
CHAPTER

1

This Could Be Your Brand

There are some things in life that you just can't make up, so I will start by sharing a real-life social media case study that is playing out on the Internet as I write. The story is powerful and could easily happen to your brand. We are starting with a story that is intended to educate you on the impact your Customer can have. I am not looking to trash the individuals involved; in fact, in the way I see it, this could easily be your brand or mine. In any case, I am not a gamer, but I love what this product and brand stand for and I think you will, too. I am hopeful that Customers and potential Customers will look past this incident and bring success to the company involved.

Have you ever heard of Kotkin Enterprises or David Kotkin? Kotkin Enterprises was founded by Dave Kotkin and they make unique game controllers. According to CBS 4 in Miami, Florida,

David was an art teacher at Holmes Braddock Senior High School in Miami. A student wanted to use his new game system but had trouble due to a skin condition. David went to work and created the Avenger controller, an attachment over the existing controller that the student could use. It is an amazing story of success in America. There was a need and David was able to invent the solution.

David had been an inventor for years and had sold some of his inventions to others. However, with the invention of the Avenger controller, he decided to build a company himself. Like many other small business owners, David did not know all the ins and outs of business, so he hired experts to help him, one of which was a marketing firm David hired to help him get the Avenger into stores as well as answer Customer inquiries.

Kotkin Enterprises first introduced a controller for the XBOX. Here is how the Avenger controller is described on their website:

The Avenger is an external adapter that houses the existing XBOX 360 controller, helping to improve your situational awareness, accuracy, agility, and reaction time. The Avenger allows for rapid, fluid movements between individual buttons and analogue sticks. Equipped with a stabilizer stand, customizable levers, high-precision tension straps, hair-trigger capabilities, and sensitivity adjusters, the Avenger can be fine-tuned like an instrument.

After the success of that product, Kotkin Enterprises began launching a new controller for Playstation 3. Due to delays in manufacturing, Customer preorders did not go out in the originally promised time frame. A Customer named Dave (not to be confused with “David” Kotkin), excited about the product, decided to e-mail the company regarding the status of his order. The marketing firm hired by Mr. Kotkin handled the e-mail interactions with the Customer. What happened during this

interaction has been a learning experience for Mr. Kotkin and one that I hope will help you as well.

Dave is an ordinary Customer, like you or me, who simply paid for a product that he wanted to receive in time for the Christmas holiday. The original purchase had a promised delivery of early December, which had come and gone. Dave waited until mid-December, more than a month after placing the original order, to contact the company about the status of his order, which was for two controllers. His original e-mail included feedback regarding the fact that he was forced to pay upfront for a product that had not shipped. Kotkin's marketing firm replied to Dave, saying that the product was still in China. Then, Dave responded to clarify that he most likely would not have the product in time for the holiday. The next exchange from the marketer to Dave stated that the controllers were now in the United States.

Suddenly the conversation took a wrong turn. The Customer replied, questioning a new discount that was being offered to new Customers. Dave inquired about canceling his original order and placing a new order to get the discount. The marketing firm representing Kotkin responded with, "No one is allowed to cancel and reorder; if we catch anyone doing that, we will just cancel your order altogether."

As you can imagine, this exacerbated the Customer and he replied with a rant about the overall experience and the treatment that he had received as a Customer. The Customer also researched the marketer and shared feedback regarding some videos that he was in, not related to the product, as well as outlining all of the issues he had had until that point. This Customer response then generated one of the oddest responses I have seen from any businessperson: The marketing firm responded with an outline of a number of connections the firm has in the press and gaming community, and makes many personal attacks on the Customer, including stating that Dave is "the douchiest of them

all [in relation to all the others with similar complaints].” Please note that I do not use or approve of this sort of language, but have included it here to stress the magnitude of the situation. I think that this is unacceptable in any form, but from a business perspective, I am floored.

Throughout this exchange, several individuals had been copied on the e-mail chain. The latest e-mail grabbed the attention of one of the recipients, Mike “Gabe” Krahulik, the artist for the popular website Penny Arcade. Gabe is also the founder and organizer of the popular Pax Events, an event at which Kotkin Enterprises had hoped to have a booth. At this point, he entered the conversation, making it clear to the Customer and the marketer that this company would not have a booth at the Pax Event. This led to more e-mails from the marketer claiming how great the product was doing and listing all of the upcoming events that they would be part of. The marketer also went on to claim a number of connections that he had in the industry, going so far as to state that he would be able to get a booth regardless, because money and connections can go a long way. Gabe reiterated who he is, inferring that the marketer might want to Google him and reference his popular website.

Gabe posted the story on the Penny Arcade website, and it spread like wildfire. The e-mails themselves are very damaging to the Avenger brand and Kotkin Enterprises, but this is certainly not where the story ends. In fact, it is just the beginning.

In the new world of @YourService, everyone who is in contact with your Customer impacts your brand. It does not matter if they work directly for you, a public relations (PR) firm, a marketing firm, or an outsourced Customer Service center. The Customer does not care, either; to them, it is still your brand.

In just twenty-four hours, the story spread to more than four hundred websites, and thousands of tweets. Over the next few days, it grew exponentially, even making it to many traditional

news outlets. At first, the marketer saw this along the lines of “any press is good press.” The marketer then reacted the way many other businesses tend to do when their brand has been damaged: threaten legal action. (Probably not the best attempt to make this sort of event go away!)

The marketer eventually e-mailed Gabe at Penny Arcade asking him to stop spreading the story. Gabe responded with an important lesson. “The reality is that once I had posted the e-mails, I didn’t have the power anymore. The Internet had it now and nothing I said or did was going to change that.” The marketer did offer a half-hearted apology to Gabe, as well as a press conversation with a similar tone, stating that he had not realized how popular Gabe was and that he didn’t believe he was really Mike Krahulik. Let’s face facts: This situation was not caused by the actions of Penny Arcade or its popularity. This was solely due to the marketer’s responses, which were in writing, to a Customer.

At this point this story took on a life of its own! When a story like this becomes popular, people everywhere will start to dig into all facets of the company or situation. One of the first things discovered is that much of the content used on the marketing firm’s website is completely plagiarized, all the way to their About Us page. The firm blames this on outsourced foreign creators of the website. Then, some of the people whom the marketer had referenced as knowing in his e-mails to the Customer and to Gabe started to come out and state that they, in fact, did not know him. Many also offered their own opinion of what had transpired. Once trust has been lost, it is very hard to gain it back.

Later in the book, we further explore the Kotkin Enterprises case, including their response, which was highly effective. The company did quickly tell the website Kotaku, “We apologize for our poor representation from [Marketing Firm]. We wanted to give [individual marketer’s name deleted] a chance. He was rough

around the edges, but he had drive and enthusiasm. However his behavior was unprovoked, unnecessary, and unforgivable. We are no longer represented by [Marketing Firm].”

At face value, I feel badly for Dave Kotkin and the entire Kotkin Enterprises team. They hired a firm that they believed could bring success. The marketer was obviously energetic and passionate; unfortunately it was probably not for the brand, product, or Customer, but instead for something else. As this unfolded, the ratings for a product not even released yet dropped on Amazon from four stars to one star. Marketing firms with similar names soon felt repercussions because their brand was unintentionally being trampled.

In the past, Dave may have shared his story with the press or other organizations, but the impact to the brand most likely would have been minimal. Most often, journalists or other organizations might simply forward the story to the company. It was rare for these stories to become part of the news cycle, let alone reach into the heart of your Customer base and energize them, as is now happening on the web. We are going to continue to discuss the Kotkin Enterprise story, along with many others. I hope you enjoy the ride and gain value for building your own business, no matter the size.