



Straight Up

This Is Your Marketing Campaign On Steroids

Tom Taulli, 10.20.05, 2:00 PM ET

VistaPrint knew that somehow it had to rise above the noise in its crowded market. The online company, which supplies graphic design and printing services primarily to small businesses, did not have the resources to launch a big-budget marketing campaign.

So, why not give away business cards? "All small businesses need business cards, which are by default passed on to partners, customers and prospects on a daily basis. What better way to market virally than with the very cornerstone of small businesses everywhere?" says Janet Holian, the chief marketing officer at VistaPrint (nasdaq: [VPRT - news - people](#)).

The catch? The back of each business card reads: "Business Cards are FREE at [www.VistaPrint.com](http://www.VistaPrint.com)."

Now, the company has more than 5 million customers and receives about 10,000 orders per day and gains 100,000 new customers per month. The company, which recently went public, wouldn't disclose how much it costs to print the free cards, but over the past five years it spent about one-third of its revenue on marketing. From 2002 to 2005, revenue rose to \$90.8 million from \$16.8 million.

Viral marketing is a way to get your target customer to "spread the virus" about your product. "It can be referred to as word-of-mouth on steroids," said Tom Kinnear, the executive director of the Zell Lurie Institute for Entrepreneurial Studies at the University of Michigan.

The classic case study of viral marketing is Microsoft (nasdaq: [MSFT - news - people](#)) Hotmail, which put a marketing message at the end of each e-mail (to encourage the e-mail recipient to sign-up for the free service). Since then, there have been a myriad of successful examples, such as [Skype](#) and [Craigslist.com](#).

How can your business leverage viral marketing? Let's take a look.

### **The campaign must resonate with your target audience.**

Founded in 1996, [GlobalSpec](#) is a search engine for engineers to locate components, products and services.

"As an audience," said Christine Chariton, the senior director of marketing at GlobalSpec, "engineers and other technical professionals have many common traits: They are problem solvers, they like to be challenged, they enjoy tinkering with products and designs to make them better, and they are continually looking to be educated and build their knowledge base. We needed to create a campaign that would attract their attention and generate excitement--while strengthening the GlobalSpec brand among this core audience."

The result was The Treb Challenge, an online game of physics that allows players to custom build a trebuchet (a medieval siege warfare weapon), and then see how well they score in distance, accuracy and power. "We incorporated our search engine into the game

as a tool for players to learn more about specific trebuchet concepts and terms," said Chariton.

In its first three months, The Treb Challenge was forwarded more than 12,000 times, with over 270,000 unique users playing the game.

### **Quality of execution counts.**

[LiveVault](#), a disk-based online back-up and recovery vendor, created a video called the "[The Institute for Backup Trauma](#)." It's a hilarious look at a fairly dull subject and stars John Cleese, the Monty Python veteran. Since its launch in February, the video site has attracted 300,000 visitors.

"We worked with top talent that ensured a high-quality video," said Bob Cramer, the CEO of LiveVault. "Had this not been the case, I doubt our results would have been so stellar."

### **Identify an incentive for a person to spread the word.**

"It doesn't necessarily have to be 'I'll give you \$5 if you tell five people,'" said Andrew Greenberg, the CEO of [Greenberg Brand Strategy](#). "The coolness factor is a better incentive and so are the benefits to the consumer. A good example is Skype, which provides quality telephone services for free."

Skype, which eBay (nasdaq: [EBAY](#) - [news](#) - [people](#)) agreed to acquire last month, lets users make free calls over the Internet to anyone, anywhere as long as the other party also has Skype. In other words, it encourages users to get others to sign up.

### **Have a plan for distributing the story.**

"You need a clear understanding of the social networks through which you want your message to travel," said Andrew Maydoney, vice president of research and strategy at communications firm [Sametz Blackstone Associates](#). Questions to ask: Who are the influencers? How do they communicate? Who are the referrers?

"The editorial media is the single most important channel for most viral initiatives," Randy Ringer, strategy director of consulting and design firm [Verse Group](#), "because of its reach, ability to create connections and the belief that it's a credible, neutral party. Wikis, blogs and podcasts are interesting newer tools for viral marketing."

Take [Become.com](#), an online comparison shopping site. The site launch had several stages designed to generate interest and buzz. The first part was a limited, password-protected beta for 100 family and friends so as to get feedback on the service. This also created speculation about the service.

The next step was to contact influencers (such as bloggers and industry analysts), which was done with an event. "Although we conducted no advertising, we received tremendous interest," said Michael Yang, the chief executive and founder of Become.com. "Within a few months, we had over 10,000 registered users."

### **Beware the peril and opportunity.**

While a viral marketing campaign can be highly effective, it can also be disastrous. After all, you are losing much control.

**"An integral part of a viral campaign's success is the ability of the consumer to mold the brand to fit within their experience," said Beth Zimmerman, the CEO of**

consulting firm [Cerebellas](#). "It's not about you, it's about them. Young, media-savvy consumers can sniff out a rat pretty easily and will turn table on a brand that does not respect the ways in which they want to be approached or the kind of relationship they want to have with a brand."

*Tom Taulli is an adviser to early-stage companies and is an adjunct professor at University of Southern California, teaching corporate finance and corporate law. He has written several books, including The Complete M&A Handbook (Random House) and Tapping into Wireless (McGraw-Hill). He can be reached at [tom@taulli.com](mailto:tom@taulli.com) and has a blog at [Taulli.com](http://Taulli.com).*