

March 2008 | This month, we'll be looking at FREE LOVE, which is all about the ongoing rise of 'free stuff', and the brands already making the most it. Not to mention the millions of consumers who are happily getting into a free-for-all mindset. Yes, expectations are being set. Absorb and apply!

"FREE LOVE"



We (and our sister-site Springwise) have been tracking the rise of free goods and services for years now (and yes, so has everybody else in the trend world), and have occasionally referred to it as FREE LOVE. Which means it's high time we dedicated an entire Trend Briefing to this trend—basically a consolidation of insights and spottings to date.

FREE LOVE: the ongoing rise of free, valuable stuff that's available to consumers on-line and offline. From AirAsia tickets to Wikipedia, and from diapers to music.

FREE LOVE thrives on an all-out war for consumers' ever-scarcer attention and the resulting new business models and marketing techniques, but also benefits from the ever-decreasing costs of producing physical goods, the post-scarcity dynamics of the online world (and the related avalanche of free content created by attention-hungry members of GENERATION C), the many C2C marketplaces enabling consumers to swap instead of spend, and an emerging recycling culture.

Expect FREE LOVE to become an integral if not essential part of doing business.

What's fueling FREE LOVE?



As indicated in the definition above, the rise of FREE LOVE* can be attributed to:

- An all-out **war for consumers' attention** (make that *saturated* consumers), including various handout and sampling techniques.
- The **online world**, with its amazing capacity to create, copy and distribute anything that's digital, with **costs that are close to zero**, forcing producers to come up with new business models/services, which are often purely ad-driven.
- The ever-decreasing cost of physical production makes it easier to offer more (nearly) free goods in the offline world too. In fact, many **goods have actually become insanely cheap**. Just one example: the price of televisions has fallen, on average, by 9 percent each year since 1998, according to U.S. Dept. of Labor data.
- The **avalanche of free content** created by attention-hungry members of GENERATION C.
- C2C marketplaces enabling consumers to **swap instead of spend**, making transactions cash-neutral.
- An emerging **recycling** culture.
- And all of the above fueling consumers' **expectations** to get online and offline stuff for free.

* For a much more detailed (and excellent) analysis of these drivers, and their impact on economies and businesses, keep an eye on [Chris Anderson](#) (yes, he of Long Tail fame). His new book 'FREE' will be about, well, all things free. A preview can now be found in the [March 2008 edition](#) of *Wired* magazine.

So let's look at **five manifestations of FREE LOVE**: 'Any excuse to advertise', 'Courting saturated consumers', 'C2C', 'Swapping, not spending', and 'Less is more', which all incorporate one or more of the above drivers.

1. ANY EXCUSE TO ADVERTISE

The most visible (commercial) manifestations of FREE LOVE are **businesses offering goods, services and experiences to consumers for free and making their money from advertising**. As long as attention remains the number one scarce item for B2C brands, the number of 'FREEVERTISING' initiatives will continue to grow relentlessly. An extensive overview of online and offline FREEVERTISING:



Newspapers • No, we're not going to highlight the 1,678,545 sites that give away news for free. That's now a given in a FREE LOVE world. We do have to address the ongoing rise of free, *paper*-based newspapers and magazines, though. A few stats, courtesy of [NewspaperInnovation.com](#):

- In less than 10 years free daily newspapers have been introduced in almost every European country and in several markets in the United States, Canada, South America, Australia and Asia. As of December 2007, there were free newspapers in 52 countries.
- Market leader Metro distributes more than eight million copies daily, while other companies publish more than 32 million. These copies are read by at least 70 million people daily.
- In four European countries (Iceland, Denmark, Spain and Portugal) more free than paid papers are distributed from Monday to Friday, while in more than a dozen European countries, the newspaper with the highest circulation is a free paper.

So what's next? First of all, continued growth in emerging markets. From Brazilian [Destak](#) to Russian [PubliMetro](#) to Indian [Metro-Now](#) to Chinese [Metro Express](#). Secondly, a rise in 'niche' free papers, mainly business-focused: from London's [City A.M.](#) and Scotland's [Business7](#) to Prague's [E15](#).

Note: a number of free *sports* dailies (including German Die Sportzeitung, Spanish Penalty and Portuguese Diario Desportivo) have faltered. Free sports *magazines* seem to fare better though:

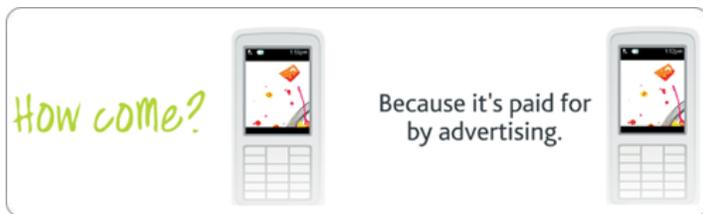


Magazines • Sure, there are plenty of free 'magazines' out there as it is, but most of them are PR vehicles for a specific brand, be it an airline or a supermarket. Somewhat newer to market, and a fast-growing segment, are independent mags going after traditionally paid-for titles and topics of interest:

ShortList is a free weekly men's magazine that launched in London in September 2007. Content is aimed at 18-to-35-year-old urban males and features sport, entertainment, motoring, travel and news.

Free sports weekly **Sport** circulates 320,000 copies per week. It's a sister publication to a **French weekly** with the same concept.

Besides lads, sports and the now ubiquitous city listing magazines, we're sure you can come up with dozens of other topics that are currently not served by 'serious yet free' magazines.



Telecom • Does anyone under 18 (if not 36!) still pay for phone calls? Pioneered by the likes of **Skype**, the free telecom war is moving from computer-to-computer to regular handsets, fixed and mobile:

Launched in the UK in September last year, much discussed **Blyk** describes itself as a pan-European free mobile operator, funded by advertising. Blyk operates as an MVNO or mobile virtual network operator, meaning it will buy wireless services from an existing operator and resell them under the Blyk brand. Or, in this case, give them away. Blyk's service is entirely free, and targeted to a fairly narrow age group: 16-24 year olds. When they sign up for Blyk, users need to fill out a questionnaire that includes questions about their interests. Advertisers can thus market to very specific groups, and users are more likely to be engaged by advertising if it's highly relevant to them. According to Mobile Today, Blyk has so far run 500 advertising campaigns, with an average response rate of 29%. Blyk says it is 'slightly ahead' of its internal goal of amassing 100,000 users within a year of its launch. Blyk's first expansion outside the UK will be in the Netherlands, in Q3 or Q4 of this year.

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In the U.S., **Mosh Mobile** plans to offer a similar service, though users will be asked to actually reply to sponsored messages. From the (beta) site: "up to three times a day we may open a dialogue with one of our sponsors. You may receive one sentence surveys to help us get to know our members better, you may get exciting videos delivered to your phone about things you like, you may get free downloadable games from our sponsors, coupons you can present to stores for discounts and much more. Each day if you complete the actions you get more free service. Want even more—you can request more dialogues and receive even more service credit to use."

Yet another twist on free calls is offered by Brussels-based **Pumbby**, which pays cash to users regardless of the mobile network they subscribe to. When users sign up for Pumbby online, they simply indicate which network they use and how many ads they are willing to receive each day, out of a maximum of 10. Pumbby then sends those ads as WAP links via SMS, and for each one that gets displayed, it credits the user's account with EUR 0.44. The resulting funds can be used to pay the user's mobile bill, deposited directly into the bank or used toward purchases of DVDs, books or tickets to movies and exhibits.

And there's more:

With **Talkster**, consumers can make free international and long distance calls from their cell phones, landlines, computers or VoIP phones. No registration or credit card is required and callers won't need any new software or downloads to use Talkster's service; only their existing phone. A short advertisement or special personalized offer covers the cost of each call without being disruptive to callers.



Jaxtr lets users make and receive free phone calls in 220 countries, bypassing international calling fees. Jaxtr allows users to link their phones with their online social network to hear from callers worldwide while keeping their existing phone numbers private. Unlike other mobile VoIP solutions, there is no need to download an application to the phone and no requirement to have a phone that provides wifi access or includes an internet plan. Callers simply use the minutes included in their domestic calling plan to make international calls from their mobile phone. Jaxtr is currently used by over 5 million people.

U.S. [Pudding Media](#) is offering free, ad-supported VoIP service, as long as users are willing to allow the calls to be monitored. The voice calls will be scanned by a machine that will attempt to pull keywords out of the conversation in order to generate relevant ads. According to the company: "When certain keywords are spoken, interesting and timely news, entertainment, and offers are displayed on the screen." The service is currently in beta.



Airlines • From low fare to no fare? Forget *low cost* carriers: keep an eye on Ultra-Low Cost Carriers (ULCCs) handing out free seats by the bucketload. Between May 16th and 21st last year, European ULCC Ryanair held a 'sale' of 1 million seats for free (100% free: no taxes or extra charges). It received more than four million hits within five hours, and the rush of passengers caused technical difficulties on the site for a while. In fact, Ryanair now give free fares to a quarter of its customers. And on a regular basis, Ryanair's CEO Michael O'Leary promises that eventually "more than half of our passengers will fly free." Ad revenues bring in (part of the) cash: from tray-table and seatback ads, to the opportunity to repaint the exteriors of Ryanair's planes, effectively turning them into giant billboards for the likes of Hertz, Jaguar and Vodafone.

Other ULCCs that give away hundreds of thousands of free seats are [Wizz Air](#), [SkyBus](#), [Spirit](#) and [AirAsia](#) (pictured above).

Next? As mentioned by Ryanair in the past, how about free seats *and* pocket money, paid for by the actual destinations and travel partners? Think cities keen on receiving more tourists, hotel and car rental companies filling up rooms and cars, etc.



Car rental • Two as-good-as-free automotive examples: [Lauda-Motion](#) lets Austrian and German customers rent an ad-plastered

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Smart car for exactly three days at the cost of just one euro per day. Drivers then have to travel at least 30 kilometers (about 20 miles) a day, so the ads get maximum exposure. Cars are only available for rent Monday to Friday between 11 am and 2 pm.

After introducing Vélib last year, Paris' entrepreneurial mayor Bertrand Delanoë is proposing the introduction of **Voiturelib** (literally 'free car'): 2,000 electric-powered vehicles that subscribers can drive off in without booking. Drivers can pick up cars at dozens of sites, 24 hours a day, and then leave them anywhere in the city when they've reached their destination. There will be a minimal charge, depending on mileage, and the theory is that people can do their errands or make short visits without the hassle of renting a car. The electrically powered [Cleanova](#) is being named as the potential car for this scheme. No word on sponsors yet.



Food and beverage • Still in concept phase, Japanese vending machine operator [Apex](#) is looking into turning some of its beverage machines into a new medium for advertisers, who will pick up the partial or full cost of drinks. Apex runs 35,000 vending machines across Japan that serve drinks in paper cups, generally priced at 70 to 120 yen (USD 1.16 to USD 2.00) a cup. The [MediCafe](#) vending machine (the name combines media and coffee) will play an advertiser's video for around the 30 seconds it takes to pour the drink and dispense a paper cup with an advertisement printed on it. Eventually, Apex hopes to install up to 35,000 MediCafe machines in large corporate offices, community centers, hospitals & rehab facilities, schools and roadside rest stops. Even if the MediCafe doesn't materialize, this should be food for thought for other vending machine operators, and their food and beverage partners!

Same for this idea: a few years ago, [AquaCell Media](#) set out to plaster free water coolers in 1,400 retail and service locations in the U.S. with ads. Locations included CVS and Kmart stores, while advertisers included Unilever. However, 'coolertising' doesn't seem to have brought in the expected riches: AquaCell's website is frozen in time. As the idea is not bad at all, this may be a fun one for other brands to explore as a BRAND BUTLER opportunity. (See 'Courting saturated consumers' further down.)



Photo prints • An interesting idea that's been put on hold after an apparently too-successful launch: French [MesPhotosOffertes](#) offered free picture processing and home delivery in exchange for ads on the bottom of pictures. Up to 20 pics could be uploaded at a time, which resulted in 11 x 15 cm prints, with a 4x15 cm (tear-off) bottom strip containing ads. A FREE LOVE idea waiting to be picked up by a perhaps bigger player in this field?



Student textbooks • U.S.-based [Freeload Press](#) provides free college textbooks in electronic form with advertisements inserted at chapter breaks. Inexpensive print-on-demand versions with no ads can be ordered for about USD 30. 'Customers' include students at four-year and two-year colleges throughout the U.S. and Canada. Freeload publishes primarily business and finance books. Students who register and complete a survey on Freeload's website can download a free PDF version of their textbook. Advertisers include Discover Card, PricewaterhouseCoopers and the College Loan Corporation.

In Europe, Danish **Ventus Publishing** runs a similar concept in 5 countries: ([Denmark](#), [Sweden](#), [Germany](#), [the Netherlands](#) and [Belgium](#)). Ventus offers titles in the fields of economics, science and engineering, featuring ads from companies such as T-Mobile, British Airways and Deutsche Bank every four pages.



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Travel guides • Dutch free postcards pioneer [Boomerang Media](#)'s latest addition to its free portfolio is a free (paper) city travel guide. Created in cooperation with travel guide publisher [Mo'Media](#), the free city guides are compact versions of Mo'Media's '100%' travel guide series and are distributed through Boomerang's card racks in over 1,000 cafes, cinemas, schools, universities, and fitness centers in the Netherlands. The first travel guide, '100% Istanbul,' was published mid-January 2008 in a print run of 100,000; all guides were snapped up within 2 weeks. Dutch/Turkish low cost carrier [Corendon](#) sponsored the Istanbul guide, which is also [available online](#). Boomerang aims to publish 10 to 12 new free travel guides each year, covering cities like Berlin, London, Paris and Barcelona. Sponsoring a full travel guide will cost around EUR 45,000 (USD 66,000), but advertisers can also sponsor individual pages. Time for the Wallpapers and Lonely Planets of this world to experiment with a bit of FREE LOVE too?



Wifi • With most hotspots still charging prohibitive fees for casual users, ad-sponsored wireless access points could be the next FREE LOVE success story:

[Metrofi](#) has secured agreements with several cities across the U.S. to design, build and operate ad-sponsored, free municipal wifi networks for residents, visitors and city workers. MetroFi is able to provide free access in these communities through online advertising supported by local and national advertisers.

In the Philippines, [WIGO](#) offers free wireless internet to registered users and is available in coffee shops, commercial areas and restaurants in the Manila area. WIGO users will see a 'WIGOBAR' on the bottom inch of their screen, displaying banner ads from sponsors.

Meanwhile, booting out T-Mobile, AT&T is installing wifi hotspots at over 7,000 Starbucks stores in the US, offering two hours of free wifi a day to Starbucks Card holders. Rollout starts early Q2 and will take until the end of this year to be completed.

Next? Google's free [wireless plans](#),* sponsored by, what else, Google AdWords.



Navigation • GPS marketing solutions company [adNav](#) recently announced the release of a new GPS system called the Boomerang: an ad-supported mobile concierge system with built-in GPS navigation that's currently targeted at hotels, airlines and car rental agencies as an extra amenity for out-of-town visitors.

The idea is that when a traveler arrives at one of adNav's partner hotel or other locations, they are offered the Boomerang for a few dollars a day (the goal is for it to be free eventually, adNav says). In addition to voice-guided GPS navigation, the Boomerang includes unlimited connectivity to the web through wifi and cellular networks. Local city and restaurant guides give users access to hundreds of pages of geo-coded information, allowing them to simply touch the desired destination and be seamlessly directed there via GPS, and there is also unlimited access to live flight information, weather, a language translator, a currency exchange calculator, a tip calculator and games. The Boomerang device can be customized and branded for each partner with the addition of such features as hotel concierge recommendations and constant connectivity to the concierge desk. Tele Atlas, Citysearch, Ask.com, FlightView and CustomWeather are among the providers of the Boomerang's content.

Brooklyn-based adNav has already rolled out the Boomerang in New York, with additional cities and locations to follow in the coming weeks through partners including DoubleTree and Omni Hotels, among others.

Looks like a no-brainer for those in travel-related businesses, and a whole new world of opportunity for hyperlocalized advertising in general. The million-dollar question, of course, is how to bring this model to the mass market.



Stock photography • Yet another FREE LOVE war in the making: stock images. Incumbent [Getty Images](#) is now competing with free sites like [Britepic](#), [everystockphoto](#) and [stockvault](#). And it's just a matter of time before others join in and remake the business

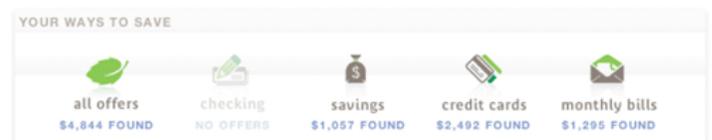
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forever, most likely dividing the market into free-yet-mass and bespoke-but-paid, with very little in between.



Notes and photocopies • [FreeHand Advertising](#) distributes free notepaper to students on their way to class. Each page is branded with the same type of horizontal ad you see on websites, only these are visible for at least the duration of a college lecture, and longer if students refer back to their notes (as they should). Free-Hand agents operate at 200 of the biggest college campuses in the United States, reaching up to 3,500,000 students in 29 states, including all major cities. Businesses can select which campuses they want to market to, for local or nationwide campaigns, or to a targeted demographic. Colored and recycled papers are also available, and larger images can be displayed as watermarks.

Japanese [Tadacopy](#) offers university students free photocopies. This free love is made possible by printing ads on the back of the copy paper, which is slightly thicker than normal to prevent ads from shining through. For JPY 400,000 (EUR 2,560, USD 3,700), advertisers can have their message printed on 10,000 sheets of paper. Tadacopy machines have been placed at a few dozen campuses around Japan.



Finance • Free software may be nothing new, but sophisticated personal finance/money management tools had until now eluded the FREE LOVE dance. Enter [Mint](#), which has relationships with more than 3,500 banks, credit unions and credit card providers, and each night securely downloads transaction data to give users a unified view of all account activity. Transactions are categorized and organized to show users how much they spend on gas, groceries, parking, rent, restaurants, DVD rentals, etc., while an alert system proactively notifies them about unusual activity, low balances, unwanted fees and charges, and upcoming bills. Mint's revenue model is based on lead generation. The system keeps tabs on the latest offers from hundreds of providers and recommends ways users can save money on interest rates and other expenses. Mint is currently available only to U.S. consumers, of

whom more than 100,000 have already signed up. The company claims it is now organizing USD 6 billion in user transactions, and has identified nearly USD 90 million in savings opportunities.

Also check out [Wesabe](#), which is part financial software, part community. With Wesabe, users can see all their bank accounts and credit cards in one place, categorize their transactions however they want, see spending and earning summaries, discuss things with other interested users, and receive tips for saving money based on their spending. Membership is free.



Games • In Q3, Electronic Arts will release a new, free, online version of its popular Battlefield series, called [Battlefield Heroes](#). EA hopes to make up for lost revenues by selling adverts within the game. Adverts will not appear in the game itself but will be packaged around it, for instance appearing on the screen while the game loads up. There will also be adverts on the game's website. EA intends to keep Battlefield Heroes 'fresh' by offering new content through its website, which players can download once they've started playing the game. Persuading players to download additional material as time goes on will also allow EA to update the adverts and expand their revenues (source: The Guardian).



Bikes • Copenhagen's [City Bikes](#) are free to use: users find a bike in one of over 100 bicycle racks found around the city, throw in a DKK 20 coin (USD 3.45 / EUR 2.70) to unlock the bike, which they get back when they return the bicycle to a rack. Aided by the fact that Copenhagen is small and flat, the city's free bike system is hugely popular with both tourists and residents. It is funded by government subsidies and corporate sponsors.

Also check out Paris's ambitious bike-sharing system [Vélib](#), which lets customers pick up one of 20,000 bicycles available from 750 self-service points across the city. After identifying themselves and

providing credit or debit card details, users can take out a bike. A day pass costs EUR 1, allowing users as many rides as they like, provided each trip is less than 30 minutes. An additional half hour is EUR 1, with prices climbing for additional time used; the pricing model is aimed at encouraging quick turnover. Which seems to work: to date, the bikes have already been used for 11 million trips.



Music • Launched earlier this month, [Qtrax](#) claims to be the world's first free and legal peer-to-peer music service, boasting a 25 million song library from major music labels. Although the songs are DRM'd, Qtrax downloads can be stored indefinitely on PCs and transferred onto portable music players such as iPods. Qtrax guarantees that users will never download spyware, adware or bogus audio files often found on file-sharing networks. The Qtrax free music model depends on generating enough advertising revenue to pay the record companies licensing fees based on how many times a song is played. (Source: VNUnet.) Other players in this field:

Backed by musician Peter Gabriel, British [We7](#) is offering consumers free songs tagged with 10-second advertisements, which are played before the music track starts. Four weeks after downloading, We7 gives the user the option of downloading an ad-free, DRM-free version.

[SpiralFrog](#), the free, ad-supported, web-based music service that launched in September 2007 in North America, last month announced that the site had hit one million unique monthly visitors. Italians meanwhile can get their FREE LOVE music fix at [Down-lovers](#).

2. COURTING SATURATED CONSUMERS



The FREEVERTISING examples above are about entrepreneurs building a business based on ad revenues from other brands. Now, let's take a look at brands who (still) depend on *selling their own products* to consumers. Here too, the key fact is that consumers are saturated, which makes it hard to get their attention. FREE LOVE provides a number of opportunities to overcome these hurdles. Let's look at the following FREE LOVE subtrends-cum-courting-techniques:

- TRYVERTISING and TRYSUMERS
- BRAND BUTLERS
- ACCE\$\$
- PREMIUMIZATION
- CUNNING CARTRIDGES

TRYVERTISING and TRYSUMERS • Possibly our worst trend names ever, these FREE LOVE sub-trends nevertheless keep delivering. **TRYVERTISING** and **TRYSUMERS** are all about marrying consumers' dislike of old-school mass advertising with FREE LOVE, enabling them to try before they buy. It's not about traditional sampling, though: **think of TRYVERTISING as a new breed of product placement in the real world**, integrating your goods and services into daily life in a relevant way, so that consumers can make up their minds, for free, based on their experience, not your messages.



Wyndham Hotels & Resorts has partnered with **VTech Electronics** to sample VTech **educational gaming systems** in more than 3,000 rooms in the United States, Canada, Mexico and the Caribbean. People who book a suite at Wyndham through March 31,

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2008 can try one of two VTech setups: the V.Smile TV learning system for kids age 3 and older or the V.Flash home 'edutainment' system for children 6 years old and up.

Westin Hotels & Resorts and **United Airlines** meanwhile announced a **BRANDED BRANDS**-meets-TRYVERTISING partnership that will put Westin's white Heavenly blankets and pillows in business and first class on United's New York-California flights starting this summer. Later this year, United Red Carpet Clubs at New York's JFK, L.A. and San Francisco airports will open Westin Renewal Lounges, offering soothing scents, music and spa services.



More FREE LOVE taking to the skies: **JetBlue** is currently offering free cream cheese and bagels on selected flights. In total 500,000 passengers around the country will be able to breakfast on a light version of **Philadelphia cream cheese and bagels**, courtesy of Kraft Foods. Kraft is offering the free meal as part of its 'Breakfast from Heaven' campaign. On a handful of flights, angels dressed in white will serve the food.



London-based **Matter** is taking an unconventional approach to direct marketing by sending out boxes of "interesting stuff". Matter works with product manufacturers to compile collections of items for specific audiences, and it sends them out to consumers at no charge. Each participating company creates and contributes an item—something that explains what the company does, says something about its ideas or values, or can be tried out. Matter then sends the boxes so that they arrive on a Saturday—when consumers are more likely to spend some time with them. The pilot box, which hit consumers' doorsteps on February 2nd, included items from Sony Ericsson, Stolichnaya, Nintendo, Nissan, Penguin and Virgin Atlantic, among others. The next edition of Matter will be aimed at males aged 25-35 and is scheduled to ship out this summer. Matter is a collaboration between Artomatic and Royal Mail, and for now targets consumers in the UK only.



One thing most (semi) public spaces have in common is a captive audience, often there of their own free will. Which is where [BrandConnections](#) comes in, peddling an organized approach to in-hut, in-room product placement of samples targeted at vacationers.

In their own words: "Give your target your product sample when they are most likely to try it, and associate unforgettable memories to the experience. Your target consumer is greeted with your product sample on the first day of their vacation. At a time when they are without their "stuff" from home and will have up to 7 days to form a new habit with your brand." The company distributes 200 million product samples through a network of 5,000 properties, which include cruise lines, resorts, spas and B&Bs. Absolut is a client, and so are Colgate-Palmolive, Kraft Foods and Unilever Group.

Cafes, clubs, sporting events, parks, public transport (buses, trams, subways, trains, taxis, ferries, waiting rooms), airports, lounges, cinemas, theaters, theme parks, concerts, beaches, parks, planes, shopping malls, hospitals, schools, universities, office spaces, gyms, conference venues, restaurants and rental cars to follow? ;-)



[The Sample Lab](#), which opened in July 2007 in Tokyo's Harajuku, is a members-only space that invites consumers to sample and test new products. Members pay a modest JPY 300 (EUR 2, USD 3) registration fee and JPY 1,000 (EUR 6, USD 10) annual membership fee. Members need to be over 15 years of age, and gain entrance to the lab by showing a QR code stored on their cell phone. In addition to store-like shelves stocked with merchandise, the space also features a powder room where women can sit down to try out beauty products. Besides trying everything out in the shop, members can take home up to 5 items per visit. To har-

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vest their precious feedback, Sample Lab asks visitors to fill out surveys about the products they've tested. The concept was created by marketing agency Mel Posunetto, with the dual purpose of collecting user feedback and sparking word of mouth advertising. Business seems to be thriving: since late January 2008, customers have to register two weeks in advance to make a reservation. (Tip of the hat to Verena Dauerer.)

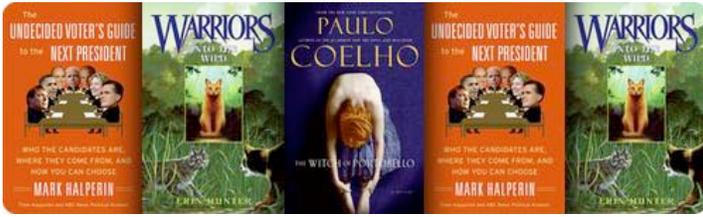


Light therapy, or exposure to full-spectrum light mimicking sunlight, has been found to be beneficial for both jet lag and the "winter blues" or seasonal affective disorder (SAD). Making the most of both purposes, the [Paris-Orly](#) and [Paris-Charles de Gaulle airports](#) offered travelers complimentary light therapy sessions during the 2007 holiday travel season. Large, igloo-shaped stations in select airport terminals were equipped with specialized therapeutic lamps from Philips Energy Light along with relaxation chairs and calming music; massages were also available. "Express" sessions, meanwhile, were available from roving light therapists elsewhere in the airports. In addition to offering consumers a brief respite during a busy season, the service was also a promotion for [Be Relax](#), a new airport boutique opening this month that offers light therapy and more year-round.



And here's a nuts-and-bolts FREE LOVE meets TRYVERTISING spotting: [First Flavor](#) lets manufacturers convert flavors into Peel'n Taste strips that can be mass-distributed in a broad-scale tryvertising campaign. They made their debut in the fall entertainment preview issue of Rolling Stone magazine last September. As part of a promotion of its new "Cane" TV series about a family rum business, CBS placed a two-page ad in the magazine featuring a taste strip flavored like a rum mojito. The insert included a thin, tamper-evident pouch with a nonalcoholic, dissolving taste strip—much like the breath strips already on the market—that enabled readers to try the full-flavor taste of the rum drink. A second cam-

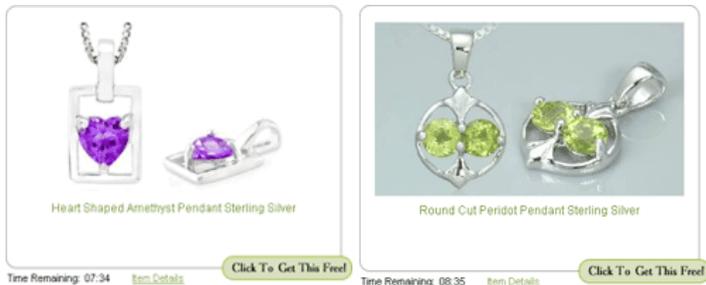
campaign involved toothpaste makers Arm & Hammer, which had been having problems getting people to try out a new flavor. First Flavor's strips contain no sugar or calories, and all ingredients have been FDA-approved.



HarperCollins Publishers recently announced a variety of online promotions to allow consumers **exclusive sampling** of its books. The "Full Access" program will feature a select number of titles that can be seen in their entirety for a month: current freebies include Paulo Coelho's [The Witch of Portobello](#)*, Mark Halperin's [The Undecided Voter's Guide to the Next President](#), and Erin Hunter's [Warriors: Into the Wild](#).

The "Sneak Peek" Program will enable readers to view 20% of many new titles two weeks before they're on sale. The remaining titles in the digital warehouse are now available for 20% viewing after the release date in the "Browse Inside" program.

* Coelho has actually been encouraging his readers to download [pirated versions](#) of his books since 2005 ;-)



LA-based [SilverJewelryClub](#) give away many of their jewelry pieces to spread the word about the quality and craftsmanship of their designs. Customers just have to pay for shipping. The club's homepage displays four pieces at a time and visitors have 15 minutes to order each piece, after which a new product takes its place. In their own words: "Giving away our jewelry for free is our way of introducing our products. We know the competition is fierce, and we want you to experience our jewelry so that you will remember our brand." SilverJewelryClub currently ships to 54 countries.



BRAND BUTLERS • This is TRYVERTISING at its most creative. As discussed in our [January 2008 Briefing](#), instead of stalking potential and existing customers with unwanted, hollow advertising slogans, **why not assist them in smart, relevant ways**, making the most of your products and whatever it is your brand stands for, *for free*? Examples:



Home appliance manufacturer [Zanussi-Electrolux](#) has been offering free laundry services at the Slovenian [Rock Otočec](#) festival for several years and has cleaned thousands of muddy t-shirts and jeans.

Turkish diaper brand [Evy Baby](#) reaches out to parents by placing changing rooms in Turkish shopping malls. The diaper manufacturer has already installed 22 changing rooms in Istanbul, Ankara, Izmir, Antalya, Adana and Mersin. Each clean and cheerful room has a changing table and comfortable chairs for nursing. And, of course, free samples of Evy Baby's products.

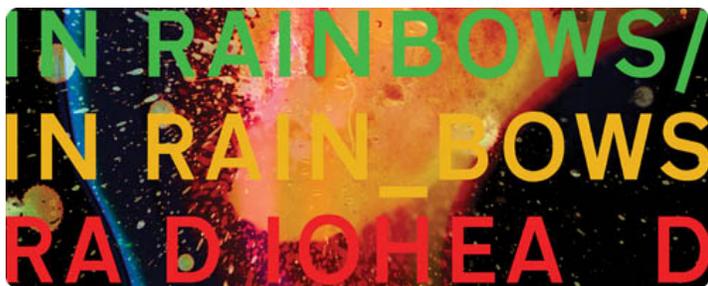
From last November to late December, Charmin (Procter and Gamble's toilet paper brand) offered New York holiday shoppers a temporary 20-stall restroom ([Charmin restrooms](#)) in the heart of Times Square. The facilities featured clean, deluxe bathrooms, baby changing stations, stroller parking, seating areas and of

course lots of luxury toilet tissue, including Charmin's new product lineup.

South Korean electronics giant **Samsung** now has eight Samsung Mobile Travel centers at Dallas Airport, featuring free leather lounge seating, semi-private workstations, electrical and phone outlets at each seat and internet access. It also operates Samsung Mobile Charging stations (Samsung branded, 8.5-foot pillars with four standard U.S. outlets) at JFK and Newark airports. Needless to say, there's also a Samsung Lounge at Seoul's Incheon Airport.

Hotel chain **Le Méridien**'s 'Unlock Art' program involves deals with local contemporary cultural institutions to allow hotel guests free entry by presenting their artist-designed room key cards and has hired modern art curator Jérôme Sans to organize special exhibits. Partner arts institutions include the Yerba Buena Center for the Arts in San Francisco, the Museum of Contemporary Arts (MOCA) in Shanghai, the Vienna Succession, Nouveau Musée National de Monaco, Galleriizuzu Contemporary Arts Centre in Kuala Lumpur and About Studio/About Café in Bangkok.

In the same vein, **Austrian Airlines** offers passengers free entry to cultural institutions in Vienna with their boarding cards. Passengers traveling with the airline can show the tear-off stub from their boarding cards (along with a photo ID) for free entry to five museums in Vienna.



ACCE\$\$ • The more services and sectors succumb to FREE LOVE, especially in the online world, the more important non-copyable experiences will become to safeguard revenues. **After all, if our current consumer culture is all about being unique, then having access to what others in one's (perceived and aspired) peer group do not have access to is the holy grail.** We will pay more attention to the ACCE\$\$ trend in one of our future Trend Briefings.

For now, the music industry is a good one to watch if you want to keep a finger on the pulse of this trend. Think more exclusive concerts. More exclusive merchandise. Here are a few much-publicized music stunts that are playing the part of the coal mine's canary:

Once her contract with Warner Music is up, **Madonna** will link up www.trendwatching.com

with concert-promoter Live Nation. Madonna's deal will bring album production and distribution, concerts, merchandise and publicity under one company. The package includes a general advance of USD 17.5 million and advance payments for three albums of USD 50 million to USD 60 million. Live Nation is also expected to pay USD 50 million in cash and stock for the right to promote Madonna's concert tours. Other income includes licensing ventures such as the use of her name on fragrances or other products.

Last year saw Planet Earth, at that time **Prince's** latest album, inserted for free inside UK paper Mail on Sunday. When the album was released in the U.K. on July 15, almost 3 million people picked up a copy. It all added to the real excitement: his concerts, 21(!) of them, in Wembley Stadium in August 2007, each packing in 20,000 paying fans.

Radiohead: for their latest album, In Rainbows, the British band Radiohead announced that fans would be able to name their own price when purchasing tracks. Allowing people to download the album as DRM-free MP3s at no charge, the band avoided "unauthorized" piracy, and got the music out to everyone who wanted it. Music site Gigwise.com estimates the band 'sold' about 1 million copies.



PREMIUMIZATION • FREE LOVE is an excellent way to entice one's audience to buy a premium / more extensive product if they truly like the free version. And yes, this is of course part of trendwatching.com's strategy, too: our monthly Trend Briefing, like the one you're reading now, is free, but our extensive **annual Trend Report**, in PowerPoint format, is not ;-)



CUNNING CARTRIDGES • In a **TRANSUMER** world, the fixed is a hassle, while add-ons, refills, ancillary products, replacement

parts, modular upgrades and what have you are appreciated by consumers for their flexibility, customization and pay-as-you-go convenience. In other words: **hook users by giving away or heavily subsidizing the machine/device, then have them pay for the (proprietary) batteries, cartridges, blades, bulbs, pads, minutes, and so on.** A recent, innovative example:

Project Better Place has launched a grand plan to reinvent the world's automobile industry around battery-powered all-electric cars. It aims to deploy an infrastructure of battery-charging stations in the United States, Europe and the developing world, selling electric fuel on a subscription basis, while subsidizing vehicle costs through leasing and credits. In their own words: "Similar to the model of wireless operators and their deployment of cell towers, Project Better Place will establish a network of charging spots and battery exchange stations to provide ubiquitous access to electricity to power electric vehicles. The company will partner with car makers and source batteries so that consumers who subscribe to the network can get subsidized vehicles which are cheaper to buy and operate than today's fuel-based cars. Consumers will still own their cars and will have multiple car models to choose from." (Source: New York Times.)

An Electric Recharge Grid pilot project is planned in Israel (deployment date is 2010), in cooperation with Renault-Nissan. The company has announced a first round of funding of USD 200 million with investments from Israel Corp., Morgan Stanley, Vantage-Point Venture Partners and a group of individual private investors, which includes former World Bank CEO James Wolfensohn.



Oh, and back to those **Ultra Low Cost airlines**, as mentioned in the FREEVERTISING overview: while advertising brings in good money (and supports many free seats), there's serious money to be made from ancillary sales, too. Think car hire bookings and hotel reservations, travel insurance, foreign currency exchange, in-flight phone calls, food and beverages, and charging for priority boarding.

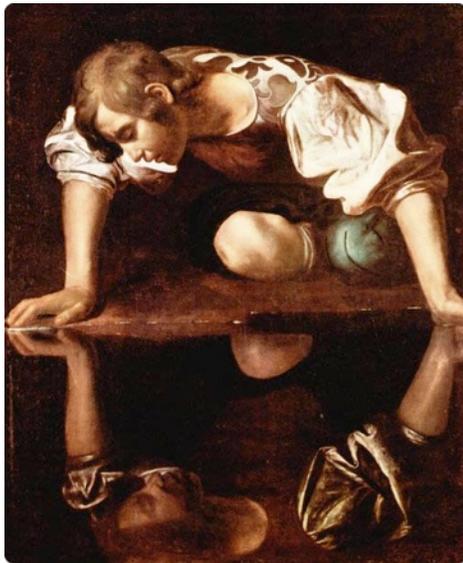


By the way, expect the number of sites that bring transparency to FREE LOVE giveaways, try-outs and samples to mushroom. Here's a fun example:

myopenbar.com is an ad-supported website that helps people in New York, San Francisco, LA, Chicago and, soon, Seattle, to find free or cheap drinks in their town. The company is currently working on a new mobile listings delivery system that allows users to find an open bar when they're already out on the town.

Want more? Check out thefreesite.com, startssampling.com, freechannel.net, freebielist.com, freebiesplanet.com, alles-kostenlos.de, yes-its-free.com, totallyfreestuff.com and teenfreeway.com/yp.

3. FREE LOVE, C2C



Give and be seen

If giving is the new taking, then hundreds of thousands consumers/individuals are on the right path. **Never before have we witnessed such an explosion of free content, courtesy of individuals who—for free, nada, zilch—are happy to share their thinking, their novels, their photos, their movies, their music, their knowledge and expertise, their advice, their crafts and more.**

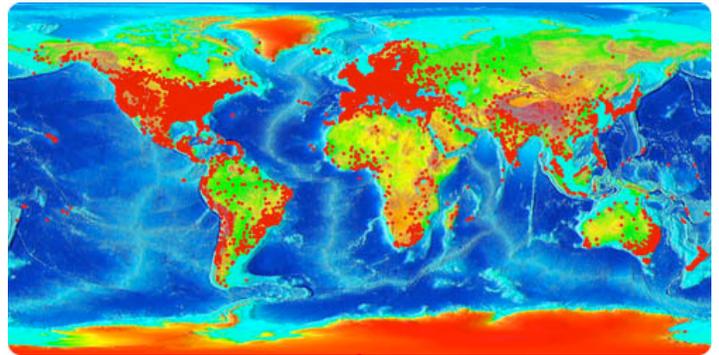
Call it **GENERATION C**, the **HOBBY ECONOMY**, the **GIFT ECONOMY** or **CROWD MINING**, as long as you don't forget that besides undeniable passion, this user-generated FREE LOVE provides participants with visibility, with respect, with status. Even if they participate anonymously (Wikipedia is a good example), it gives them bragging rights among other GENERATION C members.

Now, we've written and spoken about participation vs consumption so often that we won't repeat the whole spiel, but two more thoughts:

Firstly, nothing indicates that user-generated content, both of the paid and the free kind, and in all its variety, is *not* here to stay.

Secondly, if many consumers are now producers too, and if they mostly produce for free, will they not expect a similar sharing and loving attitude from corporations? So as a brand, not only may you find yourself competing directly with individuals doing what you do for free, but you will also be confronted with growing expectations for your brand to be giving rather than just taking.

4. SWAPPING, NOT SPENDING



Find your next free place to stay

Let's stick with FREE LOVE and creative/entrepreneurial consumers: **hundreds of millions of consumers own assets that enable them to swap**, temporarily or permanently, everything from cars and (holiday) homes to books, furniture and DVDs, without spending a dime. Only hurdle: matching supply and demand. Which is—surprise surprise—where the online world comes in: swapping marketplaces are not only thriving, they're also increasingly going niche, as the number of wired consumers continues to grow. Some examples:

Much publicised **CouchSurfing** is a non-profit online service aiming to "Create a Better World, One Couch at a Time". The site helps travelers find free places to stay and people to hang out with when they are traveling. Accommodation is entirely consensual between the host and surfer, and the duration, nature, and terms of the surfer's stay are generally worked out in advance. There are three methods to ensure security and trust: personal references, an optional credit card verification system, and a personal vouching system, whereby a member that had been vouched for might in turn vouch for any number of other members he or she knew or had met through CouchSurfing, and trusts. Over 440,000 CouchSurfers from 224 countries have signed up so far, and they've stayed at approximately 345,000 homes.



Oh, and let's not forget about somewhat more traditional home exchanges: **Digsville**, **Intervac**, **Home Base Holidays**, **Home Exchange**, **Home Link** and **Craigslist** are all in the business of unlocking hundreds of millions of holiday dollars/euros/pounds,

swapping Manhattan walk-ups for villas in Tuscany, and Singapore penthouses for beach houses in Brazil.

And yes, there's a scary number of swapping marketplaces for books, CDs, DVDs, video-games and everything else, too: from [Swaptree](#) and [Zunafish](#) to [HitFlip](#) and [SwapRocks](#). And then there's [PeerFlix](#), [Split Games](#) and [BookCrossing](#), and [BookMooch](#), and [BookHopper](#)... oh well you get the picture.

swapmywheels.com

Hey, it may even work for cars: U.K.-based [SwapMyWheels](#) makes it possible for car owners to trade their automobiles for something more family-friendly, hipper, sleeker, smaller, bigger, quieter ... Rather than losing money by selling or buying via a car dealer, consumers can save a significant amount simply by swapping.

Earlier, we mentioned how FREE LOVE is being applied to stock photography. Well, swapping is entering this arena, too: Hungarian [Stock.XCHNG](#) has over 1,000,000 registered users and more than 250,000 photos online. Members can upload their own images in exchange for credits that they can use to buy other people's photos.

Oh, and one more wifi example: [FON](#), a global wifi community, lets members share their home internet connections. In exchange, they get free access to hotspots provided by over 190,000 other members worldwide.

5. LESS IS MORE



There's another 'giving' subtrend fueling FREE LOVE: besides aforementioned GENERATION C, which is about giving away one's creations, **loads of individuals are more than happy to donate some of their (physical) possessions to anyone who wants them.** After all, a growing number of saturated consumers yearn to declutter, and are more than happy to donate their excess (but perfectly usable) stuff to those who are less well-off or less picky.

Check out [Freecycle](#) and the [free store phenomenon](#) to get a feel for what's already happening in this field. Of course, it doesn't hurt that this kind of recycling has a pleasant eco-ring to it, too. More on the RECYCLEECONOMY in future updates of this Trend Briefing.

Next for FREE LOVE?



FREE LOVE generation

Rest assured that we will see a constant shift towards new, innovative business concepts and marketing tactics that make the most of FREE LOVE, online and offline, just because they can. There's a demographic twist to it, too: with younger generations now growing up **expecting** plenty of goods and services to be low-cost, partially free, or indeed completely free, FREE LOVE will continue to expand for many years. With it, the perception of free as having no value will eventually die out.

So, ask yourself (again):

1. Which of your brand's products, if not entire business processes, could potentially be **swallowed up** by any of the FREE LOVE manifestations discussed?
2. Are there areas where you can **proactively change the rules of the game**, by being the first to experiment with FREE LOVE? Which ad-sponsored goods or services can you introduce? What kind of TRYVERTISING or BRAND BUTLERs can you bring to market in 2008? What swapping/vanity/recycling concept can you develop together with others (your customers?) that are already engaging and exploring these FREE LOVE opportunities?

Now, FREE LOVE is not about everything being free in the (near) future. After all, not *everything* commercial can be ad-sponsored (if only because those ads in the end have to sell something else), not everything will be copyable, and not everything that's non-commercial can replace the for-profit business world. In fact, scarcity can and will forever be redefined, creating an endless stream of new products and services that many consumers will be happy to pay for. For some instant inspiration on what may in fact be *better* than free, (re)read Kevin Kelly's excellent **8 Uncopyable Values**.

Oh, and don't forget to ponder the prospect of UBER FREE (or should we say **PAID LOVE**): companies paying consumers to use certain goods and services.

Anyway, good luck with making the most of FREE LOVE, and keep an eye out for our April 2008 Trend Briefing on STATUS STORIES. Yup, that'll be free, too. But not cheap ;-)