Cycle Time

Marketspace 3.0?

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In recent issues of the journal we examined the idea of digital supply chains for content. In this column we extend that idea, calling attention to two more defining concepts: the growing role of social media in how customers discover and engage trusted brands; the transformation of businesses into IT service delivery platforms.

Let's start with markets. Buyers and sellers meet in marketplaces, exchanging time and money for goods and services, respectively. Most buyers enter markets with preconceived expectations and criteria for satisfaction. In established markets, buyers enter markets with hundreds and thousands of brands already positioned in relative terms of trust: *brandspace* – a term that we introduced and examined in previous issues. Figure 1 depicts the key point: rings of trust in which consumers position one brand relative to others; the most trusted brand becomes expressions of tribal affiliation.

MARKETPLACES BECOME MARKETSPACES

The term *marketspace* connotes the integration of traditional marketplaces and newer digital ways by which customers find and use needed products or services. Figure 2 depicts several aspects of marketspaces. Most notably, brand producers now engage and interact with consumers using the capabilities of three distinct value chains.

Media and content value chains describe a myriad of publishers, broadcasters and websites that a brand producer pays or sponsors to deliver ads, promotions, branded entertainment and content about the brand producer's offering to

target markets and prospective buyers. Here, DAM plays a central, strategic role in content creation – something with which most 'DAMsters' need little new information.

Product and distribution value chains describe an industrial network of suppliers, trade logistics providers, frontline sales and maintenance–repair organizations. Here, DAM syncs up with newer XML-based services of product information management databases: structured, uniform, tagged and ready to publish information about a firm's products and offerings. Key point: 'one version of the product truth'; one single, uniform set of descriptions of each product! For many firms, this represents the next frontier for DAM governance.

IT service delivery value chains describe a global network of corporate data centers, network operating centers, managed service providers,

Figure 1: Consumers position one brand relative to other brands in terms of trust.

Figure 2: Customers and their Trust Networks of Brandspace engage the three Value Chains of a Brand producer's Marketspace. Social media now compel brand marketers to find and serve customers in radical and challenging new ways.

developers, integrators, user-support organizations and self-declared 'IT support ninjas' within the social networks of individual customers.

The 3.0 moniker connotes that markets have evolved beyond the 2.0 era of user-generated content (blogs, YouTube, Facebook) and are entering a third era defined by 'semantic Web.'

In practical terms, the semantic Web entails publishing structured and increasingly standardized metadata about content and applications, creating context and therefore inferred meaning about the content and applications.

Marketspace 3.0 suggests four important developments:

- Consumers experience media, the product and IT services as an integrated, alloyed *branded offering*.

- Consumers encounter branded offerings in what we call a *brand engagement theater*, using the interplay of competing brands as another form of entertainment.
- Consumers use their *social media* and *trust networks* to filter, rank and choose branded offerings, requiring brand marketers to address social peer groups as the basic decision-making unit for branded consumption.
- Consumer *decision-making processes* not only reflect the IQ of an immediate peer group; instant global communications enable self-directed consumers to hear or interact with prominent taste-makers, thought leaders and 'loudmouth' early adopters.

Marketspace 3.0 will require new strategic capabilities of brand-marketing operations: new systems, processes and accountabilities for engaging the social networks that now influence brand consideration, trial, adoption and loyalty.