

# Innovation Diffusion: Marketing Drivers of Hip-Hop Success

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**W**hen Clive Campbell, aka DJ Kool Herc, organized an after-school party in 1971 at his sister's request, he had little idea he was inventing hip-hop, and even less of an idea that his South Bronx style would spark music and fashion innovation for generations to come.<sup>1</sup> By hopping back and forth between two turntables using duplicate copies of the same record, Kool Herc was able to extend the percussion breakdown ("the breaks") of songs, enabling break-dancers and emcees to show and prove their skills.<sup>2</sup> From this eclectic collage of deejaying, break-dancing, graffiti expression, and emceeing, hip-hop culture was born.<sup>3</sup>

Fast-forwarding to today, hip-hop has been an amazing commercial success. With over \$12 billion in estimated annual sales<sup>4</sup> (comprised of CDs, DVDs, digital downloads, clothing, books, magazines, ringtones, beverages, and other assorted products), the size and scope of hip-hop merchandise, and its widespread adoption, is the envy of many in the world of pop culture.

Curious onlookers and those appreciative of marketing's role in innovation diffusion wonder how this culture has spread so pervasively. Where is hip-hop in its product life cycle? Why are people of such diverse geographic and ethnic backgrounds so willing to embrace a culture that was spawned primarily by minorities in the South Bronx?

Answering these and other related questions provided the motivation for this marketing module.

## Marketing Drivers of Hip-Hop Success

The diffusion of hip-hop culture, from its earliest days to its powerful world stage presence today, can be attributed to four major marketing forces: rhythmic market visionaries with a penchant for fashion and branding, innate consumer attraction to underdogs and rebels, the merging of media and modern technology, and unabashed corporate co-optation. What follows are glimpses of these powerful forces at work, each driving the collective growth and diffusion of hip-hop cultural innovation. (See Figure 1.)

## Rhythmic Marketing Visionaries

*"I said a hip hop the hippie the hippie  
to the hip hip hop, and you don't stop"*

—Sugarhill Gang—"Rappers Delight"<sup>5</sup>

Figure 2 depicts the various innovators that have been at the forefront of hip-hop's spreading influence. At the same time that DJ Kool Herc was capturing New York City's attention with his massive sound system and innovative breakbeats, several other 70s hip-hop visionaries were also bursting onto the scene.<sup>6</sup> Fellow DJ and Zulu Nation founder Afrika Bambaataa became known for his expansive record collection and DJ Grandmaster Flash mastered *scratching*,<sup>7</sup> the art of

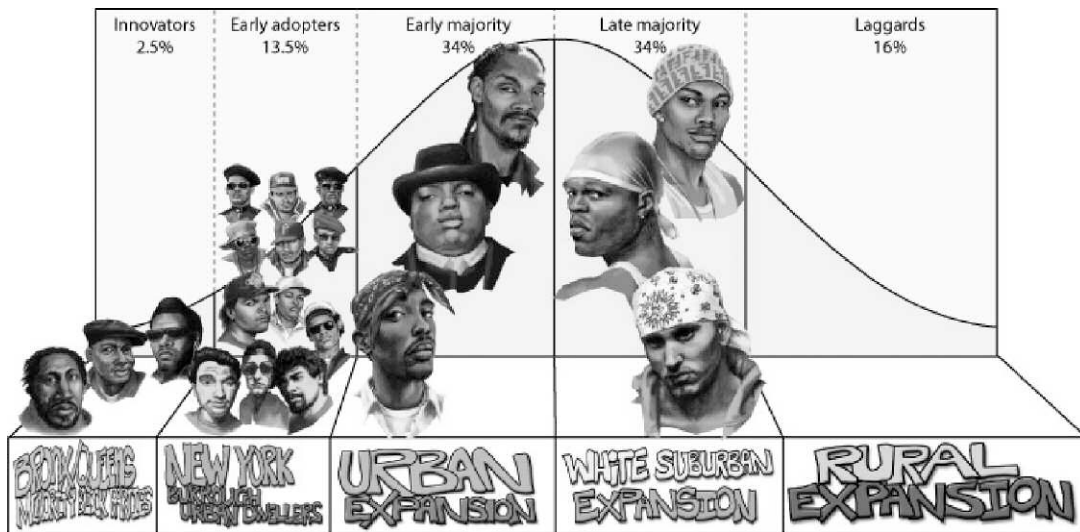
figure 1

### MARKET DRIVERS OF HIP-HOP'S SPREADING POPULARITY



figure 2

## HIP-HOP VISIONARIES AND THE CLASSIC INNOVATION DIFFUSION CURVE



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manually moving records back and forth. Artists such as the Sugarhill Gang, with their hit “Rappers Delight,” and Kurtis Blow were some of the first artists to take hip-hop music to a commercial level.<sup>8</sup>

Groups such as the Cold Crush Brothers, Beastie Boys, Juice Crew, and many others soon followed.<sup>9</sup> Hip-hop really took off when hip-hop promoter Russell Simmons teamed up rap group Run-DMC and rock legend Aerosmith in a remake of the classic tune “Walk This Way.” With the help of radio and accompanying MTV video images, Run-DMC became hip-hop’s first megastars.<sup>10</sup>

Simmons, the “CEO of hip-hop,” got his start by promoting concerts in college.<sup>11</sup> He helped launch the careers of LL Cool J, Will Smith, and numerous others through his record label Def Jam. A brilliant marketer, Simmons created a conglomerate of businesses under the Rush Communications name, which today has estimated sales in excess of \$500 million annually.<sup>12</sup> Simmons’ fashion and branding empire includes a footwear company, a marketing agency, video games, cell phones, a luxury watch company, and the Phatfarm clothing line. Simmons plans future hip-hop branding into housewares, furniture, linens, food, writing instruments, and beyond.<sup>13</sup>

Simmons isn’t the only one cashing in on the hip-hop craze. Sean “Diddy” Combs, who has gone by such monikers as Puff Daddy and P Diddy, controls another lucrative music and fashion empire, Bad Boy

group. Diddy's brands include Sean John apparel, Unforgivable cologne, Justin's restaurants, and other assorted products. The Bad Boy group generates sales of approximately a half billion dollars a year.<sup>14</sup>

Since the turn of the millennium, few can rival the commercial success of hip-hop brand builder Curtis James Jackson, aka 50 Cent. Ranked eighth among the Top 100 celebrities in 2006 by Forbes.com, 50 Cent earned \$41 million from June 2005 to June 2006, based on sales of G-Unit clothing, ringtones, CDs, and DVDs.<sup>15</sup> Also included in this total are his endorsement deals with the video game "Bulletproof," Glaceau vitamin water, and Reebok shoes. To exemplify the marketing pull that hip-hop and 50 Cent have, 50 Cent's shoe line sells more sneakers for Reebok than any of their NBA player-endorsed shoes lines.<sup>16</sup>

## The Diffusion Process and Consumer Psychology

*"It's kinda' like being at the zoo. You can look into that (gangsta rap) world but you don't have to touch it. It's safe."*  
—Ice Cube—Time Magazine<sup>17</sup>

Figure 3 provides a visual portrayal of hip-hop's ripple effect. At the center of hip-hop culture are the *innovators*. These artists and disciples are the emcees, deejays, break-dancers, graffiti writers, and other tastemakers. The next circle outward describes the *early adopters*. These are the artists' devoted followers. They faithfully attend shows, promote the products, and are in tune with the culture. They also speak and write about hip-hop with passion and admiration.

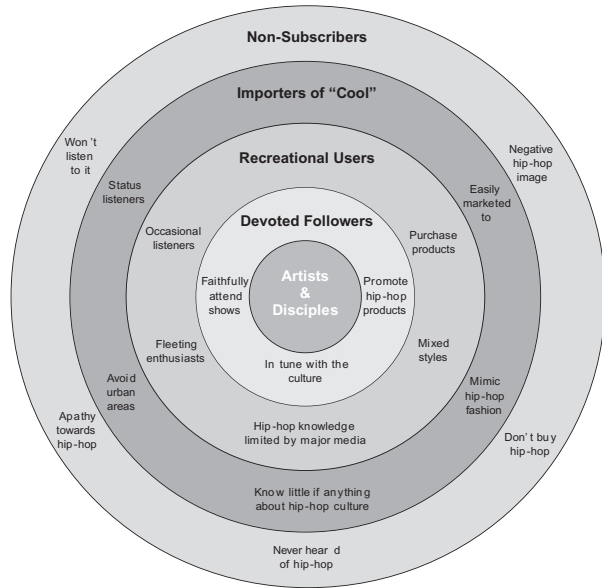
Surrounding the artists and devoted followers are the *early majority*. These are the recreational users of hip-hop. Some of them are fleeting enthusiasts and most listen to hip-hop occasionally. They are fed hip-hop through the media, but don't consider themselves part of the culture. The fourth circle represents the *late majority*. They are "*importers of cool*" who are heavily influenced by corporate advertisers who capitalize on hip-hop popularity. The outer ring represents hip-hop's *laggards*. These are non-subscribers for reasons such as lack of exposure, apathy, cynicism, or outright rejection.

At the core of all innovation diffusion is consumer psychology. If innovation creates emotional immediacy, benefits are observable, and the product can be "tried out" at relatively low risk, innovation is more likely to be successfully adopted. Hip-hop satisfies all of these criteria, particularly with respect to innate consumer attraction to underdogs, outcasts, and outlaws.

There is nothing more American than the embracement of the rebel. From Elvis and James Dean to Tupac Shakur and Eminem, these cultural icons have been idolized by the youth of their time.

figure 3

**HIP-HOP POPULARITY: THE RIPPLE EFFECT**



Maybe it's their ability to survive outside the norms of society that makes the rebel so influential, but ultimately it is society's embrace-ment that immortalizes them.

In the late 1980s and 1990s, hip-hop's edgy pop image was sud-denly supplanted by a sub-genre labeled "gangsta rap."<sup>18</sup> Hip-hop acts such as Ice-T and NWA (starring Dr Dre, Ice Cube, and Eazy E) attracted both positive and negative attention for their graphic street tales. Groups such as Public Enemy (featuring Chuck D and Flavor Flav) and Boogie Down Productions (with KRS-One) called for polit-ical action, which frightened some people who didn't understand the message in their lyrics. During this same time period, an East Coast vs. West Coast rivalry in hip-hop grew out of a personal feud between New York rapper Christopher Wallace, aka Notorious B.I.G., and California rapper Tupac Shakur; both were murdered within six months of each other. Aside from controversy over his lyrics, Shakur has been referred to as the most important black artist to emerge in the post-Civil Rights era.<sup>19</sup>

Once gangsta rap broke onto the scene, the media jumped on it and consumers were inundated with it. With gangsta rap, hip-hop hit the tipping point and its popularity grew by leaps and bounds. As gangsta rap flourished, artists such as Snoop Dogg, Nas, and Jay-Z stepped in to fill the demand. Recreational users and importers of cool were attracted to hip-hop because the media repeatedly exposed them to it.

Hip-hop has effectively relied on innate consumer psychology to spread its messages just as young consumers have embraced hip-hop as a breath of fresh air. Today's youth are immune to traditional advertising, which they view as an attempt to trick them. They are a generation raised on the fast-moving pace of MTV visuals and hip-hop lyrics, and are able to decipher codes their parents cannot. Quickly spoken vocals over hip-hop breakbeats have proven to attract the attention of the younger generations while purposefully excluding older ones.<sup>20</sup>

## Media and Technology

*"I am, whatever you say I am  
If I wasn't, then why would I say I am  
In the papers, the news, every day I am"*  
—Eminem—"The Way I Am"<sup>21</sup>

Movies, websites, and traditional broadcast and print media have all played a huge role in helping to spread hip-hop's popularity. In hip-hop's early days, TV's Soul Train and films such as *Wild Style* helped introduce hip-hop to mass audiences. Table 1 chronicles these and several other notable examples of hip-hop in film and television.

Regarding the airwaves, Hot 97 became the first all-hip-hop radio station in 1993. More recently, XM Radio, Sirius Satellite Radio, the Clear Channel conglomerate, and countless local stations have helped create hip-hop listeners across the United States and beyond. Notably, in 2004, world rap legend Eminem launched his own radio station, Shade 45, on the Sirius network, to further promote his music and that of his crew.

In the print world, leading hip-hop magazines include *The Source*, *XXL*, and *Vibe*. *XXL* is currently the best selling of the three, with over 800,000 subscribers and 2 million readers.<sup>22</sup> Other music and pop culture outlets such as *Rolling Stone* and *People* continue to promote hip-hop artists, and related products and events. Even business publications such as *Forbes*, *Fortune*, and *Business Week*, and newspapers such as the *Wall Street Journal* and *USA Today*, regularly write about the hip-hop phenomena. Major books on the world of hip-hop include Nelson George's *Hip Hop America* (1998, 2005), William Upski Wimsatt's *Bomb the Suburbs* (2001), and Nicholas Ganz's *Graffiti World* (2004).

Advancements in computer and web technology have also made it easier for artists to get their music to their audience. Websites such as HipHopdx.com, undergroundhiphop.com, and allhiphop.com keep world viewers updated on hip-hop industry news, provide album reviews, and sell merchandise directly to consumers and artists alike. Sites like myspace.com and soundclick.com connect artists and listen-

**table 1** NOTABLE EXAMPLES OF HIP-HOP IN FILM AND TV

Film	TV
<p><b>Wild Style (1983)</b> A documentary featuring break dancing, graffiti, and rap. Includes DJ Grand Master Flash, rapper Busy Bee, graffiti artist Fab Five Freddy, and break-dancer Crazy Legs.</p>	<p><b>1980:</b> Curtis Blow performs "The Breaks" on Soul Train. Blow is the first hip-hop artist to appear on national TV.</p>
<p><b>Boyz n the Hood (1991)</b> A cultural and financial success. John Singleton wins Academy Awards for Best Director and Best Screenplay Written Directly for the Screen.</p>	<p><b>1988–1995:</b> Yo! MTV Raps. This weekly music video program introduced a nationwide audience to hip-hop.</p>
<p><b>8 Mile (2002)</b> Starring Eminem as Jimmy "B-Rabbit" Smith Jr. Eminem wins Academy Award for Best Music, Original Song "Lose Yourself."</p>	<p><b>1990–1996:</b> Fresh Prince of Bel Air, starring Will Smith. In 1988, Smith, along with DJ Jazzy Jeff won the first Grammy for Rap for their song "He's the DJ; I'm the Rapper."</p>
<p><b>Crash (2005)</b> Wins Academy Award Best Motion Picture of the Year in 2006. Features rapper Chris "Ludacris" Bridges as Anthony.</p>	<p><b>2000–present:</b> "106 &amp; Park" a 90-minute daily hip-hop and R&amp;B segment on Black Entertainment Television (BET). This is BET's number 1 rated show.</p>
<p><b>Hustle and Flow (2005)</b> Memphis rappers, 3-6 Mafia, win Academy Award for Best Achievement in Music Writing for Motion Pictures, Original Song, for "It's Hard Out Here for a Pimp."</p>	<p><b>Presently:</b> MTV, VH1, and other shows continue to feature hip-hop artists and their music on a regular basis. Additionally hip-hop artists such as Common now appear regularly on TV commercials.</p>

ers at all levels and offer services that allow artists to provide music directly to consumers.

Web services such as iTunes, Napster, and Zunes cater to the portable MP3 market with digitally downloadable music. While sales of CDs of all genres declined by 7.2 percent in 2005, digital download sales during this same period increased by 150 percent, from 140.9 million units sold in 2004 to 352.7 million units sold in 2005.<sup>23</sup> Regarding comparables, hip-hop CD sales last year comprised approximately 12 percent of all CD sales,<sup>24</sup> whereas hip-hop's share of the digital download market is considerably larger than this.

Another technological breakthrough that has fueled hip-hop success is the marriage of cell phones and ringtones. Cell phone ringtones are a \$3 billion industry, and outsell music downloads. There were four ringtones in 2005 that went multi-platinum (i.e., unit sales exceeding 2 million units, often at \$2.99 each) and all were from hip-hop artists!<sup>25</sup> The individual ringtone champions included 50 Cent, T-Pain, D4L, Black Eyed Peas, Chamillionaire, T.I., and Bow Wow.

Not to be forgotten, hot-selling video games such as Grand Theft Auto, NBA Street, and Madden have all incorporated hip-hop sounds and/or visuals, which have spawned hip-hop's own gaming league at [hhgl2.ggl.com](http://hhgl2.ggl.com). Video game manufacturers aren't the only ones hopping on the hip-hop bandwagon, as major corporations have increasingly been using hip-hop as a powerful marketing tool and vice versa, with hip-hop artists gaining exposure and capital from these endorsement deals.

## Corporate Co-optation

*"I'm not a businessman, I'm a business, man"*  
—Jay-Z (as featured in Kanye West's "Diamonds from Sierra Leone")<sup>26</sup>

Several decades ago, most major corporations shied away from being associated with hip-hop culture over concerns that their image might be tarnished. Now firms understand that using hip-hop can help them look "cool" and reach youth-oriented target markets. Hip-hop today has become a mainstream force influencing the purchase of shoes, clothing, beverages, movies, and many other product categories. Corporations tend to provide a filtered version of hip-hop by giving the most exposure to artists who are "safe" to promote. Following are several examples of how corporate America has used hip-hop to market its products.

### **Adidas "Kicks Off" Corporate Branding of Hip-Hop**

One of the first accounts of a major brand embracing hip-hop culture was the marriage of Run-DMC and Adidas. The deal was orchestrated by hip-hop mogul Russell Simmons at a 1986 Madison Square Garden concert when Simmons' brother, Run, asked 20,000 fans to raise up their Adidas before they performed their hit single, "My Adidas." As Nelson George describes in the book, *Hip Hop America*, "A sea of three-stripped athletic sneakers emerged like white clouds over the heads of most of the fans."<sup>27</sup> Adidas representatives were in attendance and upon seeing the brand loyalty that Run-DMC had created, they negotiated a \$1.5 million deal with Simmons to create their own line of sneakers and clothing.<sup>28</sup> Shortly thereafter, Adidas became a hip fashion statement for models, celebrities, and other style innovators.

### **Tommy Hilfiger Transformation**

In 1992, fashion designer Tommy Hilfiger and his brother, Andy, spotted rapper Grand Puba wearing the designer's clothes. This sparked the idea to redirect their clothing line from colorful loose-fitting sportswear to a more "urban-prep" look. As evidence of this successful transformation, rap superstar Snoop Dogg gave a live performance on

Saturday Night Live two years later, dressed head to toe in Tommy gear. By 1996, Tommy Hilfiger was the number one clothing company traded on the New York Stock Exchange.<sup>29</sup>

### ***Sprite Did It Right***

Another corporation that has successfully embraced hip-hop culture is Sprite. In 1998, Sprite aired commercials featuring the legendary MC Shan and KRS-One. Within a year, Sprite sales were growing at triple the industry rate. According to Sprite Brand Manager Pina Sciarra, the rap campaign quadrupled the number of people choosing Sprite as their number one soda.<sup>30</sup> Today, Sprite commercials continue to attract younger consumers by using fast-moving visuals over hip-hop soundtracks that can be readily deciphered by a generation raised on MTV.

### **Solicitation from Both Directions**

In recent years it has been common practice for corporations to approach hip-hop artists with promotional deals such as Jay Z's endorsement of Bud Select and Common's rapping for The Gap. Promotional solicitation can also originate from the rappers themselves, such as when Snoop Dogg successfully approached Chrysler for an endorsement deal.<sup>31</sup> While it has become acceptable in hip-hop to support products on the side, occasionally a controversy erupts over the dropping of brand names into songs.

### **Dropping Brand Names**

In 2005, the biggest activator of corporate sponsorship in songs was none other than 50 Cent. He replaced the 2004 champ, Kanye West, for most brand name mentions in the top 20 songs on the Billboard charts. In seven hit singles, 50 Cent managed to drop in 20 different brand names.<sup>32</sup> In another more problematic example, McDonald's offered artists \$1–\$5 per radio play for songs that mentioned the words "Big Mac" in them.<sup>33</sup> This offer was later withdrawn when the story was leaked to the press, which is why most of these deals are struck behind closed doors.<sup>34</sup>

## **Conclusion**

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As hip-hop enters into its 34th year, people continue to wonder how long this phenomenon will last. With the adaptation of visionaries, the voracious appetite consumers have for the products, the high-profile coverage media gives to it, and corporations' continuing interest in it, hip-hop's end seems nowhere in sight. As depicted in Figure 4, there are emerging hip-hop scenes all across the United States and the phenomenon continues to grow worldwide.<sup>35</sup>

figure 4

## HIP-HOP HOT SPOTS



## ISSUES FOR DISCUSSION AND REVIEW

1. Why do people of so many different ethnic and geographic cultures embrace hip-hop?
2. Where is hip-hop in its product life cycle? Has it peaked in popularity? Explain. How much longer do you think it will be around and why?
3. Where do you fit in on Figure 3? In what ways has hip-hop influenced you?
4. Describe all four types of non-subscribers. How would you go about converting each?
5. Considering hip-hop's rebel image, why are so many corporations embracing hip-hop today? What are the pros and cons of this promotional alliance?

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