

# "TRANSPARENCY TYRANNY"

As promised a few months ago, here's more on TRANSPARENCY TYRANNY. But don't let our trend moniker fool you: this is as much about challenges as it is about turning a more transparent world into TRANSPARENCY TRIUMPH.

Oh, and please don't forget to [tell your colleagues about us](#). Much appreciated!



## Introduction

The non-competitive and the downright incompetent have very few stones left to hide under: never before have consumers' purchase decisions been so strongly influenced by all kinds of transparency. In fact, TRANSPARENCY TYRANNY now rules:

**"Old economy fog is clearing: no longer can incompetence, below-par performance, ignored global standards, anti-social & anti-eco behavior, or opaque pricing be obscured. In its place has come a transparent, fully informed marketplace, where producers have no excuse left to underperform. TRANSPARENCY TYRANNY for some, TRANSPARENCY TRIUMPH for others."**

As promised in our [Top 5 Trends For 2007](#) last January, we'll expand on the TRANSPARENCY TYRANNY trend in this briefing: not only will we focus on what's next for the by now ubiquitous transparency of recommendations and prices, but also on transparency of intention, of advice, of best of the best.

## 1. Transparency of reviews & recommendations

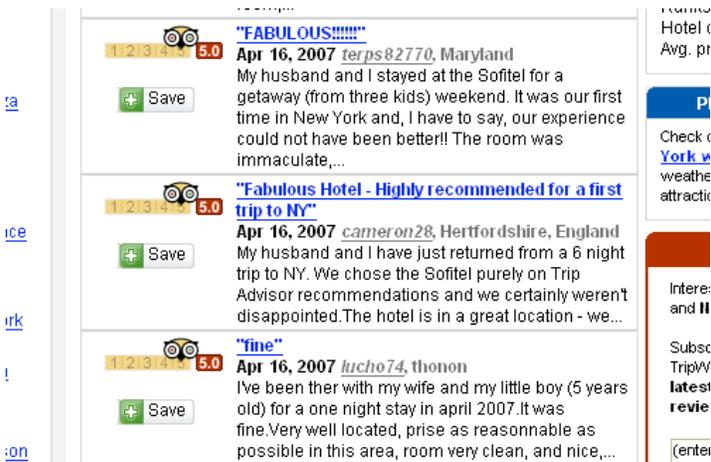


Anyone who wants to see transparency in action should spend a few hours on [flyertalk](#), [igougo.com](#) or [TripAdvisor](#). The latter alone boasts more than 20 million visitors each month and has amassed close to 5 million registered users and over 7 million reviews and opinions covering 23,000 cities and 180,000 hotels, as well as more than 540,000 candid traveler photos of 40,000 hotels. A transparency poster child, we'll be using TripAdvisor as an example throughout this briefing.

It's not just travel, though: countless other sites, from opinions to Amazon, are inviting consumers to share their experiences on everything from kitchen knives to cars. No wonder some brands feel that transparency of reviews and recommendations has reached its zenith. **However, what's out there today is nothing compared to the transparency madness that brands will have to deal with over the next few years.** Here's what's going to fuel consumer reviews (and thus your profits or losses) to the n-th degree:

# Mass and attitude

**1+ billion consumers are now online** and the majority of them have been online for years. They're skilled bargain seekers and 'best of the best' hunters, they're avid online networkers and they're opinionated reviewers and advisors. And there will no shortage of future contributors and viewers, especially with younger generations weighing in heavily; those that are born to the web, to whom contributing online is a given. Simply put: there will be many more consumers posting reviews, and they will increasingly consider them an integral part of their relationships with brands and businesses.



Due to this increase in reviewers, **real-time TRANSPARENCY TYRANNY is building**. As more people are contributing, the sheer mass of reviews will lead to daily, and who knows, even hourly reviews on any topic imaginable. (The image above shows three TripAdvisor members reviewing the Sofitel hotel in New York within 24 hours, whereas a few years ago, one review per month was deemed frequent.)

In addition, virtually ubiquitous online access means consumer reviews can be posted instantly and on the spot. The latter shouldn't be underestimated: a reviewer without online access has to postpone his or her review, which often results to not posting it at all. Needless to say, online access through cell phones will prove another driver for instant reviews.

Pleasant side-effect of the above: **mass postings will also unmask, outnumber and thus neutralize fake reviews** posted by desperate brands trying to piggyback on the power of the transparency trend. Which will lead to an even greater trust in recommendations and reviews.



However, the **missing link in the above is profiles**: the onslaught of recommendations needs transparency of its own. After all, what good is a recommendation if it's from someone leading a different **STATUS LIFESTYLE** than your own? Expect a host of new **TWINSUMER** ventures to spring up and monetize collaborative filtering and profile matching in the next 12 months, most likely by partnering with sites that are already profile-driven, like MySpace, Bebo and the growing gaggle of social shopping sites.

TRANSPARENCY TYRANNY is also **fueling the TRYSUMERS trend**: reviews on anything, anytime diminish the risk of disappointment and of buying a lemon, and will empower and entice buyers to explore the niche side of consumerism like never before.

## Tools and distribution channels

The millions upon millions of eager consumer reviewers have at their disposal an ever more technolusty arsenal of tools and sites, which help them to capture and expose their experiences, multimedia style.



As camera and video phones become both ubiquitous and more powerful, **reviews of anything and everything will go multimedia** (worldwide sales of camera phones accounted for 48 percent of total worldwide mobile phone sales in 2006, growing to 81 percent by 2010, according to new forecasts from Gartner Inc. This

trend is set to continue, leading to sales of one billion camera phones by 2010.) The impact? Well, a picture says more than a thousand words, and a video says more than a thousand pictures. EVERYTHING brands do or don't do will end up on youtube.com or on an undoubtedly soon to be launched youtube-clone dedicated to product reviews. Also keep an eye out for 'live' reviews, encouraged by companies like [Comvu](#), which bills itself as the world's first live video broadcast service for 3G mobile phones and other portable platforms. A similar set-up for webcams can be found at [ustream.tv](#).

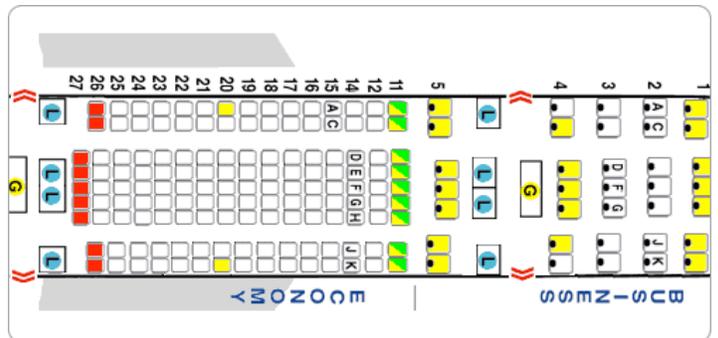


Let's not forget (maddening) phone conversations between customers and help desks, call centers, sales people and customer service departments: with telephone calls rapidly moving to internet phone services like Skype, it will be easier than ever to record them. Case in point: plug-ins like [KishKish SAM](#) and [Hot Recorder](#) can automatically record Skype and IM conversations. For a telling example of **audio-based transparency**, listen to the following [Skype-recording](#) of a family on holiday in Greece who lost their credit cards and were trying (begging!) to get Washington Mutual to issue a new card and cancel the old one. More of these recordings to come, no doubt. We ain't heard anything yet.

## Rewards

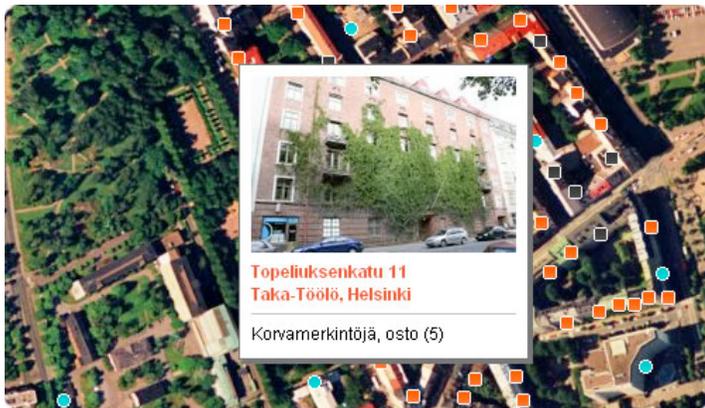


Once the number of purchases influenced by reviews can be counted in the hundreds of millions, representing billions and billions in sales, **expect star contributors and reviewers to demand a piece of the action.** Please re-read our [GENERATION C\(ASH\)](#) briefing for a taste of things to come.



What else? As mass always paves the way for **niche**, expect every industry, every sector, every product to get its own TripAdvisor. Definitely spells business opportunity in our book. Case in point: niche-champion [seatguru.com](#) ('The ultimate source for airplane seating'), was just bought by... TripAdvisor. Fasten your seatbelts for many more upstarts and M&A deals in this space.

## 2. Transparency of intentions



Oh, and what if consumers not only share post-purchase reviews with the rest of the world, but make their **buying intentions** transparent as well? Last month, we highlighted [CROWD CLOUT](#), or group buying power, which heavily depends on transparency of intentions. Accurately dubbed the Intention Economy by Doc Searls last year (though the idea has frequently surfaced over the last 10 years, just check out John Hagel's musings on the topic), it all comes down to letting consumers make their buying intentions known, inviting suppliers to bid for their business.

For some inspiration, take a cue from these 'intention 2.0' firms that are shaking up the traditionally not-so-transparent world of real estate in Finland, the UK, The Netherlands and the US:

Finnish real estate site [Igglo](#) lets potential buyers 'pre-order' houses that aren't on the market. Igglo has photographed every building in Helsinki and several other Finnish cities, and combines these photographs with satellite images and maps. Every property is listed, not just those that are currently on the market. (Their tagline is: "Your house is already on Igglo.") Potential buyers can earmark a building, street or neighborhood they're interested in, and post offers online. This lets potential sellers find out how desirable their property is, even if they weren't actively considering selling. Buyers also receive an alert when a property in their earmarked building or area comes up for sale. If demand and supply meet, Igglo handles the transaction for a lower fee than is charged by regular real estate agents (less than 2%). Lower fees are made possible by the fact the Igglo agents don't get involved until buyers and sellers have found each other. Consumers like it: the site attracts more than 50,000 visitors a week, and the company is now working on European expansion.

However, as good ideas spread faster than ever, it will now find similar 'reverse real-estate' start-ups on its path: from British [Blockhunter](#) and Dutch [Elkhuistekoop.nl](#) to US-based [Buyer-Hunt](#).

Consumer sellers are making their intentions known, too. Another example from the world of real estate: US-based [Zillow](#) lets home

owners take the initiative by allowing them to set a Make Me Move price without actually putting their house on the market. Once owners set a price ("that magical number you just can't refuse"), potential buyers can contact them anonymously via email. It's then up to the owner to decide whether they really want to sell. Here too, intentions are key: if homeowners are thinking about selling in the near future, the service helps to start gathering interest. Or they may have long term plans to sell, but could be motivated to do so sooner if the right offer comes along. What match making start-up will go all out and combine Igglo and Zillow-like intention services to create a beyond transparent real estate super site?

And what other 'not for sale yet' objects of desire are ripe for proactive bidding wars? That classic Ghia parked around the block? Attractive yet somewhat anonymous members of the opposite or same sex? Small businesses? If you can somehow obtain an extensive database, preferably with pretty pictures, throwing in some geospace functionalities making it easy to locate an object, you may have found yourself the Next Big Intention 2.0 Thing.

**Pretty Ricky**  
Hip Hop / R&B / Rap

**Demand it!**  
57,035 in 1,927  
people places

Hot demands for Pretty Ricky:

1. Detroit metro area (2206)
2. Chicago metro area (1601)
3. Atlanta metro area (1363)
4. Dallas metro area (1205)
5. Houston metro area (1116)
6. Miami metro area (1069)
7. Memphis, Tennessee, USA (1068)
8. Indianapolis, Indiana, USA (997)
9. Jacksonville, Florida, USA (935)
10. Decatur, Georgia, USA (917)

[Show all 1927 Demands for Pretty Ricky](#)

There's more, though: how about listing an intention to go see an artist or band if he, she or they would only come to a certain country or city? Enter [Eventful](#), which not only enables users to find and post local events anywhere in the world, but also lets them demand events and performances in their town and spread the word to make them happen. At last count, there were more than 126,000 demanded events on Eventful. Should help persuade well-known artists to now and then change their regular touring schedule, and should definitely create a long tail-style bonanza for niche audiences, and thus niche artists, niche events and niche performances.

## 3. Transparency of prices

What else can we say about price comparison than that full transparency in this field seems near? Show us one consumer who does not spend hours hunting down the lowest fare for her Montreal-New York trip, the best price for that Sony television, the cheapest copy of Murakami's latest novel? The [Shopzillas](#), [Pricegrabbers](#), [Shopping.coms](#) [Kelkoos](#), [Froogles](#), [Bechnas](#), and [Roboshoppers](#) of this world will instantly find consumers what has become known by terrified retailers as the 'Internet Price'. Next?

## Price comparison and niche



When there's mass, there's going to be niche. Expect plenty of dedicated, **one-category only price comparison sites**, adding to full transparency.

Check out:

[lensprice.com](http://lensprice.com) and [findcontactlenses.com](http://findcontactlenses.com) (contact lenses)

[healthpricer.com](http://healthpricer.com) and [vimo.com](http://vimo.com) (health)

[gasbuddy.com](http://gasbuddy.com) (gasoline)

[findstrollers.com](http://findstrollers.com) and [findbabyseats.com](http://findbabyseats.com) (baby strollers and seats)

## Price comparison and guarantees

**Welcome to TESCO PRICE CHECK**

**We shop around, so you don't have to...**

Every week we check over 10,000 prices in Asda, Sainsbury's and Morrisons stores to guarantee you low prices every day.

See how our products compare on price this week:

Against	Tesco is cheaper	Tesco is the same price	Tesco is more expensive	Based on no. of lines found
	NO. OF PRODUCTS	NO. OF PRODUCTS	NO. OF PRODUCTS	NO. OF PRODUCTS
Asda	1419	4916	891	7226
Sainsbury's	4286	3943	433	8662
Morrisons	2645	2610	439	5694

Prices checked between 09 April 2007 and 11 April 2007.

If you want to see just how low our prices really are, simply search for any product in the Price Check below and see how we stack up!

**PRICE CHECK**  
Simply type in the product you want to check and click 'compare'...

Product:

**Helping You Spend Less Every Day**

Expect more direct sellers to feel compelled to **match the lowest prices** found on price comparison sites. For your own brand, you'll have to figure out if that's going to be a race to the bottom, or the status quo in your industry...

[www.trendwatching.com](http://www.trendwatching.com)

## Best price guarantee

Processing .....

Please Wait!

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**Lowest Internet Rate Guarantee**  
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**Book with confidence**  
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BA.Com Price Promise

**Our Best Rates. Guaranteed.**  
Just book through any Hilton Family website, reservation center or hotel directly.

In fact, we promise that if you do find a lower rate on some other booking channel, we'll match that rate plus:

For hotels in the U.S., Puerto Rico, Canada or Mexico, we'll give you a \$50 American Express® Gift Cheque too. For complete Terms and Conditions, [click here](#).

For hotels outside the U.S., Puerto Rico, Canada or Mexico, we'll take US \$50 off of your bill. For complete Terms and Conditions, [click here](#).

found a better rate?  
make a claim >>

## Price comparison and forecasting

**Tired of flying blind**  
when it comes to buying airline tickets?

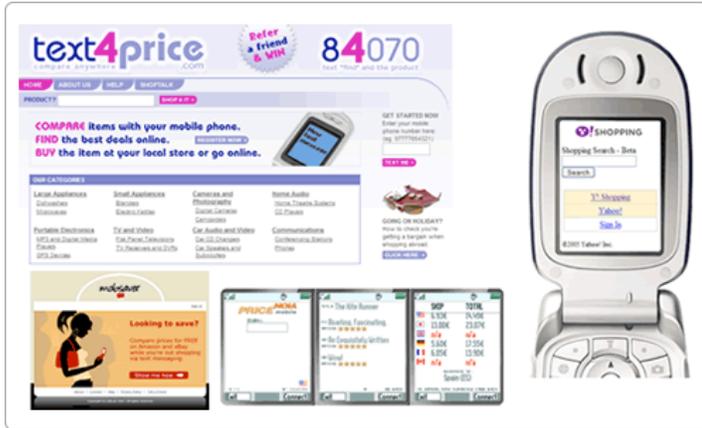
**Fare Prediction**  
Paid \$364 six weeks ago

**Fare History**  
51-Day Low: \$259 Avg Low: \$326

**Lowest fares dropping \$35**  
on average within the next 7 days  
Confidence: 67%  
Tip: Wait.

If you're in a business with volatile, non-transparent and ever-changing pricing, expect **forecasting services** like [Farecast](#) to pop-up. Billing itself as the first airfare prediction website, Farecast offers airfare predictions from over 75 US departure cities to top domestic destinations. Users can check if fares are rising or dropping, and are provided with recommendations on when to buy.

## Price comparison on-the-go



Potentially the killer app in a retail world still dominated by physical stores: **mobile price comparison**. If consumers start treating real-world stores as showrooms and try-out centers, while finding the lowest online price on web-enabled cell phones, many retailers will see their biggest nightmare come true. Think everything from phones that can scan product barcodes for immediate price info, to existing price comparison sites adjusting their pages for phone screens, to having the best price sms-ed/texted to shoppers, on the spot.

With all phones eventually expected to offer fast web access, barcode/QR code capturing software and so on, only **hard to find objects of desire and impulse buys** may escape the "feel it, see it, try it offline, then buy it cheaper online" routine. It won't hurt that by 2011, there will be 2.5 billion cellular phone users worldwide.



And even impulse buys aren't 'safe' from this trend: thanks to the spread of GPS-enabled phones, an overview of near-by stores that offer a better price, including directions on how to get there, is something that will entice even the most buy-ready, real-world shoppers to postpone their purchase for a few minutes ;-)

To prepare yourself, check out the following companies already targeting this space:

[www.trendwatching.com](http://www.trendwatching.com)

[Yahoo! Shopping Search Mobile](#)

[TicTap](#)

[mobsaver](#)

[Pricegrabber](#)

[Smarter](#)

[Ringfo](#)

[Text4Price](#)

[FruCall](#)

[Amazon Scan Search](#) (Japan)

Oh, and for anyone still having to convince execs who just don't get this stuff, and demand 'numbers', [click here for a cheat sheet](#).



## 4. Transparency of inner company workings



So much has been reported on this that we're just going to refer to a recent Wired piece on [Radical Transparency](#). Leave it to an ever growing number of whistleblower sites, leaked emails, activist portals and disgruntled consumers to **name and shame corporations for stupid, unlawful, unclean, greedy, unethical, despicable behavior**. A smattering of what's out there (most URLs speak for themselves ;-):

[flickr.com/photos/filthywalmart](http://flickr.com/photos/filthywalmart)

[greenpeace.org/apple](http://greenpeace.org/apple) (Greenpeace taking on Apple)

[exxposeexxon.com](http://exxposeexxon.com)

[youtube.com/watch?v=V7eKLIDK1ZA](http://youtube.com/watch?v=V7eKLIDK1ZA) (Rats at KFC)

[jetbluehostage.com](http://jetbluehostage.com)

[aircomplane.typepad.com](http://aircomplane.typepad.com)

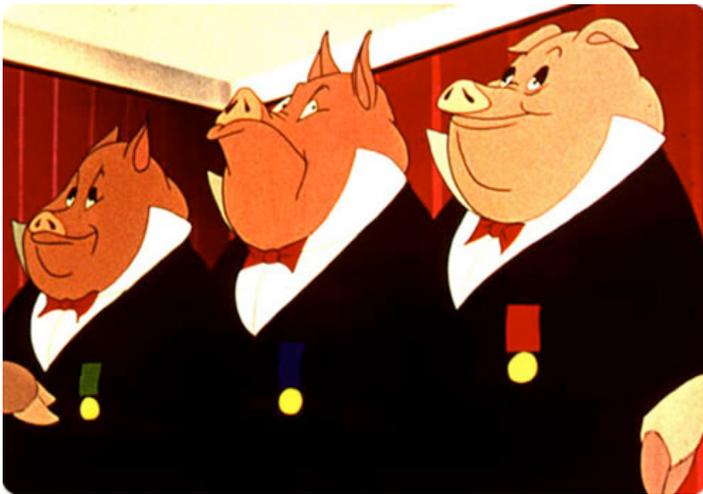
[ikeasuckz.blogspot.com](http://ikeasuckz.blogspot.com)

[airlinequality.com/main/forum.htm](http://airlinequality.com/main/forum.htm)

Transparency is not just consumer-driven: count on your own employees and colleagues to add to the fun, too. They'll be lending a helping hand at [www.wikileaks.org](http://www.wikileaks.org), the soon to be launched 'uncensorable Wikipedia for untraceable mass document leaking and analysis'.

Getting worried about your own brand? While most brands show a Pavlovian tendency to spend even more on 'disaster-handling' courses, the real solution is of course to not misbehave or underperform ;-)

## 5. Transparency of advice



Next for transparency of inner-corporate workings? Expect whistleblowers and activists to be joined by business gurus, expert consumers and other smart folks who together make up [THE GLOBAL BRAIN](#). Not just pointing out what's wrong, but also **showering CEOs with unasked-for suggestions on how to fix things**. This transparency of advice will give unimaginative execs even fewer excuses to not do the right (and bold) thing. After all, everyone, from employees to consumers, will be telling and reading what could or should be done. Obviously, transparency of advice is closely linked to the co-creation trend: for more, see our [CUSTOMER-MADE](#) special.

And no, transparency of advice doesn't mean you can't surprise your customers anymore: not every consumer will be interested in participating, in knowing everything that's going on. Just make sure you co-operate with the ones who do.

[www.trendwatching.com](http://www.trendwatching.com)

## 6. Transparency of best of the best



So which transparency angle do we believe could be even more destructive than all of the above? We'd like to nominate transparency of 'best of the best'. Which revolves around informed consumers, who now KNOW the brands (small and big, local and global) that deliver superior quality and cutting edge design. We've spoken about this phenomenon before, as part of our [HYGIENIA](#) briefing.

It comes down to this: in the past you could get away with not performing at your industry's global peak, as consumers didn't enjoy full transparency of the best, the first, the most original, the most relevant. Chances are, even most of your own colleagues didn't.

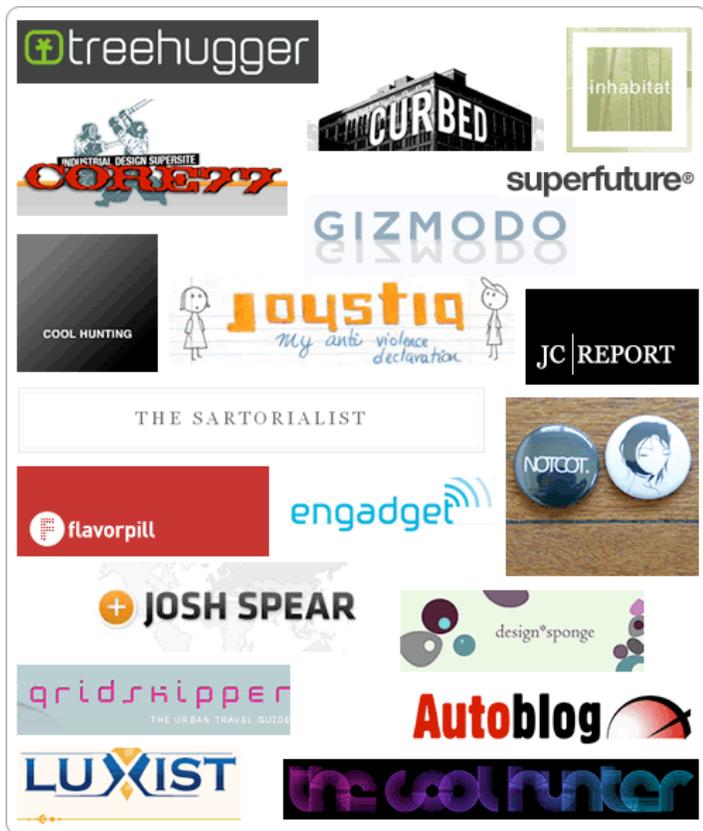
Today, there is no excuse. They know, you know. **Thousands of new blogs, newsletters and ventures are dedicated to tracking down and promoting the best of the best**, and will see to it that the last remaining virtual and geographical barriers to information will soon be eradicated. Which means any kind of willingness amongst consumers to be patient, to be forgiving, even to be cooperative and give you some feedback on how to be more like other, better performing competitors, is dwindling fast. Their already massive **irritation** will eventually turn into **indifference** towards laggards (including many incumbents), rendering them utterly **irrelevant**.

Need even more input and inspiration?  
[trendwatching.com](http://trendwatching.com)'s 2008 Trend Report  
covers 12 themes, 24 trends  
& over 200 examples.

(Download now to start using it within minutes.)



More at [www.trendwatching.com/trendreport](http://www.trendwatching.com/trendreport) »



To illustrate our point, here are some examples of sites and blogs dedicated to turning (vicarious) consumers into competitive analysis experts:

Cool, beautiful, have-to-have 'stuff': [Coolhunting](#), [The Cool-hunter](#), [Josh Spear](#), [NOTCOT](#)

New, hot hotels and restaurants: [Gridskipper](#), [Superfuture](#)

Design furniture and objects: [Core77](#), [Inhabitat](#), [Design\\*Sponge](#)

Cutting-edge gadgets and electronics: [Gizmodo](#), [Engadget](#)

Eco-chic products: [Treehugger](#)

New residential buildings and apartments: [Curbed](#)

Coollest city events: [Flavorpill](#)

Most exciting games: [Joystiq](#)

Most desirable luxury goods and services: [Luxist](#)

Latest automotive scoops: [Autoblog](#) , [Jalopnik](#)

Fashion: [JC Report](#), [The Sartorialist](#)

The list of best-of-the best topics and the blogs that love them is endless, and no doubt you have your own favorite 'best of the best' sources, for whatever product, service or experience you lust after as a consumer, or work with as a brand. Want to share your sources? Just email them to us ([kelly@trendwatching.com](mailto:kelly@trendwatching.com)), and we'll gladly add the worthy ones.

## 7. Transparency triumph



This is by no means supposed to be a negative, fear-driven briefing. While consumers will always be more passionate about bad experiences, they will share GOOD experiences with others, too. Heck, they will even form brand fan clubs (check out [pumataalk.com/blog](http://pumataalk.com/blog) and [Crocfans](#), and that's just footwear!), upload their exceptional experiences on youtube (check out this consumer generated [Emirates video](#), one of many ;-), or challenge others' negative reviews. For a never-ending stream of expert advice on how to get to TRANSPARENCY TRIUMPH, read Seth Godin's [daily musings](#).

## Opportunities



In a transparent world, for both brands and consumers, settling for anything that's sub-par becomes a choice, not an accident. And yet, it's still early days for TRANSPARENCY TYRANNY and TRANSPARENCY TRIUMPH. **Changes in behavior, mass and technology all point toward an even more transparent marketplace in the near future. Not to mention a more transparent society:** in this briefing, we focused on transparency and consumerism, but that's just the tip of the iceberg. Transparency of our surroundings comes to mind (Google Earth, anyone?), and

transparency of private life (blogs, profiles, MySpace, Jaiku, Twitter). Topics that warrant separate briefings, if not entire dissertations.

So ditch 'discussions' on whether this will impact your business or not, and get going. Some thoughts and tips:

- Start by figuring out what percentage of your sales/revenues is already influenced by consumer reviews and recommendations. How? Well... **Ask your customers!** Remember, it's all about the conversation. If the percentage is high, this will give you good ammunition to convince fellow execs to come up with a transparency action plan ASAP.
- Action points should be aimed at decreasing the number of negative recommendations out there, and increasing the number of positive ones. It's as simple as that ;-). Negative reviews will disappear (warning: major business insight to follow!) if you as a brand perform better, and, if something *does* go wrong, deal with it immediately. **Most 'bad' reviews have to do with not dealing with a customer's complaint straight away.**
- Positive reviews will pop up more plentifully when you a) perform better, and b) **give satisfied customers the tools to share their experiences**. Either on your own site, or through syndication with third party review sites (like some independent hotels have started doing with TripAdvisor). If consumers are going to post about their experiences anyway, there's definitely merit in presenting these reviews (all of them!) on your own site. At least this will give you a chance to immediately react, displaying your reaction (and how you solved an issue) for all to see.
- Going one step further, why not see transparency as **one giant learning exercise**, and ask your customers and staff to constantly review and suggest? Why not give your customers dedicated cameras, handhelds and so on to capture what needs improvement? In return for rewards, obviously. This would get you into full-blown [CUSTOMER-MADE](#) and [GENERATION C\(ASH\)](#) strategies. See how neatly it all comes together? ;-)
- And that's just reviews and recommendations. We'll save actions for transparency of price (number one solution to price comparison pressures: be unique, so you can't be compared to others to begin with!), of intention, of advice, of best of the best for a future update. **For now: whip it up!**