

Word of Mouth 101

An Introduction to Word of Mouth Marketing

A WOMMA White Paper

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About WOMMA

WOMMA is the official trade association for the word of mouth marketing industry. Our members are building a prosperous word of mouth (WOM) marketing profession.

Thriving markets are built on best practices, effective standards, and ethical leadership. Those are the qualities that bring WOMMA members together -- and we hope that you will join us if you share these values.

- We're fantastic brands and marketers who know that happy customers are our most powerful advocates.
- We're innovative agencies who understand how to empower and amplify the voice of the consumer.
- And we're the good guys, committed to protecting consumers with strong ethical guidelines.

Join us!

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Definitions

Word of mouth:

The act of consumers providing information to other consumers.

Word of mouth marketing:

Giving people a reason to talk about your products and services, and making it easier for that conversation to take place.

What is Word of Mouth Marketing?

Word of mouth is a pre-existing phenomenon that marketers are only now learning how to harness, amplify, and improve. Word of mouth marketing isn't about creating word of mouth -- it's learning how to make it work within a marketing objective.

That said, word of mouth can be encouraged and facilitated. Companies can work hard to make people happier, they can listen to consumers, they can make it easier for them to tell their friends, and they can make certain that influential individuals know about the good qualities of a product or service.

Word of mouth marketing empowers people to share their experiences. It's harnessing the voice of the customer for the good of the brand. And it's acknowledging that the unsatisfied customer is equally powerful.

Word of mouth can't be faked or invented. Attempting to fake word of mouth is unethical and creates a backlash, damages the brand, and tarnishes the corporate reputation. Legitimate word of mouth marketing acknowledges consumers' intelligence -- it never attempts to fool them. Ethical marketers reject all tactics related to manipulation, deception, infiltration, or dishonesty. All word of mouth marketing techniques are based on the concepts of customer satisfaction, two-way dialog, and transparent communications. The basic elements are:

- Educating people about your products and services
- Identifying people most likely to share their opinions
- Providing tools that make it easier to share information
- Studying how, where, and when opinions are being shared
- Listening and responding to supporters, detractors, and neutrals

Types of Word of Mouth Marketing

Word of mouth marketing encompasses dozens of marketing techniques that are geared toward encouraging and helping people to talk to each other about products and services.

Common types of word of mouth marketing are listed below. This is not a complete list -- we're publishing it as a means to begin a dialog toward standardization, and we welcome your comments. (Not everyone agrees that each of these should be part of word of mouth marketing, and many marketers use different terms to describe them.)

- Buzz Marketing: Using high-profile entertainment or news to get people to talk about your brand.
- Viral Marketing: Creating entertaining or informative messages that are designed to be passed along in an exponential fashion, often electronically or by email.
- Community Marketing: Forming or supporting niche communities that are likely to share interests about the brand (such as user groups, fan clubs, and discussion forums); providing tools, content, and information to support those communities.
- Grassroots Marketing: Organizing and motivating volunteers to engage in personal or local outreach.
- Evangelist Marketing: Cultivating evangelists, advocates, or volunteers who are encouraged to take a leadership role in actively spreading the word on your behalf.
- Product Seeding: Placing the right product into the right hands at the right time, providing information or samples to influential individuals.

- Influencer Marketing: Identifying key communities and opinion leaders who are likely to talk about products and have the ability to influence the opinions of others.
- Cause Marketing: Supporting social causes to earn respect and support from people who feel strongly about the cause.
- Conversation Creation: Interesting or fun advertising, emails, catch phrases, entertainment, or promotions designed to start word of mouth activity.
- **Brand Blogging:** Creating blogs and participating in the blogosphere, in the spirit of open, transparent communications; sharing information of value that the blog community may talk about.
- Referral Programs: Creating tools that enable satisfied customers to refer their friends.

The Philosophy of Word of Mouth Marketing

Word of Mouth is ...

- The voice of the customer
- A natural, genuine, honest process
- People seeking advice from each other
- Consumers talking about products, services, or brands that they have experienced

Word of Mouth <u>Marketing</u> is ...

Recognizing that a happy customer is the greatest endorsement

 We work to create customer enthusiasm instead of pushing marketing messages

Giving customers a voice

- Providing something worth talking about
- Providing tools that make it easier for them to share their opinions

Listening to consumers

- Engaging them in open, unfiltered conversation
- Promptly and honestly responding to their concerns
- Valuing customer opinion, whether it is positive, negative, or neutral

Engaging the community

- Finding the right people and connecting them to each other
- Helping new communities to form
- Participating in and supporting existing communities and conversations

The only marketing based on genuinely passionate people

Word of mouth marketing is the most honest form of marketing, building upon people's natural desire to share their experiences with family, friends, and colleagues.

Our work empowers peoples and gives them a voice ... a process that can never be reversed. If we succeed in satisfying our customers, we will benefit greatly because they will share their enthusiasm and support our brand. But if we fail, that same voice will hold us accountable and broadcast our failings.

Only honest marketers with confidence in their products dare engage in word of mouth marketing -- because it will backfire if the promise of your marketing message isn't backed up by reality. Once you give people a voice, they will tell the true story of your company, good or bad.

Word of mouth marketing is self-policing and pushes marketers to create better products and provide genuine satisfaction.

Organic vs. Amplified Word of Mouth

The following terms attempt to explain the differences between word of mouth that results from day-to-day interaction with customers and the kind that occurs as a result of a specific campaign to create or encourage it.

By no means are these terms commonly accepted. Some marketers feel that word of mouth is always there, and that a campaign can amplify it, but that word of mouth is the same regardless of its origin. Other marketers don't use campaigns specifically to promote word of mouth, and feel that there is an important distinction.

Organic WOM

... occurs naturally when people become advocates because they are happy with a product and have a natural desire to share their support and enthusiasm. Practices that enhance organic word of mouth activity include:

- Focusing on customer satisfaction
- Improving product quality and usability
- Responding to customer concerns
 and criticism
- Opening a dialog and listening to people
- Earning customer loyalty

Amplified WOM

... occurs when marketers launch campaigns designed to encourage or accelerate WOM in existing or new communities. Practices that amplify word of mouth activity include:

- Creating communities
- Developing tools that enable people to share their opinions
- Motivating advocates and evangelists to actively promote a product
- Giving advocates information that they can share
- Using advertising or publicity designed to create buzz or start a conversation
- Identifying and reaching out to influential individuals and communities
- Researching and tracking online conversations

Positive Word of Mouth Strategies

Good word of mouth marketing strategies involve finding ways to support satisfied customers and making it easier for them to talk to their friends.

1. Encouraging communications

- Developing tools to make telling a friend easier
- Creating forums and feedback tools
- Working with social networks

2. Giving people something to talk about

- Information that can be shared or forwarded
- Advertising, stunts, and other publicity that encourages conversation
- Building WOM-worthy elements into products

3. Creating communities and connecting people

- Creating user groups and fan clubs
- Supporting independent groups that form around your product
- Hosting discussions and message boards about your products
- Enabling grassroots organization such as local meetings and other real-world participation

4. Working with influential communities

- Finding people who are likely to respond to your message
- Identifying people who are able to influence your target customers
- Informing these individuals about what you do and encouraging them to spread the word
- Good-faith efforts to support issues and causes that are important to these individuals

5. Creating evangelist or advocate programs

- Providing recognition and tools to active advocates
- Recruiting new advocates, teaching them about the benefits of your products, and encouraging them to talk about them

6. Researching and listening to customer feedback

- Tracking online and offline conversations by supporters, detractors, and neutrals
- Listening and responding to both positive and negative conversations

7. Engaging in transparent conversation

- Encouraging two-way conversations with interested parties
- Creating blogs and other tools to share information
- Participating openly on online blogs and discussions

8. Co-creation and information sharing

- Involving consumers in marketing and creative (feedback on creative campaigns, allowing them to create commercials, etc.)
- Letting customers "behind the curtain" to have first access to information and content

Unethical Word of Mouth Tactics

Any practice intended to deceive people is unethical and should not be used.

WOMMA is absolutely opposed to the following unethical word of mouth marketing tactics:

- 1. **Stealth Marketing:** Any practice designed to deceive people about the involvement of marketers in a communication.
- Shilling: Paying people to talk about (or promote) a product without disclosing that they are working for the company; impersonating a customer.
- Infiltration: Using fake identities in an online discussion to promote a product; taking over a web site, conversation, or live event against the wishes or rules set by the proprietor.
- Comment Spam: Using automated software ('bots") to post unrelated or inappropriate comments to blogs or other online communities.
- 5. **Defacement:** Vandalizing or damaging property to promote a product.
- 6. **Spam:** Sending bulk or unsolicited email or other messages without clear, voluntary permission.
- 7. Falsification: Knowingly disseminating false or misleading information.

Word of mouth marketing cannot be faked

Artificial word of mouth marketing is dishonest and ineffective. Word-of-mouth marketing must be based on the honest opinions of real people. We strongly oppose any practice that tries to fake word of mouth.

Ethical and responsible word of mouth marketers do not . . .

- Impersonate people, shill, or hide their identities
- Manipulate or corrupt honest opinions
- Infiltrate, invade, or violate online or offline venues

Dishonest word of mouth marketing will always be exposed and deplored.

Marketers must work to oppose and eliminate unethical practices

All marketers should be aware that unethical practices are currently used by unscrupulous or uninformed companies. The standards of ethics and consumer protection are evolving rapidly, and many marketers have not yet learned about the current standards (or choose to ignore them). Regardless of intent, such unethical practices jeopardize consumer trust and ultimately harm both consumers and honest marketers.

We strongly recommend that marketers aggressively review the practices of their agencies, vendors, and internal departments. Insist on the highest level of ethics, and insist that all of your campaigns comply with the WOMMA Code of Conduct and the Honesty ROI.



Word of Mouth Marketing Association

WOMMA is the official trade association for the word of mouth marketing industry.

WOMMA members:

Innovative companies pioneering word of mouth marketing.

A few of our 130 members:

Buena Vista Home Entertainment Burson-Marsteller BuzzMetrics BzzAgent DDB **DEI Worldwide** Dell **Discovery Communications** DuPont Edelman **Electric Artists** Fila Friendster Harvard Business School Intelliseek Intuit **Kimberly Clark Kraft Foods** Motorola NOP World Organic Pearson Education ProFlowers S.C. Johnson Sprint Starcom MediaVest Group TaylorMade-adidas Golf The Clorox Company Verizon Wireless

Are You Ready? Marketing is changing, again

Word of mouth isn't just the latest marketing fad. It's a fundamental change in the nature of communications between consumers and marketers.

Consumers control the media now, and WOMMA members are learning to harness their voice. We are using blogs, communities, viral marketing, buzz, evangelism, word of mouth, and other new techniques to create a more open and productive relationship between businesses and the people they serve.

And we do it with measurable ROI, clear standards, and trackable metrics.

WOMMA: Better marketers, better marketing

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Learn: Master the Art of Word of Mouth

Word of mouth marketing is quickly becoming a fundamental part of everyone's marketing mix. WOMMA will help you master the techniques, learn best practices, and make sure you're not caught by surprise.

Come to WOMMA.org for:

- Best practices guidelines
- Ethics guidelines
 Email
- Audio training
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- Industry research library
- And much more!
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- Proprietary research
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