ABSTRACT
A bumper crop of startups is turning marketing upside down with new technologies and disruptive business models. There are many advantages to engaging opportunistically with these companies—and many risks to ignoring them.
WELCOME TO THE BOTTOM-UP WORLD

OVER THE PAST 20 YEARS, RAPID INNOVATION IN THE INFORMATION TECHNOLOGY ARENA HAS LEFT MARKETERS SCRAMBLING TO CATCH UP.

IT’S NEVER BEEN A FAIR CONTEST. Many of the major disruptions in media and communications—from the rapid spread and commercialization of the Internet to the rise of e-commerce to social networks and the app-centric mobile space—have been driven by nimble, entrepreneurial companies building on powerful new platforms, coming out of nowhere to completely decimate established business models.

During the past decade, that process has only accelerated. Large companies built for scale and centralization can’t hope to keep pace with a mob of insurgents that’s going everywhere fast. So what’s a marketing organization to do? Follow some old advice: if you can’t beat ’em, join ’em.

In the first white paper in this series, Dollars, Bits, and Atoms: A Roadmap to the Future of Marketing, we offered a framework for how trends in business and technology are shaping the evolution of marketing in multiple dimensions: brand awareness, customer engagement, and personalization and measurement. We put forward a series of forecasts for near and medium-term changes in the marketing space, clustered around generic areas of innovation such as Big Data, Social, Content, Physical/Digital Blend, and Context, all pointing toward a future vision of the Connected Customer.

This paper looks at one mechanism that is bringing that future to life. The evolution of marketing is not happening by itself: it is being pushed, prodded, and dragged forward by thousands of individual breakthroughs at the edge. Some of these are the result of massive research and development efforts undertaken by leading technology and marketing firms. But the most unexpected and disruptive changes are coming from a robust ecosystem of startups that has spun up around the world as a result of extensive investment and strong institutional support.

This paper is intended to provide marketing leaders with insight into the workings of this ecosystem, the ways that startups are approaching the problems of marketing in a data-driven, connected world, and strategies to harness their innovations for competitive advantage.

Major disruptions in media and communications have been driven by nimble, entrepreneurial companies with no stake in the status quo, coming out of nowhere to completely decimate established business models.
WHY STARTUPS?

COMANIES THAT SPIN INTO EXISTENCE to solve one problem or commercialize a single idea can scale almost instantly if they find a solution that sticks. That’s what’s happening all over the marketing industry today: hundreds of tech-savvy startups are reinventing business from the bottom up.

In our research, we found new ventures in various stages of development, from two-person efforts nestled in the back corner of coworking spaces to mature companies boasting Fortune 50 client lists. Today, more university business programs are pushing students toward entrepreneurship as a hedge against an uncertain job market. The best ideas are feeding into incubators run by institutions (for example, the VentureLab at Georgia Tech), investors (such as Dave McClure’s 500 Startups), and corporations (see Walmart Labs, facing page), accelerating the commercialization of the technologies that are driving and disrupting marketing and other business disciplines.

This is not just limited to the United States. Google’s 2013 investment in the Avila incubator for Latin America, Ventures Africa by Microsoft, and the ongoing impact of Infosys in driving entrepreneurship in India demonstrate the power of this trend worldwide. If anything, the combination of rapid economic growth in emerging economies, a young and rising workforce, and the spread of digital—and especially mobile—technologies across the globe are shifting momentum from the established centers of the 20th century economy to the frontiers of innovation.1

By their nature, these startups are lightweight and nimble in ways that enterprises can’t be: a potentially huge advantage in a market where speed determines success and scale no longer confers the same advantages it used to. While some large businesses live in fear that a competitor will emerge from out of nowhere to steal market share or drain away margins, startups present great opportunities for marketers looking for instant agility and low-impact ways to harness big trends without making big bets.

The companies profiled here are using recent developments in ubiquitous mobility and networks, data analytics, interface design, and cloud computing to put some real business meaning behind the trendy buzzwords.

Startups Run on Cloud Power

Cloud computing is one of the main technology drivers behind today’s boom in marketing tech startups. By building applications and hosting data on cloud platforms like Windows Azure or Amazon Web Services, even the smallest bootstrap company can offer customers the assurance of robust, enterprise-class reliability, security, and performance for their app or solution. The cloud also allows companies to scale smoothly as demand patterns change, without the need for extensive new capital investment or long-term commitments. Cloud platforms are ideal for mobile and cross-channel applications suited for the emerging multiscreen world. Data and services can be updated easily, and resource-intensive calculations can be performed independent of the end-user device, enabling the easy and rapid development of richer, smarter, and more capable apps for every screen.

Innovating in a Big Box

Working with hip, new startups can often have a carryover effect to older brands and shift perceptions in tech-savvy audiences.

• Shopycat makes personalized recommendations to shoppers based on their Tweets and other social activity, using a data profile the company calls the Social Genome.

• Polaris is a custom-built search engine optimized for Walmart.com that has driven a 10–15 percent increase in purchase completion, according to a 2012 announcement from the company.2

• Classrooms enables teachers and schools to create custom supply lists, streamlining the back-to-school shopping that drives retail in summer and early fall.

ADVANTAGES FOR BRANDS

INNOVATION CAN BE DIFFICULT within large organizations, especially in an area like digital marketing that requires collaboration between marketing and IT groups at the highest levels. Engaging with startups allows enterprises to outsource rapid and risky innovation, piloting a bunch of initiatives and moving forward with the projects and partners that show the most promise.

Many of today’s most interesting tech startups are focused on delivering a single service, optimizing one key process, or solving one big problem. The diversity and vibrancy of the ecosystem offers these benefits to enterprise customers:

• Utility: By maintaining a narrow focus, small startups can fill gaps in mobile, social, and data faster than incumbents.

• Experimentation: The burgeoning startup ecosystem offers customers a diversity of approaches to solve business problems. Large businesses can try different solutions without long-term commitments to see what is most effective.

• Efficiency: Many of today’s tech-based companies are taking advantage of the low costs and scalability of the cloud to turn high-cost services into commodities, and packaging technology innovations as apps or services to make them easier for large organizations to deploy.

• Disruptive Potential: By working at the frontiers of innovation, startups pioneer new business models and light up new market opportunities that can have an enormous upside for partners and customers.

• Perception: Working with hip, new startups can often have a carryover effect to older brands and shift perceptions in tech-savvy audiences.
WHY NOW?

THE PAST FIVE YEARS have seen a bumper crop of new tech-based businesses emerge, despite the uncertainties of the larger economy. This boom is driven by the maturation of an entire ecosystem designed to promote entrepreneurship at every stage, including new curricula at colleges and business schools, a wealth of new business plan and innovations contests, new funding options, and institutional support from outside stakeholders ranging from governments to foundations to big software and tech companies.

It has also benefited from enormous outside investments in technology infrastructure and consumer devices. The development of smartphones led to the rise of apps; advances in data center virtualization and high-speed networking enabled low-cost cloud computing; the development of social networks by a few leading companies has created new platforms for innovation and new sources of data. This dynamic has created a symbiotic relationship between the large tech companies and the startup world, with many enterprise technology firms providing material support for entrepreneurs, startups, or open source communities that work to extend the value of their platforms.

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Unsurprisingly, the deliberate cultivation of new businesses has led to a number of new products and services coming to market. Technology companies have done especially well for a few reasons: they are less capital intensive to start, they can take advantage of existing platforms and distribution channels for scale, and they capture the imagination of press, analysts, and investors in a noisy market.

Sparking Tech-Based Innovation

Just about every market-changing entrepreneurial success story was once an early stage startup struggling to get by on a shoestring. For companies in that mode, any assistance in terms of material support, office space, mentoring, publicity, and training means the team can devote more time and resources to their idea.

While incubators, foundations, and institutions provide some of those facilities, large commercial technology companies also play a crucial role in promoting innovation at the grass roots. Their role in the process is grounded in mutual benefit: tech innovators need tools for development, cloud hosting, and general productivity, while big technology companies want useful apps developed on their platforms and hosted on their cloud.

Microsoft BizSpark is one of the largest corporate programs aimed at promoting high-tech startups. Aimed at encouraging fledgling companies to develop on Microsoft platforms like Windows Azure, Windows 8, and the .NET Framework, BizSpark offers thousands of dollars of free software and cloud resources, plus access to an extensive network that includes potential mentors, partners, customers, and funders.

BizSpark is an international network of entrepreneurial startups and partners
WHAT’S IN IT FOR MARKETERS?

ON THE FORECAST MAP, trends like Big Data and Physical/Digital Blend might seem abstract, and the forecasts clustered around them with names like “Anamorphic Ads” and “Curated Curation” sound like slogans. In fact, these forecasts represent emerging solutions to real-world questions facing marketers such as:

- How do we reduce the costs of producing and deploying ads across multiple platforms, while increasing performance, relevance, and measurability?
- How do we tap into consumer desires for more relevant, personalized content to provide brand messages that fit the interests of highly specialized niche audiences?
- How do we offer an integrated brand experience across multiple screens that fits the new viewing habits of connected consumers?

Large organizations are struggling with these kinds of issues, but very few companies can devote their full attention and resources to solving them while dealing with the other priorities of business operations. Not so with startups, whose sole focus is building a better answer for one specific challenge and beating everyone else to market. These young companies are not the only ones investing in innovating in this space, but because they have less to lose than established tech and marketing firms, they are more free to create solutions with disruptive potential.

Here are a few examples of startups who are turning predictions about the future of marketing into real-world service offerings.

Not all the ideas generated by startups in this space are worth the attention of large customers—at least not until they are proven in the market. But for companies struggling to arrive at their own solutions, it can be worth taking a flier on a company that is putting itself on the line to prove the viability of one of those big concepts that everyone is talking about.

• **Aereo** (see page 15) is one of a number of companies bringing broadcast video to mobile devices and blurring the lines between broadcast, cable, and Internet (IP)-based delivery.

- **Criteo** creates personalized display ads based on search for improved relevance, measurability, and performance.

- **Digital Folio** enables real-time price comparison powered by the crowd.

- **Grokr** uses Big Data analytics to anticipate user behavior and target content to audiences.

- **Kaggle** (see page 11) has developed a crowdsourced, gamified solution for data expertise.

- **Placed** (see facing page) pays users to install an app that tracks their physical location, generating a wealth of insights.

- **Socedo** turns social hits into leads, creating tighter connections between marketing and sales.

- **Stipple** is enabling imagery-based advertising to become portable across platforms and networks. Metadata follows images to enable embedded e-commerce.

Taking Location-Based Innovation to the Streets

Do you want insight into how your promotional ads are driving foot traffic in your retail locations, relative to your competition? Though it is now theoretically possible to collect that kind of information using mobile devices and tracking sensors, there is no easy way for any marketing or IT department to make that happen, even with the best tools and an unlimited budget.

Fortunately, location-based data is a growth area for startups, and small companies are coming to the table with very powerful app-based solutions.

Placed, a Seattle-based firm launched by a few predictive analytic pioneers in 2009, has paid consumers all around the United States to deploy its tracking app on their mobile devices and allow the company to use anonymized location data to figure out where people are going. Their sample pool of 70,000 is large enough to extrapolate statistically significant results across a variety of demographic and geographic indicators.

Clients can even correct for road traffic and weather, taking almost all the guesswork out of a previously mysterious set of relationships between advertising, store location, customer behavior, and sales.
Working with an outside partner gives internal teams experience looking at problems through the eyes of an entrepreneur, as well as exposure to classes of solutions that could be tailored more specifically to the company’s internal processes or industry-specific needs. There are plenty of cases of large companies that work closely enough with startup partners that the end result is a long-term business relationship or acquisition. For example, CoreMotives, a startup that developed an automated email-based targeting solution integrated with Microsoft Dynamics CRM, was acquired by SilverPop, a more established market leader in direct email, as a way to create a unified SaaS-based alternative to Salesforce.com’s offerings.

Working with startup partners lets brands take advantage of market disruption without taking the political heat for being the disruptor.

There’s another hidden benefit to working with the right startup partners: the opportunity to take advantage of market disruption without taking the political heat for being the disruptor. Few marketers are in love with the current fragmented media model or some of the industry’s antiquated ways of doing business, but can’t unilaterally disengage from them without paying a steep price. Technology, and the unpredictability of tech-based startups from outside the marketing world, can be a convenient driver of necessary change.

Serving Up Big Data One Bite at a Time

The Big Data boom hasn’t just set off alarm bells in IT and marketing departments: HR is feeling the pinch as well. Where will organizations find the highly skilled talent necessary to unlock the secrets of the expanding dataverse? And who within a non-technical organization is qualified to assess the skills of prospective hires?

San Francisco–based Kaggle offers organizations an alternative approach. The company has curated a community of nearly 100,000 data scientists from around the world, categorized by their specialties and ranked according to their performance in competitive challenges. Organizations of any size can post data projects via the company’s website, and the company assembles the right team to produce the analysis in a matter of days.

Kaggle has helped clients including Merck, Ford, Microsoft, and TenCent address problems such as reducing customer churn, improving lifetime customer value, improving sales forecasting, and increasing the effectiveness of click-through rates on online ads. While Kaggle’s services extend beyond marketing into sales, operations, and finance, the utility of the pay-per-use model provides an intriguing alternative for marketing groups and agencies to get the benefits of premier-class data analysis without employing a full-time data science team.

Courtesy of Kaggle
How Entrepreneurship Is Gaining Escape Velocity

A GLOBAL TREND
Countries around the world are embracing entrepreneurship as an engine for economic growth. Centers of innovation are flourishing across the Americas, Europe, Asia, and Africa.

THE RISE OF STARTUPS
as drivers of tech innovation is a multistage process bringing together talent, capital, and knowledge to address gaps in the market. For marketing organizations and agencies struggling to adapt legacy practices and entrenched business processes to an environment where social media, Big Data, mobile computing, and personalized content are the determinants of success, startups can turn those broad concepts into practical approaches.

One hallmark of the startup ecosystem is that entrepreneurs are taught to “fail fast”: that is, learn quickly from small changes in initial market assumptions and then adjust product plans, business models, and positioning to adapt. Marketers need this same skill. Working with small, nimble partners enables companies to try multiple solutions to stay ahead of fast-moving trends, embracing and investing in the ones that work and discarding others without significant sunk costs.

TECH: THE CLOUD
Cloud computing provides the foundation for flexible, scalable IT solutions. Startups can deploy 1.0 versions and then improve and iterate in real time, dialing capacity up or down as needed.

RESOURCES FOR ENTREPRENEURS
Entrepreneurs have unprecedented access to knowledge through online networks, peer groups, mentoring programs, and coworking spaces that facilitate collaboration.

INSTITUTIONAL SUPPORT
Foundations, governments, and large corporations are providing resources, funding, equipment, tax incentives, and regulatory relief to spur new business development.

FINANCE
Angel investors, venture capitalists, and other early stage investors are pouring cash into the startup ecosystem to turbocharge fledgling businesses on an upward trajectory.

STARTUPS LIFT OFF THE LAUNCHPAD

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The laws governing the transmission and reception of broadcast content in the United States were written in an era where technology mandated a single delivery model: broadcast television. According to these laws, it is illegal for a third party to retransmit signals to a mass audience—that's stealing from the network. However, individuals are allowed to receive and record transmissions for their private use, and watch those recordings whenever and wherever they please.

Skip ahead to 2013, when more and more consumers are carrying devices connected to high-speed wireless networks capable of receiving and playing full-motion video. The challenge of getting live television programming to those devices is technically trivial, but legally very complicated, because it involves negotiations between stakeholders at the highest levels of the media, technology, and networking industries.

Enter Chet Kanojia, an entrepreneur who had been picking at the edges of the media/technology/advertising nexus with his initial startup, Navic Networks (acquired by Microsoft in 2008). His new venture, Aereo, promises to “allow consumers to watch live or recorded HD broadcast television on virtually any type of interconnected device, including smart TVs, smartphones, tablets, and computers.”

Because its proprietary cloud-based system involves using thousands of individual antennas to make thousands of individual recordings of each broadcast, courts have ruled this service falls under the personal use provision as defined in a 2008 interpretation of the Communications Act. Kanojia is neither a broadcaster nor an advertiser. He is an engineer who came up with an ingenious solution that provides a service (and the basis for a business) while abiding by the technical requirements of the law. The concerns of the legacy industry are not his concerns, and it’s not clear that a solution that satisfied the concerns of the industry would offer as much value to customers.

Not every entrepreneur or every startup is capable of causing this much disruption, but when the existing models are so fragile, it doesn’t take very many.
During the next 5–7 years, look for these trends in the market:

**STARTUP MOMENTUM WILL CONTINUE TO INCREASE:** As economies in North America and Europe continue to recover slowly from the 2008–2010 downturn, startups will remain a focus of both policymakers and financial players looking to capitalize on pockets of rapid growth. The institutional, cultural, and economic support for entrepreneurship in various sectors including energy, healthcare, and high tech will continue to spark innovation with vast and potentially disruptive impacts on marketing. Some forward-thinking companies like Procter & Gamble and Walmart have invested heavily in research, development, and incubation in Silicon Valley to stake an early claim on new innovations.

**MANY EXITS WILL BE THROUGH ACQUISITION, NOT IPO:** Startups that develop the most commercially viable solutions will be acquired by technology and media companies who are watching the space carefully and sitting on large cash reserves. Yahoo!’s recent acquisition of Tumblr and Facebook’s 2012 purchase of Instagram are early indicators of this trend. This could mean a net win for business customers desiring more stable relationships with larger-scale partners.

**THE MOST RAPID AND DISRUPTIVE INNOVATIONS WILL COME FROM EMERGING ECONOMIES:** Entrepreneurship is a global trend and the forces driving it forward in developed economies are, if anything, even stronger in places like India, Brazil, Turkey, South Africa, and Vietnam. Companies originating from those regions are developing innovations designed to perform on less reliable infrastructure and less predictable business conditions, solving more fundamental problems. This lean and resourceful approach has generated, and will continue to generate, disruptive solutions with unexpected applicability to developed-world problems. The widely adopted mobile payments system mPesa, for example, was developed in Kenya, where mobile phones are now routinely used for transactions at all socioeconomic levels.

**COSTS OF SPECIALIZED SERVICES AND CAPABILITIES WILL CONTINUE TO FALL:** The scarcity of people and expertise to capitalize on rapid technological advancement is a large and growing problem for businesses of all kinds, including marketing. As such, it is the focus of intense entrepreneurial problem-solving efforts to leverage trends like crowdsourcing, gamification, visualization, and context-aware computing. The intensity of these efforts is already dramatically shortening innovation cycles and rapidly commoditizing specialized services, reducing costs. Expect that to continue and accelerate.

**STARTUP INNOVATIONS CAUSE EXPECTATION INFLATION:** The most interesting and cutting-edge innovations of startups will continue to capture the imagination of thought-leaders and influential consumers, leading to rising expectations on all fronts. This puts more pressure on all businesses to deliver the same kinds of service and convenience; a tall order, considering the structural advantages that nimble, risk-prone startups enjoy over incumbents.

**FORECAST**

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**FORECAST**

Several factors could affect the accuracy of these forecasts, including:

**GLOBAL POLITICAL OR ECONOMIC UPEHAUL:** A return to conflict or economic crisis conditions could derail investment and cut off support for the entrepreneurial ecosystem, or weaken the international ties that have developed during the past decade.

**ENVIRONMENTAL OR HEALTHCARE CRISIS:** A large-scale natural disaster, accelerating climate destabilization, or a global pandemic could not only realign political priorities, but also channel capital into other areas of innovation with less direct applicability to marketing, communication, and commerce.

**REGULATORY SHIFT:** Regulations that foreclose on competition—such as a weakening of “net neutrality” to advantage big players at the expense of small—could dramatically inhibit the prospects of tech, cloud, and network-based startups.

**Bottom Line for Marketers**

Forecasts are always subject to some degree of uncertainty. There are reasons to be concerned about the long-term health of the startup ecosystem if external conditions change, and it is possible to envision scenarios where the larger players in the technology, media, and entertainment space move aggressively to acquire and consolidate promising new players, preempting and slowing expected innovations.

However, in the analysis of the experts we spoke to for this report, startups using the cloud to deliver tech-based solutions for a variety of business scenarios, including marketing, will continue to be a main driver of innovation and disruption in the near term, and there are reasons to believe the current momentum will only accelerate.

**There are reasons to believe the current momentum around startups will only accelerate.**
ORGANIZATIONS WE STUDIED have been successful at taking these approaches when using startups and other specialized small firms to accelerate the adoption of new digital marketing capabilities.

ENGAGE OPPORTUNISTICALLY AROUND WELL-DEFINED PROJECTS: Many cloud-based startups are set up to provide their capabilities as a service, either via an online dashboard delivered through a web browser, through an app, or as an add-in to an existing platform. Others, such as Kaggle, work on a project or per-hour basis. That means different solutions and capabilities can be deployed as needed, without incurring a capital expense or involving corporate IT. This gives groups within larger corporate business units flexibility to try different approaches, conduct small-scale pilot tests, and determine whether a more extensive business relationship is appropriate.

COORDINATE ENGAGEMENTS STRATEGICALLY AND COLLABORATE AROUND DATA: Specialized firms that offer point-solutions for facets of your marketing plan can be tactically useful, but eventually the various services need to be orchestrated into the business’s overall marketing strategy. IT capabilities delivered through the cloud or on a pay-for-service model do not necessarily entail the same complexities as software that needs to be installed on-premises, either on the desktop or in the data center. However it is important to have both the IT infrastructure and the business practices in place to enable sharing of data, both between systems and among people.

PUBLISH DATA TO ENGAGE THE GRASS ROOTS: Growing numbers of government agencies, healthcare organizations, and educational institutions are publishing anonymized data through open systems and application programming interfaces (APIs), allowing third-party developers to build useful apps. Brands are starting to adopt this strategy as well. The Home Depot, for example, publishes its store locations as an open API for use in mapping and location-based applications. In 2012, they, along with Kraft Foods and Qualcomm, put up thousands of dollars in prize money for a “hackathon” in which developers and startups competed to build social and location-based apps to extend the reach of the brand.

PARTICIPATE IN THE ECOSYSTEM: The past several years have seen a dramatic increase in the number of business plan and innovation contests, open data competitions, and gamification of business processes. These offer mutually beneficial opportunities for engagement between brands and entrepreneurs. For example, Audi ingeniously branded its contest to align with its sponsorship of the Iron Man 2 movie (where the hero is an inventor/entrepreneur), gaining favorable association with engineering excellence and early access to a lot of intriguing new business ideas.

INTERNALIZE ENTREPRENEURIAL CULTURE: The culture of startups can provide a bracing contrast to the routine of a large, well-established organization. While companies like Lockheed Martin, Xerox, and 3M have long used the “skunkworks” model to simulate the startup atmosphere within the four walls of the business, increasing numbers of businesses today are setting up independent workgroups or autonomous studios to create a more entrepreneurial mindset and generate rapid innovation. Engagement with real live startups can and should be a part of that process, especially when those startups are integral collaborators on critical marketing projects.
CONCLUSION

There are clear risks for large organizations when working with smaller, less-established businesses. Their ideas may not work or may not scale. An unproven company with unproven management may not be able to deliver on promises. However, for marketing organizations facing existential questions about their ability to keep pace with rising consumer expectations and competitive pressures, the benefits exceed the risks.

Today’s startups are the product of a carefully cultivated system of finance, education, and incubation, and benefit from the unprecedented efficiencies of the cloud. They are agents of disruption, creating and destroying value in unpredictable ways as they experiment with new technology approaches and new business models.

The trends that led to today’s startup culture around technology show no signs of abating. For established companies trying to navigate the complexities of digital marketing, Big Data, and ubiquitous computing, you can try to beat them, try to join them, or try to buy them, but you can’t ignore them.

KEY TAKEAWAYS

- A burgeoning, well-funded ecosystem of startups is building solutions to marketing challenges around data analysis, mobility, location, and social engagement.
- The emergence of cloud computing enables even small tech-based firms to deliver robust services at scale for enterprise customers.
- Startups bring specialized focus, expertise, and willingness to take risks/be disruptive that incumbent organizations may lack, making them useful partners in implementing new marketing initiatives.
- We forecast that the trends driving bottom-up innovation in this space will continue during the next 5–7 years and recommend marketing organizations develop a strategy to engage these kinds of partners in tandem with internally driven initiatives.

For marketing organizations trying to keep pace with rising consumer expectations and competitive pressures, the benefits of working with startups exceed the risks.

ENTREPRENEURSHIP BY THE NUMBERS

According to the Ewing Marion Kauffman Foundation’s 2013 State of Entrepreneurship report:

The number of undergraduate and graduate fulltime entrepreneurship programs has risen to 2,335 during the last TEN YEARS.

In 2011, angels invested $22 BILLION in entrepreneurs.

The 2012 JOBS ACT opened the door for equity crowdfunding. Under the new legislation, a company can raise up to $1 MILLION per year via equity crowdfunding.

Some project that, within a year, the total market for equity crowdfunding could be $4 BILLION.

Venture capital investment in 2011 expanded to more than $32 BILLION across almost 4,000 DEALS.
About This Report:
HOW STARTUPS ARE REINVENTING MARKETING FROM THE BOTTOM UP is the second in a series of research papers looking at the convergence of digital technology and marketing over the next 5–7 years. Researchers gathered material and conducted interviews from February through June, 2013. Sponsorship for this research was provided by the Microsoft Developer Platform Evangelist (DPE) group. All interview subjects were apprised of this in advance. Participation or citation in this report does not imply any relationship with or endorsement of Microsoft or its products. Contents of this report are © 2013 MediaPlant, LLC. Permission required to quote extended excerpts, redistribute, or synthesize.

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ROB SALKOWITZ is an internationally recognized author and expert in entrepreneurship, innovation, and the disruptive effects of technology on business. He is author of four books: Young World Rising; New Youth, Technology and Entrepreneurship are Changing the World from the Bottom Up (Wiley, 2010), Generation Blend: Managing Across the Technology Age Gap (Wiley, 2008), Listening to the Future (with Daniel W. Rasmus, Wiley, 2009) and Comic-Con and the Business of Pop Culture (McGraw Hill, 2012). His work has appeared in Fast Company, Forbes, Bloomberg Businessweek, Entrepreneur, and the New York Times. He is a cofounder and partner at MediaPlant, where he serves as director of strategy and content.

About MediaPlant:
 MEDIAPLANT is a communications firm specializing in B2B marketing, strategy, and technical development. Founded in 1999, the company and its principle partners have completed projects for Microsoft, HP, Herman Miller, Watchguard, Ford Motors, and many other global leaders. MediaPlant has offices in the Pioneer Square neighborhood of downtown Seattle, Washington. For more information, see www.mediaplant.net.

Notes and References:
1 See Salkowitz, Young World Rising: How Youth, Technology and Entrepreneurship are Changing the World from the Bottom Up (John Wiley & Sons, 2012) for a fuller discussion of this phenomenon.
3 https://aereo.com/assets/marketing/mediakit/exec_bio_chet_kanojia.pdf
5 http://bigbrandhackathon.eventbrite.com/

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• com/velocity
• Content26
• Daily Mail/MailOnline
• Georgia Institute of Technology
• Google
• Gsk
• The Home Depot
• Hulu
• Innmar
• InterContinentalHotels Group
• Kaggle
• McCann-Erickson
• McKinsey & Company
• Microsoft
• Nabisco
• NCR
• P&G
• Procter & Gamble
• RBC Capital Markets
• Siemens
• Starbucks
• United Parcel Service
• The University of Washington Foster School of Business
• VivaKi
• The Weather Channel
• Wikibrands

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