

In Your Face Interface

Interview with CEO Linda McMahon,
World Wrestling Federation Enterprises, Inc.
2000



Q. What does the WWF brand represent, and how does its value relate to your over-all corporate strategy?

A. It's the cornerstone of what this company is all about. Our logo is a variation of one that was started at the end of the 1970s. What's out there now is what we call the scratch variation. It's a global brand that represents excitement and entertainment, and as far as the McMahon family is concerned, it's almost like our family crest. We're now in our fourth generation. That brand is representative of all that we are committed to from a business perspective, and it serves as an umbrella over all our products and activities and whatever brand extension we are engaged in.

Q. How do you apply your over-all branding and communications strategy to the Internet?

A. We consider ourselves a fully integrated branded media company. We're engaged in live events, television, pay-per-view, publishing and licensing branded merchandise. The Internet certainly gives us another way of distributing our brand, our products and our information to our fans, by talking directly to them on an instantaneous basis. We started strictly as a communications vehicle, but now it has grown into a tremendous tool for distribution of product, as well as information. And it's information not only from us, but also back from our fans. We get immediate feedback. We don't have to wait until the next morning after an evening event. They're already on line, telling us what they think the same night of an event. They tell us if they like the Superstar; what they like or don't like about the story line; what they find intriguing and want to see more of. We have the ability to gather market research because our fans are providing us with immediate feedback. Part of the success of this business is that we listen to our fans. And being able to listen to them instantaneously gives us the ability to react and to deliver to them what they want to see.

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Q. How does your e-mail marketing campaign help strengthen the brand?

A. First of all, they have to sign up and say, yes, they want to get it by e-mail. We don't just send it out. We're very cautious about the privacy aspect. There's no charge to get it, but they have to register. We know this group wants specific information, as much information as we can give them. So we send out everything that's new, and they say keep it coming, we want to know about it directly. It's a great audience for in-depth market research because we have names and addresses, demographic information, and we can really focus our marketing effort. It strengthens the brand to be able to go to people who have already said they're interested and provide them with specific information. As we continue to break down that Internet audience, with their permission, we're becoming more sophisticated with our marketing so we can track our fans even better. We're doing this now with new database management. If

someone is a Rock fan, we know they're a Rock fan, they've bought Rock merchandise, they ask questions about The Rock, or they've even gone into the Rock site. We want to be able to target them so that if we have a new Rock item coming out, we can e-mail them, or send them some information in advance, before it's available generally. We want to let them know there's a special product coming. And vice versa. For example, if we're having a close-out, we want to give them the first opportunity to buy it. It's similar to the advance notice of a special sale that a department or specialty store gives to its preferred customers. It strengthens our fan base by making them feel that we're speaking directly to them. We have approximately 1.3 million WWF fans signed up, which is another great added value to advertisers and people we're doing promotions with. We can help them target their advertising dollars as well.



Q. How do you adjust your brand strategy globally, and do you project an American image around the world or do you try to tailor it to individual countries or regions?

A. We definitely have an American image. On television, we're in more than 130 countries, in nine languages. But our fans around the world want the American import. We do have Spanish and German web sites, but we ship merchandise from the United States. People everywhere just love getting the WWF product, and we find they're buying in bulk, \$600, \$700, at one time. The appeal of our American brand is very strong globally.

Q. What's the most important thing you've learned about branding on the Internet?

A. What we have found in our branding effort is that our fans have an insatiable appetite. The branding aspect of what we are doing is continuing to reinforce the strength of the brand and provide our fans with information that sometimes they can only get on the web. We also give them the ability to interact with us. So I think the most important part of the branding is the reinforcing of the brand with another distribution channel. And we can provide them with information that they can't get while watching the show, such as, if someone got hurt, what happened, did he really get hurt, and how is he doing? One of our up-and-coming Superstars was partly paralyzed two years ago, and he writes for our web site. Sometimes he'll critique one of our pay-per-views. You won't see that anywhere, except on our Internet. And I can't emphasize how important it is to enable our fans to know and feel they have an involvement. Using that tool as a brand-strengthener, as an enhancement and extension is pretty phenomenal. And that tells our advertisers who buy a cross-media package that they have the ability to reach this wide range of fans.



Q. You and your husband Vince have been praised for being able to think outside the box. How does that relate to the Internet?

A. You have to go back to how we got on the Internet to start with, which was basically my impatience in wanting to interact with our fans. That was thinking outside the box. But now I would have to give the praise and credit to the young staff that's there. We must have 40 at this point working on content, constant development of new sites, along with the primary site, and how they interlink. The navigational aspects are quite inventive. We've built a new-media network, not just a website.

We now have more than 40 Web sites that are appealing to such things as www.therock.com or www.divas.com or a special promotion we might be doing with Nintendo. So we're a lot more diverse than most Web sites out there. About five percent of all web traffic comes through www.wwf.com. That's pretty amazing.

Q. But the Internet is very competitive. How do you sustain the brand in such a competitive arena?

A. First, keep in mind that we are destination viewing on television. When we switched from the USA Network to Viacom's TNT Network, we brought that entire audience to TNT by promoting on the Internet, on MTV, on TNT. We just turned all our promotional guns to it. So we know that our fans look for us, and want us. Therefore, on the Internet side, huge numbers of fans have made us a destination on the Web, just as we're a destination on television. Now we will get those Internet users, just as we do on television, who are kind of interested, but haven't come in before or watched. And those fans, or browsers, come in to see what we're up to and find that we give them so many levels and so much information that they get hooked. So we may get them to watch the television show that we're talking about on the Web, and get them wondering about these characters; what's going to happen next; what about this story line and this soap opera adventure. I don't think this environment is any more competitive for eyeballs than is the world of television. So our programming on the Internet is limited only by our own creativity, and as long as we're interesting and as long as we fulfill the fans' needs, we'll attract them and keep them. And unlike other television programming that's taped months in advance, we have the ability to know just what our fans are saying, because we're on live every week, and we can make immediate adjustments should they be needed. We learn from our live audiences—we can have 18,000 fans in an arena giving us instant feedback. They will actually yell, "boring," if they don't like what's going on in the ring. And then they'll give us equally outspoken reactions on the web. We can spot trends very, very quickly. We get a real sense when that information starts coming in as to how the fans are responding. We know it that night.

Q. Do you get a different reaction on the web than from the actual audience?

A. We do not see that. It really correlates very closely. The folks who come in on the Internet will obviously give us more information because if they've taken the time to go on, they'll tell us what they think. Or if they're in a chat room with another fan, we see that interaction as they converse back and forth. And if there's a live chat with one of our Superstars, they'll get right in there and ask some direct questions. They're very knowledgeable. We have to listen to what they're saying to us because they expect to receive feedback from us and have an influence on what we do. They like to be surprised. They don't like to always be able to guess what's going on. They actually like for us to outsmart them, and that's what keeps them intrigued. We try to have constant interplay between wit and physical prowess. The reaction on the Internet is instant approval or disapproval. And if we disappoint them, we know that right away. The Web is an instant source of information and guidance for our writers. But we also track our TV ratings and the popularity of individual Superstars on a minute-by-minute basis. Our fans spend a tremendous amount of time on our Web sites. Everything we do, whether the Web is a marketing tool, a

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research tool or a distribution or sales tool, all of those parts of using the Internet really enhance our business. The number-one rule of our company is to entertain our audience and give them a good quality product. Whether it's a live television show, a magazine or the Internet, our goal is to give them what they want. With the Web we now have another vehicle to do that with. It clearly does extend and enhance our brand.

Q. One of your successes has been creating the Superstar concept. How does that translate to the web?

A. Each of those Superstars has his own Web site, which you can navigate off the main page, or you can go there directly and get the information you want about that Superstar—his background, whether he had an injury, the schedule of his appearances—and click on his merchandise. And our sites are updated throughout the day. They're not static. We don't put up a page that sits there all day.

Q. Is there a danger of damaging the brand with a surfeit of material out there on the web?

A. I don't think so. Sure, if we didn't keep our Web sites current, if we didn't make them entertaining, if we weren't responsive to our fans, if we sold them things through our shop zone and didn't fulfill the orders, then we'd damage the brand. But as long as we're doing what we're doing, I'm not worried. We have a successful formula, but we keep improving it. We keep adding content, as well as more technical people to make sure that the navigational aspects and the creative artwork keep getting better and more entertaining. If you disappoint your fans, then you will turn them off, but the Internet makes that less and less of a possibility because we're constantly getting feedback. And we're adding new material. Take our new joint venture with NBC, the XFL football league. That's a great opportunity for cross-branding and cross-promotion. I don't see us hitting the wall, unless we stop being creative. And that isn't happening.

