



AIRFOIL

A fractured new ■  
**universe**  
with thousands of stars

The Convergence of Consumer and Technology Public Relations

Consumers always have shown an affinity for technology that could make their lives more efficient or more entertaining. However, in recent years and even recent months, the entire relationship between Americans and their gadgets has undergone a cosmic shift.

With surprising suddenness, technology has placed control of the marketplace in the hands of the consumer. With their fingers on the triggers of powerful new tech tools, consumers are rapidly carving up the marketing universe to reshape it to fit their own perspectives, rather than following the traditional viewpoints assumed by marketing and public relations professionals.

For decades, marketers, communicators and entertainment companies were assured of an orderly universe of network media, newsstands, phone companies and movie theaters orbiting comfortably around the life-giving source of 18-to-34-year-olds. Suddenly the consumer world has been knocked out of kilter, as abruptly as Pluto was knocked out of the planetary firmament, with an odd orbit demanding new viewpoints. Out of the blue, we've discovered, not one world of consumer tastes and habits, but thousands of worlds beyond the conventional boundaries of our media and market concepts.

We've become a universe of niches, postulates *Wired* magazine editor Chris Anderson in his book, *The Long Tail*. With technology offering us thousands of ways to entertain ourselves, gather information and communicate with each other, the number of media, online stores, electronic and print publications and entertainment sources available is virtually infinite.

Now, TV viewership is plummeting among the once-prized 18-to-34-year-old demographic, the same group that is among those most rapidly adopting technology. They are carving their own niches. And each of these niches has its own stars —

a favorite personality, blogger, fashion trend guru, investigative reporter or entertainer. Moreover, once individual consumers land in a specific niche — selecting the type of entertainment and news sources they prefer — they tend to stay there, simply expanding their choices within their own niche, rather than crossing over to try others.

In a 2006 sampling of 30-to-45-year-old men who were moderate-to-heavy broadband users, Airfoil Public Relations researchers asked if alternate entertainment options have broadened their tastes. The majority responded that these options have rather made it easier to enjoy *more of exactly what they prefer*. Exceptions were noted in the area of music, where a preference for a certain type (such as jazz or hip-hop) might open up exploration of new artists — but those artists were in the same music genre, the same niche in which the consumer was already ensconced.

The array of consumer interests in today's world presents an endless and complex marketing opportunity, requiring different media and different messages for audiences that once were arbitrarily glommed together as teens or young adults or seniors.

What is even clearer, however, is that technology has changed the behavior of consumers to give them power over how they choose a marketplace, how they interface with markets and where they get their information on products and trends.

Public relations practitioners are finding they can no longer settle into comfortable, traditional silos. Experts in various aspects of business, technology and consumer trends now must learn each other's techniques. That often requires learning new ways to approach the products and services they are supporting, as well as new media to reach into the right niches.

The fields of consumer PR and technology PR are converging. Technology, which once spoke to an elitist audience of IT managers and independent software vendors, now must learn

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to speak directly with the consumer, because the consumer holds the power in his Internet connection, smart phone, media player or digital TV set. As technological gizmos become more prevalent, consumers have become smarter about what makes them click. Technology, therefore, is much more mainstream and technology marketers who expect to succeed must speak the consumer's language, rather than the lingo of software developers.

Conversely, consumer marketers are realizing they need largely to abandon tried-and-no-longer-true "mass marketing" techniques to identify the niche landscapes and determine how to speak to each independently with a variety of messages.

They need to embrace some of the approaches perfected by technology companies in nurturing relationships with key influencers and in shaping their communications to niche audiences in a strategic and focused manner, rather than relying on a one-size-fits-all message to the marketplace.

## The niche focus

A fundamental outcome of the way consumers have wielded their newfound power has been a revolution in the way marketers seek out consumers and talk with them. Marketers are learning to reject mass appeal techniques to reach deep into all the niches. Today it's generally less valuable to be a short-lived hit in the broad market than to be an enduring icon within a loyal niche.

Nowhere has this new market reality been demonstrated with greater success than on eBay. The incredibly popular online marketplace remains a hit largely because of the collection of niches it provides to consumers and the unprecedented control over the purchasing process that it offers. Empowered with technology, just under 200 million eBay buyers and sellers run their own marketplace, finding the products that fit their niches, setting up ranking and feedback systems that establish trust in

the market and controlling both the products that are offered and the prices they are willing to pay.

New niches on eBay not only have thrived but have turned into powerhouses for their specific marketplaces. Until the emergence of eBay Motors, for example, cars were not actually *sold* via the Internet — dealers controlled their distribution. Now consumers have seized the technology to interact directly between individual buyers and sellers. Every day, people in Topeka are buying cars from owners in Denver, leaving their desk only to drive their new ride back home. Witnessing the phenomenon, dealers poured onto eBay Motors to begin offering their cars nationwide, creating their own new niche and revenue stream.

While the number and variety of niche markets have proliferated, so have the ways that consumers reach and interact with those markets, especially with the advent of mobile devices that enable consumers to receive marketing messages anywhere at any time and to respond immediately. Walk into a room full of college students and observe what they wear on their belts. Cell phones, smart phones, PDAs, MP3 players, pocket-size computers, and entire portable media centers form a ring of niches that match the preferences of their wearers. For the prized youth and young adult market, these devices increasingly are becoming the doorways into the world of niche products and services. Moreover, these individuals have found a niche and tend to remain anchored to it, relying on technology, rather than sociology, to penetrate the other niches that surround them.

## Fractured products for the fractured marketplace

The upshot of this immensely fractured marketplace is the fracturing of products and services to appeal to a much greater collection of niche audiences in much more specific ways.

And in the process, the barrier between technology and consumerism often has evaporated. The distinction between consumer products and technology products is becoming increasingly moot.

Microsoft, which once was synonymous with the technology of business computing, rapidly became a subject for the consumer press with its release of the Xbox video game system. It found itself approached by whole new categories of publications, and it was dealing with brand new niches in the marketplace.

The massively promoted movie *Snakes on a Plane* was as much a creation of fanatic consumers as it was Hollywood's technology. Hype driven by bloggers and niche Web sites compelled the producers to keep the movie's creepy title, instead of the contemplated *Pacific Air Flight 12*, and the over-the-top demand led New Line Cinema to order five additional days of shooting to "bring the movie in line with growing fan expectations," according to *Wikipedia* (yes, the movie has its own extensive listing). Downloads of every conceivable type — from trailers and audio clips to graphics to customized MySpace sites — were complemented by new technology-enabled marketing. For example, by entering a bit of personal information, consumers could send a friend a customized voice message from Samuel L. Jackson, the film's star, referring to the friend's name, job, car and buddies.

These disruptions in conventional marketing mean that, across the big board, corporations are finding they must change their mind set about technology and consumer PR. Consumers have co-opted technology to gain control — through blogs, Web sites, mobile devices and games — and exert their power to compel marketers to look each consumer in the eye and speak virtually one-to-one. And when they speak, the traditional technology marketers increasingly are addressing consumer concerns, while communicators for consumer

companies are focusing on technological benefits.

PR professionals are taking advantage of the new consumer bent to technology — and the technology interests of consumers — by reaching out to a whole new range of audiences in venues that rapidly are reforming their niches.

The crossover between marketing communications for technology enterprises and consumer companies is becoming particularly evident within the once staid business trade show. When the annual Consumer Electronics Show held its first exhibition in New York City in 1967, it featured such deadly corporate functions as a government-industry symposium, merchandising seminars, an all-industry banquet and an industrial historical display. Today, the show is a Las Vegas extravaganza with products featured on every morning TV show in the country and several niche Web sites.

The Specialty Equipment Manufacturers Association show, once strictly a business-to-business trade show, now is a haven for computer-operated gadgets for consumers, and automakers even are launching some of their prototype cars there because of the deep consumer interest in the event. Is it a tech show or a consumer show? It's becoming increasingly difficult to tell the difference — and for media to *tell* the difference.

With these kinds of changes, public relations practitioners who once communicated easily with auto reporters and business press now find themselves promoting their exhibits, products and people directly to consumers before, during and after the trade show. The convergence of technology and consumer PR at trade shows presents an unprecedented opportunity for communicators to talk across conventional lines, marketing these shows to both businesses and consumers.

Making the cross-over from silos to niches, from whole numbers that describe age groups to fractions that portray individual consumers with no common denominator, can be

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daunting. This convergence of technology and consumer PR requirements, however, also offers considerable opportunities to marketers and communicators.

## The impact on PR

The techniques of public relations need not change. The value of third-party credibility, of finding the news in the story, of building on events and activities to extend their news value to additional audiences remains crucial. What changes may be who that third party really is, what the news is for any particular consumer niche and which new media can be used to stretch coverage of a speech into a much more broadly reported news story.

To successfully “pitch” a product story today, PR practitioners are less frequently going directly to producers of popular network shows and instead are targeting the niche gurus who *influence* the producers and serve as mediators between their niches and the mainstream flow of media reports.

The credibility factor and “hipness” of a product today may get much less of a boost from a movie star, sports figure or corporate leader than from someone like Omar Wasow, founder of BlackPlanet.com, who is the official de-mystifier of technology for consumers on CNN, the *Today* show and *Oprah*.

On the financial side, Jean Chatzky, editor of *Money* magazine, is a key influencer and a prime target of PR practitioners who virtually defines the consumer financial world on screen and in print.

Influencers need not hold any special position in the media, however. The influence of bloggers has become powerful because they are niche-focused. Thus, someone like Trent Vanegas, who created a blog called “Pink is the New Blog” from his home in Detroit, can become a hot Hollywood gossip figure with no previous notoriety of his own. The site quotes a *New York Times* report that advises, “Anyone looking for a

case study in the convergence of homespun blog culture and market-driven mainstream media need look no further than pinkisthenewblog.com and its creator, Trent Vanegas.”

The word-of-mouth credibility that used to eke its way across back fences, phone lines and party circuits now spreads at electronic speed through blogs, text messages and video spots on smart phones.

## Redefining news

Simply defining news in the newly fractured universe can be complex. The news about a particular piece of technology that appealed to a technical audience now will need to be reshaped to make sense to niche consumers, so PR practitioners will be producing a number of niche-oriented communications, each targeting a different aspect of the story and a different small group of consumers.

Whereas the PR professional typically would leverage an executive speech to send out news releases to newspapers and newsletters, now digital video of the speaker can be distributed instantly to thousands of Web sites, bloggers, cell-phone owners, students carrying laptops with wireless cards, e-mail recipients and cable news networks.

From a larger viewpoint, PR practitioners now will find less value in the traditional “big hit” — the technology story that appears in the *Wall Street Journal* or the consumer piece placed in *Better Homes & Gardens*. Today’s best hits may be generated by exactly the right blogger, the perfect podcast episode, just the right post on MySpace, or the right keyword search-engine optimization for Google.

From the consumer side, managing a great hit on a TV news show is wasted if your demographic just isn’t watching it. The TV screen and the radio are rapidly yielding to You Tube and iTunes.

## Best practices for PR professionals

If you are a marketer, a PR practitioner or a corporate communicator, the most important shift toward success that you can make in this re-ordered universe is to change the way you think about the marketplace. “We used to think of consumers as a big market,” says Airfoil CEO Lisa Vallee-Smith. “We are so used to trying to think ‘big’ in this business, that it’s a real shift to discipline ourselves to think small, to restate Chris Anderson’s advice. This is a great opportunity for PR practitioners to counsel their clients to think beyond the *Wall Street Journal*. A much more narrowly cast media outlet may deliver twice the ROI as traditional national media.

“Determine who will really use this product, who are the people who need to adopt it early if it’s to catch on. Think in terms of media strategy, as well, finding those individual fractions of the media universe that directly impact particular target audiences. If we think in mass-market terms, we’re simply wasting a lot of effort.”

In a June 19, 2006, *PRWeek* article, reporter Celeste Altus took note of this trend, affirming: “As consumers become more comfortable with technology, the PR business is changing how it presents tech products. Tech and consumer PR frequently converge.” The article offered this advice to PR practitioners:

What consumer specialists need to know about tech PR:

- The tech PR side is orderly and focused on numbers
- Tech journalists rate items with numerical categories
- Tech journalists not only have deep, specialist knowledge, they often have biases
- Tech products can require a lot of preparation prelaunch and may not be perfect in their first incarnation

What tech specialists need to know about consumer PR:

- There are many audiences and avenues. Look beyond Wall St. Journal tech reviews
- With tech items, the biggest influencers are often younger members of the family
- The general consumer isn’t so concerned about an item’s high-end technology. Instead of touting a digital camera’s optical zoom, laud how its tools improve photo quality

Airfoil Vice President Eric Kushner, whose business-to-business (B2B) group develops strategic communications for technology companies, says that the business person who purchases technology is affected to a great extent by consumers with whom he relates every day. “A B2B transaction decision-maker is influenced by his or her family, peer group and the neighbors who sit in the bleachers at the soccer game,” he says. “The influencers for a B2B technology investment can be surprising.”

Companies that traditionally have operated on a B2B level now are marketing directly to consumers as well, he notes, to create a “pull” from the marketplace. Pharmaceutical companies once marketed only with medical practitioners. Now they commonly advertise the benefits of their sleep aid, cholesterol-lowering medication or other product on popular network TV shows and in consumer magazines to encourage patients to request the drug from their doctors. Similarly, Intel’s marketing now goes beyond the computer manufacturer to reach end-users, who may be willing to pay more for a computer that has an Intel processor inside.

In both the consumer and technology arena, for marketers to change the way they think in the new universe invariably means some loss of control. “Marketers need to be willing to allow consumers to influence their brand and not be afraid of

the process,” remarks Airfoil Vice President Tracey Parry. “The consumer is shaping the brand to his or her niche. The consumer is in control, and marketers have to discover that fact to understand where consumers reside, who they are listening to, what they are reading and who influences their final buying decision. That’s how they will build loyalty in the evolving marketplace.”

## Finding a PR agency for the new realities

To capitalize on these new realities, businesses should be changing their thinking about what to look for in a PR agency. Technology companies tend immediately to prioritize agencies by their depth of experience in tech, and consumer-goods companies often act in the same manner, establishing experience in consumer campaigns and a presence on Madison Avenue or Rodeo Drive as essential criteria. While these factors may be valuable, Vallee-Smith suggests companies that compartmentalize the PR industry in this fashion are missing the benefits of the new marketing universe.

“No longer are New York and L.A. the major media markets — media are all over the place,” she asserts, “on desktops, in pocketbooks, hooked onto belt loops and leaping out of video games. If the most lucrative market is the 18-to-34-year-olds

and they’re not watching television, how is that relevant to New York?”

She argues that a PR firm with a business-to-business technology experience easily can convert its business practices to support business-to-consumer PR — and B2C can easily realign to support B2B. Moreover, a firm with teams in both these arenas can offer a multiplier effect of sorts — the teams can share their understanding of their respective markets and reinforce each other.

If the fundamentals of the time-space continuum in our universe have shifted to the extent that 60 is the new 40 and white is the new black, then consumer PR is the new tech PR, and technology PR is the new consumer practice. The agencies that understand and capitalize on the new realities are those that will continue to grow, change and lead.



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