

July 01, 2011

The IDEA Spring/Summer 2011 newsletter

Northeastern University - IDEA, Northeastern's Venture Accelerator

Recommended Citation

Northeastern University - IDEA, Northeastern's Venture Accelerator, "The IDEA Spring/Summer 2011 newsletter" (2011). *IDEA Newsletter*. Paper 5. <http://hdl.handle.net/2047/d20003958>

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The IDEA Newsletter provides entrepreneurial advice, updates on our ventures and progress, and more.



The IDEA Spring/Summer 2011 Newsletter

Human Experience is the Heart of a Great Brand

By David Knies



David founded [Launch Control Group](#), a network of brand, product + marketing experts, after 20 years building and accelerating major global brands + high-growth new ventures. During his career, David was part of the launch of many game-changing innovations, products and programs. He functions as a "Brand Strategist in Residence" with several

award-winning design, creative + digital agencies in the Northeast. Follow him on Twitter [@davidknies](#) or [@launch_control](#).

A Brand is a set of HUMAN EXPERIENCES – not a logo.

Branding is all the ways your company provides a personal experience to individuals;

Marketing is how you tell many people about your Brand and its unique experience.

Great Brands are companies that have built thriving businesses and increased company value by providing a great experience at every personal touchpoint. Great Brands make you say WOW. The secret to greatness + growth lies in exceptional personal service. A Branded experience.

Why is this important? Every purchase decision we make is Branded. Everything. Even the most mundane things. Even socks!

Instant, digital communication – social media, blogs, you tube, etc... – has changed the rules to mean that the experience a Brand provides to an individual – and what they say about it – can now do more to determine a Brand's success than all of the Marketing in the world. Game-changing opportunities abound for Brands who embrace the value of human experience. And catastrophic failure awaits those who don't.

Put differently - what people say about your Brand is now more important than what you tell them it is.

A Brand is only as strong as its weakest link. Because people now believe the way that your Brand does anything is how it does everything. And they will talk about their

experience – good or bad. I believe this to mean that an outstanding customer experience is more critical to a Brand's success than great marketing.



A study of the "[18 Worst Brands in America](#)" by Business Insider showed that a disappointing service experience was what people will not put up with any longer. You can guess who the culprits were – service providers who provide bad service. Without mentioning names – but you can guess them – of the cable companies, airlines, banks, utilities, HMOs and telecoms who set high expectations with their advertising + marketing, but didn't deliver against their lofty promises.

But there's hope...in each of these industries. There are smart Brands that realize that times

have changed and that their Brand is ultimately in the hands of the people. Human Brands understand that people are no longer passive consumers but active conversationalists.

There are now two types of Brands – Ivory Tower + Human. (There's also a third – No Man's Land, which is a Brand that no one cares about. But who cares, right?)

Ivory Tower: For decades, Brands were able to broadcast their message from an ivory tower to passive consumers. This usually meant an advertising-led creative idea – usually an idealized version of their story (“We Love To Fly And It Shows”), turned into a carefully-managed campaign across PR, website, retail, promotions and all the other “marketing communications” disciplines. We learned about new products and Brands through advertising, making Ad agencies the creative core and heartbeat of successful Brands.

At Ivory Tower Brands, customers are treated like wild animals – only listened to via focus groups. Customer Service is an afterthought by underpaid hourly employees. And often outsourced to the other side of the planet. Social media is used to monitor conversations about the Brand and control / contain negative conversation. Ivory Tower Brands tend to not be real or authentic. They talk the talk. But can't walk the walk. Some examples – BP. Tiger Woods. Toyota. Banks. Airlines. Cable companies. Tom Cruise.

People prefer recommendations from friends or trusted sources than from Brands themselves or advertisers.

Human Brands are built around an exceptional product and the human experience around it. They understand that we learn about new things via conversations – social media. Blogs. Email. Real human conversations. And they move at internet speed now. They know that advertising can help fan the flames they set with effective storytelling. But if their Brand experience isn't great at every touchpoint then they aren't delivering against their fundamental promise.

Instant communication has given power to the people now. And the people have stormed the ivory towers – and turned them into towering infernos. Because Marketing is ultimately a conversation about a Brand. And conversation is like fire. Good and bad.

How can you be a Human Brand?

- Tell the Truth. People aren't stupid and they know BS when they smell it.
- Underpromise + overdeliver.
- Provide a great customer experience – make sure the most important things you do deliver a wow and the less important things are still “on brand”
- “Make stuff that doesn't suck” – provide fair value for money.
- Get out of the Tower, Princess! Get into the real world. Listen to what people are saying. Know your customer. Know what they love. Know who isn't your customer. Use this information at the core of every decision.
- Target consumers...but never forget that people are your customers.
- Stop making powerpoints. They are the invisible fence of innovation.
- Repeat. You're never done!

Remember one thing...great Marketing doesn't matter if your Brand isn't built on an outstanding + personal human experience.

Read this article in its entirety [here](#).

Got a Startup In the Works? Investors Weigh In On What It Takes.



At the Spring IDEA Investment Forum, a panel of experienced investors from the Boston area gathered to share their advice on a series of topics to help give NU entrepreneurs and idea of the process of (correctly) starting a business. IDEA CEO Michael Hans moderated the forum and took some questions from the crowd. Here's what they had to say on some of the hot topics of the night.

The Panel (shown, left to right)Antonio Rodriguez -- [Matrix Partners](#)Anita Brearton -- [Golden Seeds](#)Jeff McCarthy -- [North Bridge Venture Partners](#)

Harry Keegan -- Independent Angel

Roy Liu -- [Hercules Technology Growth Capital](#)**On whether or not age is an issue...**

Jeff: If you've got the right energy level, age doesn't factor in. But I've found that the younger entrepreneurs have the fresher ideas.

Harry: The younger the startup the better the listener. I worry sometimes about those with more experience – they think it's all up to them to solve the problem.

Antonio: We live in the post-Zuckerberg age. If you're raising money from angels, play the part. *In other words:* Younger entrepreneurs come into it with a clean slate – they see solutions differently than those with experience. Use your age as an advantage. In a time when some of the world's biggest startup companies were created by undergrads, it's okay to act your age.

On creating an Advisory Board...

Anita: Surround yourself with good advisors who want to spend time with you and on your venture. Think of it as an advisory circle, not an advisory board. Create informal relationships with these contacts and look to them when you need help. Find out who's really interested and who's providing real value before divvying up equity.

Jeff: Figure out what you are doing and what you need, then fill those voids.

Harry: Don't put names on your board for prestige – they won't give you the time.

In other words: Don't go for the big names – build an advisory board of people who know the ins and outs of your venture's industry and who have passion for what you're doing. These are the people who are going to provide you with the most value.

On approaching investors...

Roy: How much homework has the entrepreneur done? Have they done their due diligence? Do they have great advisors who feel as passionately about their business as they do? These are some of the questions we ask.

Antonio: Where to go for money? Wherever you can get it. You have to show incredible proof that you're a breakaway in whatever category you're in, and big enough to be meaningful to investors.

Anita: Figure out who you want to be talking to. Engage with members of angel groups. Get to know them informally, even up to about six months before you pitch.

Harry: This is OPM you're dealing with – other people's money. Those people know exactly what it takes to make money. They want commitment, want you to listen.

In other words: Do your homework! The last thing you want to do is waste an investor's time – or money. You're likely to only get one opportunity to pitch, so you'd better blow them out of the water when you do. And if you're not prepared, chances are you're not going to do that.

On investors' relationships with their startups...

Harry: I expect to hear from you every week, all the time. We want this communication and we want to know what milestones you're hitting. We're here to help you – it's the value-added that comes with having an investor – so if we tell you to call someone, call them.

Anita: Make no mistake, we would never be a silent partner. It's a marriage.

Antonio: There is never too much contact.

In other words: Investors aren't going to be annoyed if you're calling them to tell them you just hit a major milestone. In fact – if you don't call them, they'll probably be pretty mad. Same thing goes if you avoid calling them to tell them you aren't able to hit a milestone. Whether the news is good or bad, they want to hear it on a near-daily basis, and they want to give you feedback. But if it's the birth of a first son or a daughter's wedding, it can probably wait until tomorrow.

On building clout...

Antonio: The downside to the Zuckerberg generation is that, without any working experience it's difficult to be successful. Join a startup, network, gain experience.

Jeff: Establish a track record of success. That becomes very meaningful and something that we

look for.

In other words: Get out there! Don't just sit around waiting for something to happen. If you've got a startup company in the works, make it a side project. Join a more mature startup and get real firsthand experience. Not only will this impress potential investors, it will help you with your own startup.

The IDEA Venture Spotlight: Global Foods Online



THE GLOBAL FOODS TEAM AND ROLES:

Bryce Wilson, Founder and General Manager

Daniel Wong, Web Developer

Shreya Shankar, Aesthetic Coordinator

INDUSTRY: International Cooking

SEEKING: Search Engine Optimization Expert

THEIR MISSION: Break down the barriers to international cooking and make authentic, home-cooked food from around the world available to everyone.

IN THE WORKS: Global Foods Online is about to launch an Internet advertising campaign using Google Adwords and Facebook Advertisements. Their goal is to gain visibility in the online cooking community and become a utilized and trusted resource for international cooking.

WHAT THEY'VE LEARNED: Patience and perseverance are prerequisites for every entrepreneur. Beyond that, it just takes guts and a good idea.

ADVICE: Be prepared to make this venture a high priority in your life. Student entrepreneurs are especially challenged because it takes discipline and time-management to juggle homework, extracurriculars, social life and everything else in between. Only through dedication will you be successful.

FOR MORE INFORMATION ON

IDEA Awards Gap Funding to Apifia



[Apifia](#) is an innovative leader in the creation of social applications. The company is currently developing a technology called [SplashScore](#), a Facebook and web-based application that measures the social influence of consumers and brands based on their interactions with the social graph on Facebook.

Apifia was launched in January 2011, and since that time has developed the Splash Algorithm, established a core team, partnered with user interface designer, and is currently in Alpha development for the consumer application.

With the IDEA funding, Apifia will launch an Alpha, Closed Beta and Open Beta of the consumer version of SplashScore.

SplashScore for Consumers is positioned as a complement to Facebook usage, and will drive social responsibility through social influence. Through their social interactions, consumers will compete to achieve the highest SplashScore, earn achievements based on Facebook activity, and purchase virtual goods that enhance their experience while benefiting sponsored charitable causes.

By creating a game dynamic out of Facebook usage, SplashScore for Consumers will provide a foundation of identified social influencers required to launch the Brand's version of the application.

SplashScore for Brands will provide a one-stop shop for brands to identify, capture and reward influential consumers on Facebook. The application will provide brands with a platform to market to influential consumers, sponsor challenges to promote their brand, increase revenue through deals, and reward loyal or influential fans.

FOR MORE INFORMATION ON APIFIA, VISIT THEIR WEBSITE AT WWW.APIFIA.COM.

[Find out about past IDEA Gap Funding recipients.](#)

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IDEA Events

[NEXPO](#) and the [IDEA Investment Forum](#) are IDEA events held each semester that highlight the accomplishments of our ventures as well as offer them an opportunity to network and gain valuable feedback from experienced investors in the community. Be sure to check back with us to find out when the next NEXPO and IDEA Investment Forum will take place!

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