every website operator needs content. On the one hand to inform the visitor, to entertain and lead to conversion, on the other hand to be found on the Internet in the first place and achieve first place rankings in search engines. To achieve this, content has to be optimized for Google. This means that it must be unique, on-topic, interesting and spiked with an abundance of relevant keywords in optimal density. It's not called content is king for nothing!