

# ANTICIPATION MARKETING

## UNDERSTANDING BUZZ FOR GENERATION NOW

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### INTRODUCTION

On a cool winters' evening in Sydney 2008, something fascinating took place. Men and women in high-powered suits, 'glamorous somethings' in designer jeans and techno youths in Converse trainers all joined a much-watched queue as it formed outside the about-to-open Apple Store. Several hours later the queue was much longer, with Apple advocates waiting patiently and excitedly for their icon store to open its doors. The reward for waiting several hours on the street on a Tuesday night? A free Apple tee shirt – only to the first 2,500 people to enter the store.

A week later, the store was still open, and a week after that. In fact, in good probability for many years to come, the same store will be open and available to those interested in the Apple brand and its products. So why would people bother to queue to get into the store on its opening night. Surely, it couldn't be for a free tee shirt alone?

Apple is not alone in its ability to create this type of hype and frenzied reaction to a product, brand or store launch, but it remains one that is interesting because of its recency in the mind of Australian consumers. As researchers, we found this type of consumer response behaviour fascinating, not only because it appeared to defy the bounds of rational response, but because it did so in a way that seemed to be highly beneficial to the brand at the centre of the anticipation. What social, economic and environmental conditions could result in this heightened level of brand desire and what

were the principles that explained such behaviour? We felt by understanding the phenomenon through primary and secondary forms of research, we might be able to distil key learnings that could sharpen our understanding of how to *apply* these principles to create consumer anticipation and heightened demand response across a variety of consumer categories and markets.

Before we launch into a discussion of our research design and findings, however, let us pause for a moment to develop a clear and consistent definition of what we mean by Anticipation Marketing.

### WHAT IS ANTICIPATION MARKETING?

Anticipation marketing isn't a term you will hear a lot about. In fact, it is unlikely that you will hear it at all beyond the scope of this paper, and there's a very good reason for that. The term has been made up expressly for the purposes of identifying, exploring and understanding an interesting consumer response phenomenon.

Importantly, as with the introduction of any new construct or idea, it is important that we provide sufficient evidence that this phenomenon exists and that it is truly unique and distinctive from other marketing phenomena.

Let us begin with the idea as an observation. Only a few months ago, two things happened in Sydney, Australia (well, probably many trillions of things happened, but two are of most importance to our case for Anticipation Marketing). Firstly, the Apple iPhone launched. Secondly, the Apple Store opened on the corner of King and

George Street (i.e. bang, smack in the middle of the CBD). We have already alluded to the latter in our introduction, so let us now turn our attention to the former illustration – the recent launch of the Apple iPhone in Australia.<sup>1</sup> In studying this, we notice the following observations:

- The launch date and the product specifications were never accurately disclosed until close to the time of launch.
- Queuing behaviour appeared well prior to the released launch date.
- Adults behaved in an uncharacteristically ‘must have’ way, pursuing avenues to access the iPhone that, on an economic level, could not have been considered rational (particularly as the economic ‘value’ of the product could not have been reasonably estimated without knowing the specifications, carrier, availability, etc.).
- Carriers became ‘panicked’ in the face of anticipated demand coupled with supply uncertainty.
- There was no above the line advertising.....
- And negligible (if any) below the line advertising.....
- The buzz created around the iPhone less than three months after launch has now dissipated into market acceptance – things appear, on the surface, as if they have returned to ‘normal’ (other than advocates showing off their new toys!)

So what is Anticipation Marketing? This is – an extraordinary market response to an idea, product, service or brand offer. In fact, this response is so overwhelming, it cannot be explained by traditional economics or behavioural psychology, simply because the response, in its entirety, represents what might be considered collective irrationality (as opposed to the Surowiecki’s ‘collective wisdom’ which is a considerably more attractive proposition to entertain!).

More on collective irrationality later.... for now, let us first of all try and distil what is unique about Anticipation Marketing that distinguishes it from other areas of marketing that have been extensively studied in this and other academic disciplines.

### **BUZZ MARKETING; BRAND LOVE; CULT BRANDING; LOOK AT ME! – IS ANTICIPATION MARKETING JUST ANOTHER BUZZ WORD?**

It’s easy enough to invent words or ideas, but the wonderful thing about the market research industry is its inherent balance between creativity and science, demanding confidence and robust justification of new thought rather than new ideas for their own sake. In many ways, this is a blessing as it encourages us to profess new ideas, even if they serve simply as stimulus for constructive debate and innovative thinking within the industry.

Firstly, we believe that Anticipation Marketing is *not* a buzzword as much as a new term to explain a behavioural pattern that has been witnessed across numerous categories and ages, but continues to defy explanations underpinned by existing notions founded on consumer rationality. Before we move forward with this premise, let us present a working definition of Anticipation Marketing so we can all be clear on what the construct is and isn’t.

*Anticipation Marketing is the phenomenon by which extraordinary levels of consumer anticipation are achieved prior to, upon or after launch of a product, service, brand or experience, in a way that generates levels of consumer demand that well exceed market norms.*

This definition has several important components. The first of these, as the name ‘Anticipation Marketing’ implies, hinges on the development of ‘anticipation’ which is scientifically defined as a combination of emotional responses (excitement, heightened interest, intrigue, etc.) and physiological responses (increased heart rate, sweaty palms, shortness of breath, pupil dilation, and other signs associated with physical arousal). This is important to recognise, as it provides a clear (and clinical) distinction between mere interest in a product and the type of heightened response we are interested in studying. This is further supported by our denotational mention of the level of consumer demand as a *consequence* of anticipation. This suggests that interest

and physiological response combined are insufficient to be deemed 'anticipation' if they do not convert to high levels of consumer demand as either measured by sales or willingness to purchase a product (i.e. queuing behaviour), or by the ability of the offer to command an enormous price premium (which would also indicate these heightened levels of demand).

The third element of this definition of interest is that the anticipation does not need to simply exist *prior* to the offer's launch, but may co-exist with the launch or, alternatively, develop subsequent to launch. In this way, the focus is not on the type of marketing activities we might traditionally associate with pre-launch activity – i.e. pre-launch advertising. In many cases where significant anticipation has been achieved, there is, in fact, little pre-launch marketing at all and, instead, a deliberate soft-launch followed by post-launch reviews, commentary or marketing support. The success of the Radiohead album, *In Rainbows*, illustrates this extremely well and forces us to examine examples of anticipation that arise before, during and after launch.

We propose that Anticipation Marketing is different from ideas such as 'Buzz Marketing', 'Cult Branding' and other related ideas, mainly because the phenomenon we are studying appears to occur even in the *absence* of marketing professionals intentionally creating this buzz. In other words, it might not be about the brand, the product or the marketing itself that creates these unprecedented levels of demand, but it might be as much about the circumstances – the economic and social conditions that provide a fertile environment for the phenomenon to develop and succeed. Many would thereby infer that what we are really studying here is 'Anticipation' and not 'Anticipation Marketing', and yet our desire to (a) restrict our study to consumer brands and offers, and (b) apply the learnings to the marketing services industry, suggest that the dual expression is appropriate for now.

The other point of difference between this and other phenomena of interest in the marketing world is that successful Anticipation Marketing contravenes the ideas about brand or offer *sustainability*, focussing, instead,

on potentially immediate reap/reward timings that are equally, if not more profitable than a continuous market presence.

## THE QUEST TO UNDERSTAND ANTICIPATION MARKETING

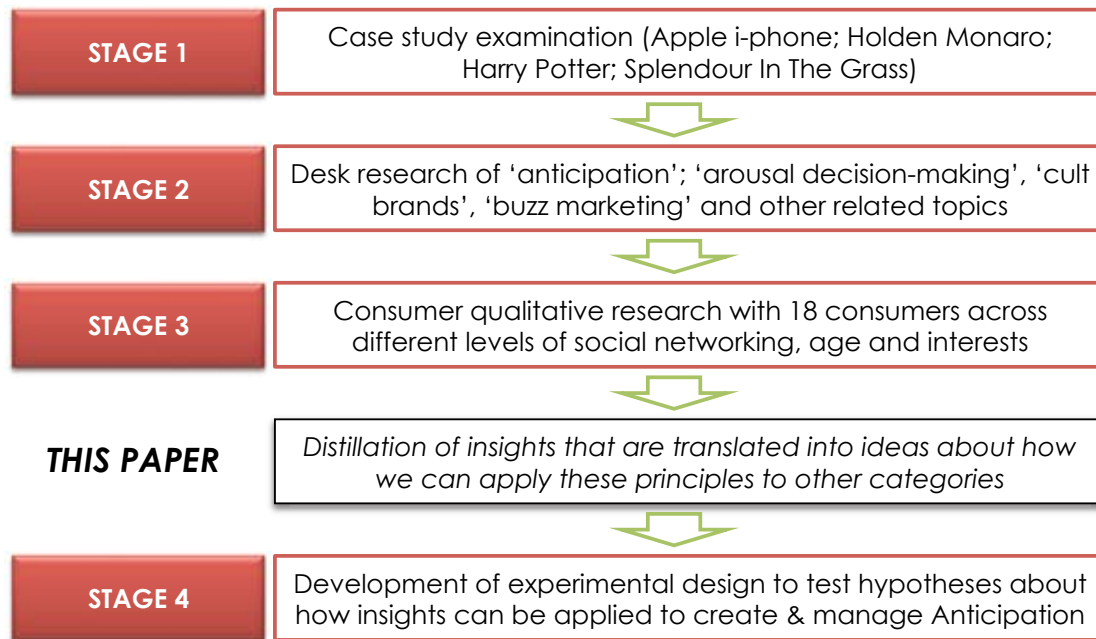
Having defined what we believe is an important market phenomenon; we set out to understand it, not only from a research perspective, but in its entirety – from an economic, psychological and social perspective. Why this topic? Not only does this behaviour strike us as highly irrational, it is also laced with such an intense brand passion that it suggests if we *understand* the optimal circumstances, categories, brands and processes that create this type of passion, we might just be able to create our own frenzy virtually anywhere, anytime. Is this possible? Probably not... but we need to investigate what lies behind the anticipation and its consequences before we will be able to draw inferences about it.

In order to achieve this, we designed a four-stage study (see figure 1).

The first stage was to identify and examine any available case studies of Anticipation Marketing. The second stage, conducted in parallel, was desk research focussed on exploring academic and non-academic literature on similar themes and areas of interest such as 'cult branding', 'religious sects', 'heightened response behaviour', 'power brands', 'herding' and 'buzz marketing'. The third component was a consumer piece of qualitative research using a combination of in-depth interviews, blogging and online qual with 18 consumers of different ages, socio-economic backgrounds and social networking involvement across Australia and New Zealand. The fourth and final stage is to design and conduct an experiment to determine whether Anticipation Marketing can be effectively implemented through application of our learnings from the previous three stages.

This paper has been developed based on the insights generated from the initial three stages and will be crafted into an experimental design ready for testing

FIGURE 1  
FOUR STAGES PROCESS



in early 2009 (assuming we can find a client game enough to support the experiment with us!).

The objectives of the first three studies were not simply to ‘find out’ as much about Anticipation Marketing as we could. Rather, they were specifically:

1. To deliver insights that would enrich our understanding of Anticipation Marketing, including how and why it occurs;
2. To understand the role of marketing itself in the context of the development and/or management of such anticipation;
3. To define environmental conditions that make Anticipation Marketing possible and/or optimal;
4. To examine the role of a rapidly developing Web 2.0 world vs. other communication media in Anticipation Marketing; and
5. To test the hypothesis that Anticipation Marketing could be ‘man-made’ or crafted successfully in an ‘everyday’ category (i.e. not technology, music or creative industries where it is most likely to be observed today).

As this journey is still work in progress, we will present the results of the first four objectives in this paper, as well as our hypotheses for testing the fifth and final objective early next year.

### SEVEN KEY PRINCIPLES DISTILLED

Perhaps the simplest way for us to summarise our learnings is to present the seven key principles that we have identified in Anticipation Marketing. Interestingly, many of these principles ended up being derived by studying the parallels between our case studies (iPhone; Splendour In The Grass/Big Day Out;<sup>2</sup> The Da Vinci Code) and social sects or cults that have emerged throughout history. The parallels extend beyond environmental conditions in which each tends to thrive, to include the characteristics of the individuals and ‘social’ norms/rules of engagement that underpin how the cult functions and thrives outside of social norms.

Whilst not all seven principles play on these similarities, it remains a fascinating and dominant parallel that we

will refer to from time to time throughout the course of this paper. Before we explore each of the principles, it is important to note that they are not independent principles, but, rather, operate in an interrelated manner.

The seven principles are:

1. The Scarcity Principle
2. The Cult of First
3. The Games We Play
4. Group Narcissism
5. The Principle of Otherness
6. Judge Me By My Cover
7. The Equilibrium Principle

### Principle 1: The Scarcity Principle

The first principle is the concept of scarcity which operates on two levels. The first relates simply to the imbalance between supply and demand, or at least the *perception* that supply is scarce. This perception creates a strong degree of fear within the consumer that they will 'miss out' on something, generating a strong innate desire to minimise this fear through offer acquisition.

Scarcity also works on an entirely different level – through *information* scarcity. Successful cases of Anticipation Marketing illustrate a low degree of information fed to consumers which contributes to a sense of mystery, the fuelling of talk or hearsay to 'fill in the gaps' and, in turn, creates a strong degree of value on 'real' information when it is finally drip-fed to the market. Scarcity of information therefore plays an important role in contributing to the heightened lust for knowledge.

*"I don't even go to Splendour In The Grass, but I can't bear missing the morning Triple J radio show where they slowly release the names of the performing artists one at a time over a week or so".* (40 years, female, Sydney).

The iPhone example in Australia captures this well. Prior to its launch on 13<sup>th</sup> July, 2008, customers would enter the 'queue', by adding their name to lists. Not only was the date of launch unknown – the specifications of the phone weren't being released, and the carriers

and distributors were also unknown. In absence of information, but primed with a queue already in place (in the form of lists), the perception was immediately created that the iPhones were in limited supply and would be hard to access. The stronger this perception became, the more intense the desire for the phone, providing immediate demand as well as a virtually limitless price-tag. Other examples reinforce this idea. Cult and classic wines (Penfold's Grange for instance), require early registration – sometimes as early as the planting of the grapes many years before the wine is even available. Similarly, when the Mini Cooper was launched on the Australian market, there was already a number pre-sold without even having seen or driven the prototype. Perhaps the new-age fascination with designer pets is an even more peculiar example of this – after all, why pre-order, pre-pay and pre-engage in conversations about a certain breed of dog before it even appears on your doorstep?

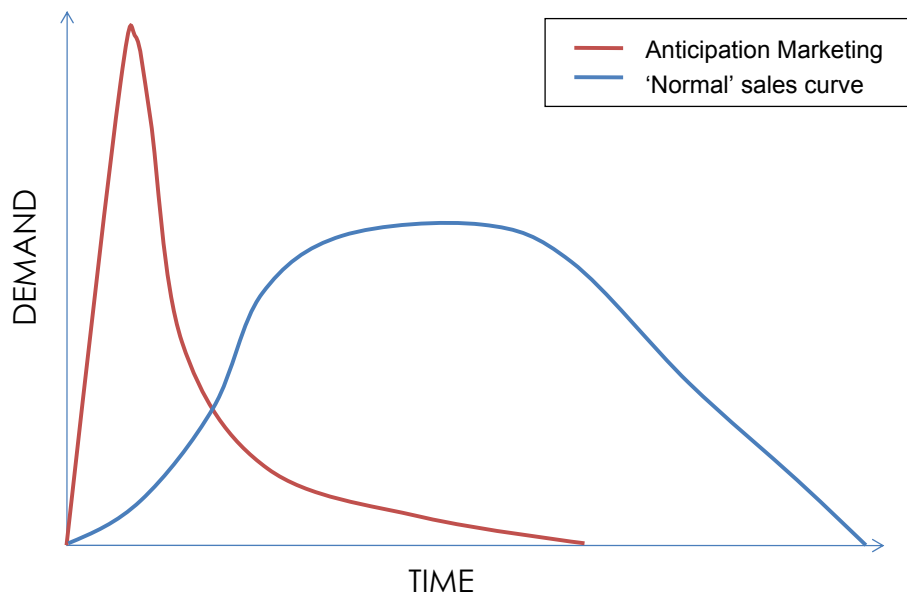
Scarcity not only creates fervour, it also acts to create some other very interesting implications. It creates an immediate return for the business (see figure 2), suggesting that *sustainability*, so often drilled into us as marketing students (and propagated by powerful retailers), is not the only way to reap financial rewards in marketing. Of course, this does rely on the anticipation being sufficiently strong to command peak levels of demand that make it worthwhile to forfeit the notion of sustainable market presence.

In addition, it creates an unusual benefit for those who are first movers into the experience, which is captured more accurately in further principles. Before we introduce these, however, let us just reflect on the *implications* of the principle of scarcity for marketeers.

### Implications

The first implication is that marketers need to avoid being swept up in the desire to create abundance. Instead, fostering a perception of scarcity helps create a queue for the offer and the presence of the queue creates a fear of missing out that is one of the strongest motivators of desire as evidenced in the following consumer quote:

FIGURE 2  
DIFFERENT SALES CURVES



*“Splendour In the Grass tickets – I will queue for six hours online waiting to buy tickets. It’s my yearly festival and an important time away with my boyfriend and friends. I get really excited about the build up of it, getting a list together of who is going and who is buying how many tickets and then get really nervous while waiting online that I might miss out”.* (25 years, single, Sydney)

Recently some commentators have condemned the concept of scarcity and the resultant need for queuing, recommending that manufacturers just move to online queuing to avoid the physical burden of Anticipation Marketing. We completely disagree. Everything we have learnt points to the fact that *visible* queuing fosters the perception of scarcity, thereby heightening the level of anticipation. Whilst online queuing is certainly useful and more manageable, it must be tempered with a careful understanding of the constructs of scarcity, the psychology of waiting and the relative trade-off of different queuing strategies on consumer benefits.

Equally importantly is the scarcity of information which creates a strong desire to acquire information and be at the forefront of knowledge as it is released to the

market. This implies that marketers must be careful not to release too much too soon to a demanding market, but this must be carefully balanced with the power of the brand itself and an appropriate level of reward once the consumer attains the information. Support scarcity; but only if you do not fear it. If scarcity fears you, then you’re not ready for Anticipation Marketing.

**Principle 2: The Cult of First**

The second principle is intricately linked to this idea of scarcity, but focuses on what it means to be ‘first’ and the psychology associated with it.

Being first has two distinctly different benefits. The first of these is gaining some intrinsic (and highly intangible benefit) from being first in line. The second is gaining the more tangible (well, at least observable) benefits of gaining the respect of others through becoming a known leader or ‘maven’ in that category. To achieve this, the ‘firstness’ must be a shared concept.

First, the intangible benefits. The central idea here is that “first” is not only synonymous with individuality and exploration, but that it also enables consumers to reap other benefits that currently have no defined

market value. Typically, when demand peaks so quickly in other markets, you might expect to see a heightened price tag or price-skimming strategy implemented to take advantage of the desperation or passion of the early adopters. The interesting thing about Anticipation Marketing is that generally this does *not* happen. Instead, the market is treated in a somewhat egalitarian way – i.e. the book, the concert, the phone – costs the same amount to the first user as it does to the late adopter (given that adoption is virtually immediate). This practice has one fascinating consequence – it further elevates the status of the first user, since this product was actually available to everyone equally, it suggests that the first user is somehow more savvy, lucky or closer to the brand in being the ‘first’ to experience this offer. Take the Harry Potter final book release for instance – the same book, the same price, the same day ... and yet the first person to buy the book when it went on sale appears on the news as a modern day celebrity. Even more exciting is the prospect of being first to read the book because it is sourced prior to being available to the masses.... an idea brilliantly played out by Meryl Streep in *The Devil Wears Prada*.

Interestingly, Anticipation Marketing suggests that demand might, in fact, be so high for a particular offer prior to launch that a futures and/or resale market emerges *prior* to the actual offer being available. This has become such common practice at significant sporting and music events that scalpers are often now banned from venues. Ironically, this means that not only are the early adopters heroes because of their place in the acquisition hierarchy, but they also managed to make their acquisition at possibly the best possible price. This ‘win win’ situation serves as a positive reinforcer of their frenzied behaviour and has an enormous effect on their commitment to the brand or offer they have just bought into. Even more exciting for the first movers is the ability to secure the ‘best seats’, the ‘virgin experience’ or other notions that accompany the first user experience. To the buyer, these benefits are ‘free’ – an economic concept that we know to have powerful emotional reinforcement values well beyond their market utility.

The second benefit of being first is that associated with leadership. Leadership is different from simply being first, as it is more about being empowered in a role as expert or leader within a particular category, as captured in the following consumer quotes:

*“When I told others I was getting Red Lines (a brand of lawn bowls), people looked at me like, ‘wow – he’s going to really kick our butts’. The funny thing is that no-one even had a clue what Red Lines were, but it didn’t matter – they all just assumed I had access to this special secret that they didn’t have, and there was real fear in their eyes.”* (42 years, male, New Zealand)

*“I have a passion for Nokia products and because I see them months before they come to market, I love the fact that I am one of the first to have the new Nokia’s as I enjoy the WOW factor/reaction of others. My passion is shared with others by training them, guiding them or even just showing it off”* (25 years, female, Sydney).

Leadership implies that the information or experience is not sought simply for the individual’s benefit, but it needs to be shared with others to promote and elevate their status.

#### *Implications*

So what are the implications for marketers? We need to recognise and foster the unique benefits that consumers gain by being ‘first’ to experience something. This ‘first’ is beyond simply the kudos associated with running to the front of the queue and needs to consider the many intangible rewards consumers might enjoy through this position – benefits such as best seats in the house; better views of entertainers; a strong sense of perceived expertise and the fulfilment of role of maven allowing individuals to find respect and peer admiration in an often cut-throat social environment. We suspect that these benefits will need to be covertly conveyed in order allow them to take full effect, but may need to be *overtly* rewarded after the fact. Businesses must begin to plan for mechanisms to achieve this, as conventional CRM is simply not going to cut-it in today’s interactive environment.

Be conscious of the degree of first-ness for the sake of its own benefit; and the degree of first-ness for the benefit of being seen as a leader in the market. These are two different drivers, and clever marketers will be well aware of which way their product or brand needs to lean.

**Principle 3: The Games We Play**

Paralleling both of our first principles is the important observation that *involved* consumers love the game involved to find the perfect product. The more we spoke to consumers, the more evident it became that, for categories where there was high involvement, people were willing to and enjoyed investing an inordinate amount of time and energy in searching for the ‘ultimate’ offer. Whether this be in browsing i-tunes, in shopping the fashion labels, or scouring coffee shops to find the ‘ideal brew’, those impassioned with a category generally talk about the ‘chase’ as adding to the anticipation rather than detracting from it.

This is more than simply scarcity of information – it is also recognising that individuals love to be entertained, and part of the experiential lead up to launch (as well as the performance ‘rituals’ that go with it), is consumers’ willing participation in a ‘game’. This thinking borrows from the theory of Transactional Analysis<sup>3</sup> in terms of understanding social roles and interactivity. The involved and interested consumers become highly engaged in the experiential lead up to a launch, often simulating a childlike state of excitement in the process. During this ‘game’, consumers receive payoffs for playing – earning approval, satisfaction, authorization or some other reinforcer of their involvement in the chase.

*“It’s like I’ve been on an eternal quest for the ‘perfect’ brand of coffee, and now that I have found the one I like, I’m happy to drive miles out of my way to buy it every time.”* (43 years, male, Sydney)

*“I am always trying to track down John Duval wine – there isn’t a cellar door and very few outlets stock it, so every time I find it it’s like a treasure hunt and I buy some almost as a prize for myself and my work colleague who I know also loves it.”* (31 years, female, Sydney)

*Implications*

Akin to a game of ‘hide and seek’, marketers wanting to create high levels of anticipation need to make the ‘wait’ period enticing and compelling and should revert to the traditional psychology of waiting to identify key engagement triggers. Often this can be on an adult-to-child level, creating an involving and experiential interaction; in others, it might simply involve allowing consumers to savour each piece of information as it becomes released, but doing so in a highly engaging way. Either way, manufacturers need to provide vehicles to engage consumers in the wait, rather than making them feel they are the guinea pigs in some cruel experiment or waiting game. Reward consumers who are waiting, as adopting a veneer of arrogance or reservedness is simply not going to entice followers to stick with a game. If the game isn’t working for them, rest assured, even fans won’t want to play.

**Principle 4: Group Narcissism**

The fourth principle is what we call Group Narcissism or The Power Of We. Although the naming of this principle exposes us to the critique of methodologists and psychologists alike, the sentiment is that of understanding the cult-like behaviour of those who engage in a similarly irrational degree of anticipation and, in doing so, reinforce the ‘normalcy’ and desirability of this behaviour.

This principle begins by observing that an individual’s level of anticipation or excitement is generally much lower than that observed when group or collective anticipation is involved. Similar to Gladwell’s discussions of the *Tipping Point*, the idea being propagated (not the one being sold, but the consumer response to it), gains significant momentum and a new degree of fervour only when a sufficiently large collective is engaged in the same quest. Once again, this idea borrows from the Transactional Analysis concept of, “We’re ok, they’re not ok”. As the ‘cult’ establishes its common quest or interest, it also becomes aware that others outside the group not only fail to share this common interest, but can actually be dismissive of it as unfounded. In order to protect and reinforce itself, the group continues to contrast itself (positively) against a stupid or ‘bad’ outside world. In

doing so, there is not only constant reinforcement of the group's normalcy, but also their superiority which further contributes to develop social cohesion, pride and group reinforcement.

This is exactly what happens in Anticipation Marketing where a group is involved and, more importantly, is able to happen more often today in a Web 2.0 world where there is virtually limitless opportunity to find and connect with others who share a particular goal or brand passion. Once the group is available and established, the offer (idea, brand or experience being launched) becomes the glue that cements the bond between members – i.e. the cult develops for the sole purpose of reverence to this shared idea, brand or experience. As such, it forms such a powerful form of cohesion and is able to generate a strong internal narcissism within the group that can reach quite frenzied levels (one only has to watch the reaction of young teenage girls when their favourite rock star comes on stage to see this level of emotional hype).

Group narcissism has two important consequences other than continued self reinforcement. The first is that it seems to create oblivion to product/brand/experience failures or deficits (after all, nobody in the group wants to be the one who cries, "this isn't as good as we're making it out to be"!).

The second is that it can translate to a degree of identity rivalry when two competing groups go head to head in their beliefs. This is often seen, (sometimes quite disturbingly), when supporters of two sporting teams clash, or in Australia, the type of rivalry between Holden and Ford supporters whom one should never dare to entertain in the same focus group discussion!

The following consumer quotes recorded in our qualitative fieldwork illustrate some of these ideas particularly well:

*"I know someone who, when she got her Apple Mac notebook, posted photos of it on to flickr and joined a group who also took photos of their apple macs and uploaded them (I found that really weird!). If you type*

*in iPhone to flickr, there are close to 900,000 results! (36 years, female, Melbourne)*

*"I definitely join groups on Facebook – for instance, the latest one I joined was the Grug fanclub (Grug was a series of books that was around when I was about 5 or 6). This sort of thing is great fun. Your friend will join the group and you'll see it on the newsfeed and then you can go to the group page and join and reminisce in all of the shared experience."* (26 years, female, Sydney)

#### *Implications*

Marketers need to recognise the power of the group to reinforce their product or brand *within* the group. Much talk has occurred about word of mouth marketing and the spread of ideas (aka Tipping Point) to a critical mass, however, our consumer research clearly highlights the fact that people are extremely reluctant to spread information on a product or brand *unless* it is with like-minded consumers who have already chosen to join that interest group. As such, consumers, even the expert ones, don't want to be seen to be forcing ideas down the throats of others ... however, once they have found and joined the impassioned cult, they are more than happy to self-propagate their ideas and passion. Consequently, businesses cannot look to Web 2.0 or social networking sites as a tool to *spread* ideas that are manufactured. Instead, we need to facilitate and enable people to develop their own interest groups to share the idea on their own terms. One of the most successful examples of this today has been the recent Youth Day celebrations. No longer have we seen ideas of Christianity or Catholicism driven down the throats of mainstream youth through messages of fear, but the wonderfully positive experience of Anticipation Marketing through the World Youth Day Celebrations and planned events.

#### **Principle 5: The Principle of Otherness**

This next principle talks to the fact that desire is created more strongly when the product, brand or experience is distinctive from what is already available. Uniqueness is central, not only to reinforcing the concept of scarcity (see principle 1), but in enabling a sense of individual expression. Individuals want to feel anything but 'like

others' because we are trained to believe that herding behaviour or 'following others' is not intelligent, attractive or desirable. At the same time, 'otherness' or individuality carries significant risks and increases exposure and attracts social judgement – neither of which are desirable for many consumers. Consequently, social networks or interest groups form to serve as a reinforcement, protecting the individual from this level of exposure and allowing them to feel supported in this otherness.

Whilst this sounds similar to the idea of Group Narcissism, it really has a different driver – that of rejecting the mainstream. This means that brands or offers that dial up exclusivity or secrecy (back to the scarcity principle once again!), offer strong reinforcement of anticipation, allowing the individual to feel special, unique and part of the secret rather than subject to it.

*"I couldn't wait to go to London and visit Jamie Oliver's restaurant, but when I found out that there was more than one afterwards, all the specialness of the excitement I'd felt disappeared."* (34 years, female, Sydney)

#### *Implication*

Marketers need to be true to the principles of distinction and uniqueness. Once the frenzy is owned by a product, brand or experience, it can't simply be replicated. Marketers have found interesting ways to get around this – by making the 'Big Day Out' in Australia state specific and extending into New Zealand, so regions compete to have the 'best' Big Day Out. Other brands serve to replicate and build upon a model, such as the Philippe Starck's hotel designs around the world – each retains its distinctiveness and individuality so as not to dilute the 'otherness' which is a core magnet for the brand.

#### **Principle 6: The Arousal Principle**

Anticipation, by its very definition, creates arousal... but what does arousal lead to in individuals? Studies of the topic of arousal are many and varied, but the important one for us is the relationship between arousal and decision making. Dan Ariely dedicates a chapter to this in his book, *Predictable Irrationality*, highlighting how decision-making under conditions of high emotional

arousal can vary as much as 150% from decisions made under cold, rational conditions.

So why is this important? It is important because it confirms that under conditions of Anticipation Marketing, consumers won't respond in a rational manner. Not only this, it suggests quite the opposite – that they will respond in a highly irrational manner and show considerably higher predilection towards ideas that reinforce the game they have already begun playing.

*"I just can't help myself – I know it's not rational, but I just buy things I can't afford to buy when I'm at their cellar door. It's like I just have to have that really expensive and rare bottle of Shiraz, even though I could actually buy it any day of the week".* (31 years, female, Sydney)

#### *Implications*

We need to be very careful here, as it would be far too easy to suggest that marketers use these most vulnerable moments to up-sell consumers! One important thing to recognise is that while decisions will be made under often irrational conditions, consumers will still begin to question these decisions once the frenzy of the moment wears off, as highlighted above. Post purchase regret is not something that anticipation brands can afford, so be cautious in understanding and managing the selling process at the time of heightened emotion.

#### **Principle 7: Judge Me By My Cover**

Many of the underlying motivations for Anticipation Marketing are internally driven and these have already been covered in the preceding discussions. At the same time, we need to recognise that people are openly passionate about brands, products and experiences that represent the "right" image – that is, the image that individuals choose to portray to the outside world. This phenomenon has become even *more* important in the advent of Web 2.0 and social networking sites, where individuals are able to 'create' an external persona or perception for others to see.

In other words, consumers can, in expressing anticipation or passion towards a brand, be simply expressing their

desired personality attributes to the outside world. Some examples we have captured in terms of projective statements include:

**Apple – Hip and creative**

*“I am a bit of an Apple fanboy and am delighted with my iPhone. For me it really was all about the umbrella brand and what it represents, not iPhone.”* (35 years, de facto, male, Sydney)

**Splendour in the Grass – Youthful, hedonistic, social**

*“I will queue for six hours online waiting to buy Splendour In the Grass tickets. I get really excited about the build up of it, getting a list together of who is going and who is buying how many tickets and then get really nervous while waiting online that I might miss out. It’s MY thing and everyone around me knows that”* (25 years, female, Sydney)

**Bugaboo – Cool parenting**

*“The Bugaboo is a brand of stroller that has a huge amount of status attached to it. With overseas validation (all the celebrities have them!) it is also quite hard to access with long waiting lists for nearly a two grand pram. I think this increases the desire. It is for those who want to say, “I am still cool being a parent hasn’t slowed me down or made me daggy”.* (36 years, female, married, Melbourne)

*Implications*

We doubt that ‘un-cool’ brands can command the same amount of anticipation and hype that cult brands do. Consequently, marketers must be aware that designing and managing Anticipation Marketing does not *replace* brand marketing principles. Quite the opposite. It *relies* on cult branding understanding and development to be truly successful.

Brands that address an element of fear or uncertainty – i.e. ‘cool’ brands, ‘hip’ brands, sophisticated brands .... anything that represents something unique vs. their competitors, are more likely to create a strong pull factor, because the public display and conversation around these brands is socially desirable.

**Principle 8: The Equilibrium Principle**

Ever wondered why, when you are in a bad mood, your partner or kids seem to be in a wonderfully happy mood? This is what we call the Equilibrium Principle, following Newton’s idea that each energy force has an equal and opposite energy reaction.

When consumers are highly charged with emotion, passion and anticipation, what happens to all of this positive energy? The come down. As we speak, Beijing is still suffering its post Olympic depression period, where the hype, the stimulation and the excitement have all disappeared and people are left to pick up their everyday lives. So too does this phenomenon exist after a concert, a new product launch or a year after the designer restaurant has opened its doors. Business as usual is something that needs to be planned for and managed in the world of Anticipation Marketing without distracting from the value and preciousness afforded to the brand.

*Implications*

Marketers can’t ignore the post-hype slump. Instead, they need to understand it in order to manage it. A strong example of this includes post-festival information about the venue and timing for the next major event so festival goers can plan and start the anticipation journey all over again. Others include exposure to post-event experiences such as being able to purchase paraphernalia after the event, or simply planning post event parties and recovery initiatives such as seen in the week-long set of activities surrounding Sydney’s Gay and Lesbian Mardi Gras.

Let consumers know you appreciate their energy and commitment. Ameliorate anxiety by providing strong messages of reinforcement, of personal thanks and of commitment to the future. Give consumers something to replace their ‘high’ – engage them on the spot to help co-create the next and even bigger anticipation event.

**SO WHAT HAVE WE LEARNT?**

We have reviewed the seven principles that summarise our learnings about Anticipation Marketing, but so what?

Without trivialising our pursuit, one of the most realistic answers to this somewhat rhetorical question is, “we’re not sure”. The reason for this is because the learning itself has proven interesting, but we may not, in reality, be able to do anything with it.

So how do we summarise what we’ve learnt?

*Anticipation marketing works because strong (cult) brands launch unique offers to an impassioned audience at the right time.*

This results in:

*Overwhelming physiological and emotional response ... that is contagious or shared by others ... that generates extraordinary levels of consumer demand ... that can be translated immediately into revenues ... and spreads in a highly emotive/almost viral way.*

Sounds simple, doesn’t it?!

Well, it’s not, otherwise everyone would be doing it! This process needs to be managed carefully through better understanding the principles that make this concept work. Without due respect for the principles we have presented, businesses could easily rush into trying to artificially create Anticipation for their products or brands. As far as we have learnt, anticipation can’t always be created or fostered, but, to our surprise, it appears that this degree of anticipation does and can exist across a much wider range of categories than that which we are aware of. In fact, it may well be that the most visible examples are only scratching the surface of what appears to be a widespread concept, applicable to many different products, brands, ideas and experiences that consumers enjoy chasing every day.

#### WHAT NEXT?

We have presented the seven principles that summarise our learnings about Anticipation Marketing as a conversation start point. Do we believe we are right? No, not by any means. These ideas are the results of the program we have put in place to better understand this phenomenon, however, we have yet to definitely prove or

disprove any of the principles at a more specific level and welcome industry conversation around these ideas.

Our next step is to test our hypotheses, by developing an Anticipation marketing strategy for a specific product. At this stage, we don’t have a client or brand in mind, so if any readers would like to talk to us about testing their brand ideas, we would welcome this conversation! We are planning to prototype a proactive Anticipation Marketing strategy in either wine (cluttered category with few cult brands at the mainstream level); fortified wine (an emergent category, some of which will be re-launched as the result of new naming principles in Australia in 2009), and/or baby products (a category buyers are passionate about, but within which, brand imprints are still emerging). We are certainly not limited to these categories, but plan to develop and test a new marketing approach using existing market data or historical category case studies as a benchmark comparison for success.

We look forward to sharing the results at the ESOMAR Congress in 2009!

#### Footnotes

1. It might appear that this paper is unreasonably skewed towards Apple, however, this is merely a timing coincidence given recent events in Australia. The same might apply for Stella McCartney’s fashion launch, the X Box, Grand Theft Auto 4, Lord of the Rings, The Olympic Games, and other events (including significantly more niche that the reader is unlikely to be familiar with!).

2. Splendour In the Grass and Big Day Out are two key music festival events held annually in Australia.

3. Eric Berne, Timothy Leary and others.

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