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Brian Halligan and David Meerman Scott. *Marketing Lessons from the Grateful Dead: What Every Business Can Learn from the Most Iconic Band in History*. Hoboken, NJ: John Wiley and Sons, 2010. xxv + 163 pp. ISBN 9780470900529. \$21.95.

BARRY BARNES

Published in August 2010, David Meerman Scott and Brian Halligan's *Marketing Lessons from the Grateful Dead* came at a time when considerable media attention had been devoted to the Grateful Dead Archive and to the Grateful Dead's business practices. The attention began when the remaining members of the band announced their decision to donate their archive to the McHenry Library at the University of California–Santa Cruz in April 2008. This was followed by news of a \$615,000 National Leadership Grant from the Institute of Museum and Library Services in September 2009 for digitizing parts of the collection, and was followed two months later by the announcement of a job opening at UCSC for a Grateful Dead Archivist.

Media attention was drawn to the business practices of the Dead with an article in the March 2010 issue of *The Atlantic* magazine by Joshua Green, a senior editor who had grown tired of covering the Washington political scene. When he read about the archive, grant, and job opening, he thought this might be a completely different story to follow, so he made a trip to Santa Cruz and began his research in spring 2009. It led to his discovery of a group of academics who had been studying various aspects of the band from a range of disciplinary perspectives, including musicology, sociology, history, anthropology, psychology, and, much to his surprise, business. Green interviewed several of these scholars in the summer of 2009 and completed his article "Management Secrets of the Grateful Dead" that fall. Publication of his article in March happened to coincide with the opening of an exhibit at the New-York Historical Society featuring materials from the Archive, which was scheduled to run from March 5, 2010, through July 4 but was extended through September due to popular demand.

By the time the *Atlantic* article was published, two members of the Grateful Dead, Bob Weir and Phil Lesh, had formed a new band, Furthur, and were touring the East Coast. At their stop in New York City, Bob Weir was interviewed on both the Fox Business Channel and CNBC about the business practices of the band and the *Atlantic Monthly* article in particular. More media attention for the band's business practices continued with articles in the *New York Times*, *Business Week*, the BBC World Service, and CBS Evening News, to name a few. The media frenzy continued with the announcement that the position of Archivist had been filled in April 2010. So the stage was set for the book reviewed here, addressing the marketing practices of the band.

*Marketing Lessons from the Grateful Dead* aims to help managers “think and market differently from your competition” by adopting a “contrarian marketing” approach used by the Dead, as set forth in the lessons described by Scott and Halligan. Marketing in today's business world has become a powerful and necessary part of every business. Marketing integrates market research, customer service, and advertising to improve sales, but this is a relatively recent development. Along with creating and delivering superior customer service, marketing was not a serious issue in the 1950s and sixties. There was no online buying and selling, just shopping at the local mom-and-pop store, or Sears or Montgomery Ward. Local businesses naturally provided good service or else they had no customers. There was often real customer loyalty with local retailers because their businesses were their lives, they were neighbors and knew customers personally. Marketing then consisted simply of radio, TV or newspaper advertisements. (I have fond memories of those times. It was like my doctor who made house calls when I'd get sick.) It was the manufacturing-driven marketplace that led to a loss of service to customers in the 1950s–70s by emphasizing quantity over quality.

After World War II, the U.S. was really the only significant manufacturer in the world since our industrial infrastructure had been undamaged by the war. As a result, our makers of cars, appliances, etc., could sell everything they could make, due to pent-up demand from our own citizens who had sacrificed and rationed during the war. We could export

as well because of the destruction of manufacturing in Europe and Japan. Americans even pioneered the concept of “planned obsolescence” to keep demand high, building cars that would wear out in three or four years. But as Japan began to recover from the war, they also began to learn from quality gurus such as Deming and Juran. Deming in particular taught the importance of statistical quality control and helped the Japanese move toward “zero defects” as they rebuilt their manufacturing base. By the late 1970s, the Japanese had begun making home electronics and cars with these techniques. And, as they learned how to sell their higher quality products in the U.S., they began to decimate the domestic electronics industry, first through out-sourcing and then with their own brands. The auto industry took longer for Japanese manufacturers to penetrate, but by the 1980s it was clear to U.S. automakers that many buyers wanted cars of higher quality and that lasted longer. Ford was probably the first to recognize this, and their CEO hired Deming to help them institute Total Quality Management, or TQM. This is when Ford’s advertising campaigns began to say, “Quality is job number 1.” The basis of TQM is a focus on customers, providing high-quality products to them in order to create loyalty.

The manufacturing-driven economy began to shift to a marketing-oriented economy in the 1950s and has been picking up steam ever since. Today, every business needs to harness the power of the Internet. Using this powerful tool, companies must differentiate their brand, demonstrate their core values, engage customers, network with them, create interactive services, provide unique customer experiences, involve them with social networking, reach out to them with viral marketing strategies, and even give away their product. Scott and Halligan use their book to show the reader how many of these techniques, acknowledged as so important and powerful today, were actually used by the Grateful Dead long before the rise of the Internet.

To explain how the Dead led the way with these techniques, Scott and Halligan break their book into three sections—the band, the fans, and the business—and give the reader one lesson in each of the nineteen chapters. Brief chapters, seven to ten pages long, examine the band’s history to focus on one element of their pioneering marketing practices. Each

chapter describes the details of the practice with an example of a current organization that uses the same approach, and concludes with pithy advice for marketers, organized in bulleted to-do lists.

Their lessons are short and punchy, with titles like “Create A Unique Business Model”; “Be Yourself”; “Embrace Technology”; “Establish A New Category”; “Encourage Eccentricity”; “Put Fans In The Front Row”; “Cut Out The Middleman”; “Partner With Entrepreneurs”; “Free Your Content”; “Give Back”; and “Do What You Love.” They are correct, in that each of the lessons is important and useful today, and all were indeed used by the Dead long before mainstream businesses realized how powerful those lessons could be. The examples offered by Scott and Halligan include many cutting-edge and often online businesses (Google, Amazon, Obama for America, Salesforce.com) that have been successful using one of the particular lessons, while others seem to be known only to serious online marketers (Hubspot, Dropbox, Rue La La, Y Combinator).

The book is a quick and easy read at only 163 pages, several of which are photos and graphics, and it is a small book, the size of a paperback (although hardbound). It emphasizes the special nature of the Grateful Dead in the way they ran their business, performed their music, treated their fans, and gave back to the community. The authors are both Deadheads who have been inspired by the Dead and include these lessons in their own writing and consulting. And they have followed the Dead’s example by giving twenty-five percent of the proceeds from their book to the Grateful Dead Archive.

For scholars familiar with the Grateful Dead bibliography, this is a difficult book to classify. Is it a book about marketing? Is it a book about the Dead? Or is it a balance between the two? It leaves readers wondering, who is the audience for this book? As a business professor who has published and lectured on marketing from a variety of perspectives, and a Deadhead who attended more than 100 Dead performances, I found the book unsatisfying.

When Scott and Halligan open each chapter with an examination of the Dead’s history to show how they used a particular marketing technique, it is short and superficial. Each of the chapters devotes an average

of only 350 words to these history lessons. That's less than two pages—and these are small pages. Each chapter is less than ten pages, and much space is taken up with graphics and summary boxes. While the marketing lessons drawn from the Dead's practices are logical and useful, they are also told in very few words, making their impact and value questionable. Consider, for example, Chapter One, where the lesson is "Create a Unique Business Model." Yet there is no real explanation of how and why the Dead came to rely on touring for income rather than selling records, the established rock and roll business model at the time, nor how the Dead's approach has become the more common model for many bands and musicians today. In fact, only one paragraph is used to describe the Dead's touring model! Far more text is given to their example, Rue La La, a company that created a unique online business selling luxury goods that was sold for \$350 million in 2010. More troubling is the fact that this example seems almost antithetical to the Dead's value system, which was never focused on profits, nor even on revenue generation.

For fans, the book offers little beyond what a number of articles and other books have already described. For business professionals, its brevity and structure render it too superficial for anything other than airplane reading. (Full disclosure: My own scholarship and writing on the band's business practices makes me far from unbiased, and my recent experience writing a book on the band's broader business practices makes me particularly critical.) Ultimately, *Marketing Lessons* is hobbled by its failure to support the authors' use of the Dead as justification for their marketing lessons. It is the "for dummies" model of pithy, easy-to-absorb text, but without the deep knowledge and studied exposition that characterizes that series. Scott and Halligan are clearly serious marketers and accomplished professionals; this book does not reflect that expertise, it only sketches it. The Dead deserve a good book on their marketing history and its relevance and significance; *Marketing Lessons* underscores that need.

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