

FORWARD THINKING

Word of Mouth

The grapevine is still the most powerful marketing strategy



by MICHELE C. WIERZGAC

WORD OF MOUTH (WOM) IS the passing of information from one person to another in a verbal exchange. Since the beginning of time, humans have relied on the “grapevine” for recommendations and information from one another for just about anything.

Think about it: How many decisions have you made this week based on a colleague’s or family member’s recommendation? What city should I book for the next convention? What is the best certification to have? Why should I attend this conference? Who do you recommend I hire for the new position? Who should I buy my next car from? What diet is the best?

WOM marketing has become highly valued by marketers because this form of communication has a credible source. The person communicating the information does not have the ulterior motive that they are out to sell something. They are speaking with passion and experience to someone they have an established relationship with—definitely a competitive advantage over a direct mail piece or a cold call.

The research, studies and statistics are just beginning to demonstrate the power of this marketing strategy. According to the Word of Mouth Marketing Association (WOMMA; www.womma.org), two-thirds of all economic activity in the U.S. is influenced by shared opinions about a product, brand or service. But WOM as a marketing discipline is only just coming into its own, and the data indicates the best years are yet to come.

An April 2005 WOMMA study revealed people who were most likely to pass along a recommendation were as follows:

- ▶ Friends (88 percent)
- ▶ Family member (87 percent)
- ▶ People who share the same interests (66 percent)
- ▶ Colleagues (61 percent)
- ▶ Neighbors (42 percent)
- ▶ Community group members (42 percent)
- ▶ Other consumers (35 percent)
- ▶ Fellow parents at kids’ activities (27 percent)

If marketers are now placing a very high strategic value on WOM, why haven’t the business world or meeting planners embraced this concept? Because many believe that there is nothing they can do about it. But, in fact, there is something you can do.

WOM is a marketing strategy, not a marketing tactic, and should be part of an organization’s long-term strategy. Traditionally, brand marketing, direct marketing, and customer relationship management were the three major strategies within an organization’s integrated marketing communications plan. Now WOM has been added, and has become the major driver within the plan. Why? Because an organization receives benefits that other forms of marketing cannot deliver. Some benefits include:

- ▶ Reaching your target market at the lowest possible cost

- ▶ Receiving real-time feedback from your customers
- ▶ Recruiting “brand evangelists” and influencers to market your brand, product or service
- ▶ Building a credible awareness and interest in your brand, product or service
- ▶ Creating a relationship between you and your customer

The objective of WOM is about generating a buzz. You want as many consumers, friends, colleagues, and acquaintances as possible talking about your brand, product or service. To create a buzz, you need the following:

Target markets serving as evangelists and influencers: Evangelists are customers, employees or suppliers that have an emotional connection to your brand. These types of consumers voluntarily influence others to convert to the brand on a regular basis. When marketing to an evangelist or influencer, your marketing messages need to recognize them as experts and thank them for sharing their great ideas with others. These target markets usually use a combination of facts and emotion when spreading the word.

How do you find evangelists and influencers? Listen to both the positive and negative comments from your current target markets. A blog or an online forum allows them to communicate directly and immediately to your organization. The challenge: Are you willing to listen?

Delivery channels: WOM is traditionally a spoken communication through formal and informal networks. Formal networks include conventions, fund-raisers or association meetings. Informal networks can include traveling, church functions or even at the grocery store. Now more than ever, technology offers a variety of different formats for an evangelist

or influencer to impact one's opinion. Formats include blogs, website discussion forums, newsgroups, bulletin boards, mobile phones, MP3 players, and e-mail listservs.

Did you know that more than 60 percent of Europeans are online and that 20 percent of them have looked at product reviews from other consumers? Today, every organization needs to consider having a WOM technology element within their integrated marketing plan. However, let us not miss the critical point here: How do your target markets prefer to be communicated with? How do they want to receive opinions from influencers? Not everyone embraces technology. And there are many who do not like face-to-face networking. Ask them how they prefer to receive WOM marketing messages.

Messages and content: Whatever the delivery channel your target market prefers, the WOM marketing messages and content must have two elements—factual information and the emotional element to assist the evangelist and influ-

encer with their communication.

Simplicity: Remember playing the telephone game in a communication skills workshop? If the starter gives a complicated message to pass around the room, the message is completely distorted. Simple messages and content are key to consumers passing along accurate information.

How does one measure WOM, or the “buzz?” There are suppliers like Buzz-Metrics, Intelliseek and Viral Tracker that look at key metrics like analyzing the tone of what is being communicated and how evangelists and influencers are impacting the brand and sales. WOMMA will be launching a WOM discipline and standardization process this year for measuring a grapevine's impact. Who would have ever thought a communication system so old would become a top priority in business! ✨

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Resources:

- *Grapevine: The New Art of Word-of-Mouth Marketing*, Dave Balter & John Butman
- *The Power Of Informal Networks: The Impact Of Forming A Cozy Klatch Is Vast*, Michele C. Wierzgac MS, CMM, *MEETINGS MIDAMERICA*, March/April 2005, www.meetingsfocus.com
- Word of Mouth Marketing Association, www.womma.org
- LinkedIn: Relationships Matters, www.linkedin.com
- Blog Site: American Marketing Association, <http://marketingpower.blogs.com>