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WHO IS TALKING ABOUT YOU?

Master the art of word of mouth marketing with this practical, hands-on guide.

With straightforward advice and humor, marketing expert Andy Sernovitz will show you how the world's most respected and profitable companies get their best customers for free through the power of word of mouth.

Learn the five essential steps that make word of mouth work and everything you need to get started using them. Understand the real purpose of blogs, communities, viral email, evangelists, and buzz — when to use them and how simple it is to make them work. Learn what sparks the irrepressible enthusiasm of Apple and TiVo fans. Understand why everyone is talking about a certain restaurant, car, band, or dry cleaner — and why other businesses and products are ignored. Discover why some products become huge successes without a penny of promotion — and why some multi-million-dollar advertising campaigns fail to get noticed.

Open your eyes to a new way of doing business: Honest marketing makes more money, because customers who trust you will talk about you. Learn how to be the remarkable company that people want to share with their friends.

Special offers and freebies available!

Learn more at wordofmouthbook.com or check your local bookstore.

We're now taking pre-orders on the paperback edition — which releases on April 30, 2012 — and we've got some great perks for all you word of mouth marketers who order now.

Pre-order now and get:

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YOU CAN BE A FANTASTIC WORD OF MOUTH MARKETER!

You have something important to say about that thing you're so passionate about – your business, your cause, your art, your vision.

You want to spread your ideas to the ends of the earth. But, unfortunately, good ideas don't always get the recognition they deserve. You need to help them along, and that takes word of mouth marketing.

WHY YOU NEED THIS BOOK

ų,

You'll learn how to build an effective word of mouth marketing campaign that you can use to get people talking.

We're going to get specific: where to start, what to do, and how to make it successful.

You'll learn practical, how-to steps you can use right away—without a big budget.

WHY YOU NEED WORD OF MOUTH

Word of mouth marketing is the art of creating a company that people love to talk about. Now is the time to energize and inspire those fans who will talk about you because they love what you do.

You only have two ways to get your message out there: love or money.

You can buy advertising, which is paying people to talk about you. But you always pay, every time, forever.

When you earn word of mouth, people talk for love instead of money.

This book will help you become a great word of mouth marketer.



Visit **WordofMouth.org** for more great word of mouth ideas.

THE WORD OF MOUTH ON WORD OF MOUTH MARKETING

"A quick, practical, and extremely useful guide to word of mouth marketing."

- Emanuel Rosen, author of The Anatomy of Buzz

"This book is to Gladwell's *The Tipping Point* as engineering is to physics. If you want to understand the deep sociological theories behind interpersonal communication, this isn't the book for you. If you want to understand how to harness interpersonal communication to drive your business, then buy this book."

> David Godes, Associate Professor, Harvard Business School

"It's brief. It's elementary. It's obvious. But the truth often is. Read this book to relearn what you always knew just in time for it to change your business life."

- Bob Garfield, co-host of NPR's On The Media

"Great book on WOM. Nicely written."

- Jack Trout, author of Positioning: The Battle for Your Mind and The 22 Immutable Laws of Marketing

Word of mouth is the valuable currency in today's advertisingsaturated world. Andy Sernovitz has written a book packed with ideas on how to do word of mouth marketing the right way."

 Jackie Huba and Ben McConnell, authors of Creating Customer Evangelists



Visit **WordofMouth.org** for more great word of mouth ideas.

"Andy brings it together perfectly: the vision, the strategy, and the practical how-to. It's all here."

– Geoff Ramsey, CEO, eMarketer "It's an actionable guide for anyone looking to capture the power of word of mouth. Andy has written a book that shows just how simple it is to get people talking about your business. You should read this book and then tell a friend."

– Brad Santeler, Kimberly-Clark

"A primer chock-full of great stories, tips, and exercises to make you a better word of mouth marketer, no matter what size company you work for. Read it, and you will increase your influence with your customers and make yourself more influential in your company."

> Ed Keller and Jon Berry, authors of *The Influentials*

"Andy's approach is practical, affordable, and, best of all, ethical. Don't waste your money on mass marketing: Spend it on this book and start people talking."

- Greg Stielstra, author of *PyroMarketing*

"It's easy to agree that word of mouth is important. But it's time to become students of how it works and why it is so valuable to our customers. Start or continue your journey by reading this book."

– Bob Pearson, Dell

"The coolest book on the hottest topic in marketing and communication. Andy tells it all and tells it like it really is. The Five Ts are the best organizing framework for word of mouth I have seen yet. Use them and profit. No hype. No smoke and mirrors. No overblown promises."

- Don E. Schultz, Professor Emeritus-in-Service, Northwestern University



"There is no wasted word in this practical guide. Pure nuts-and-bolts how-tos for people who want to start implementing a word of mouth marketing program today. Other books cover the theory, but Andy gets to the actual action best."

> - George Silverman, author of The Secrets of Word-of-Mouth Marketing

"Another must-read if you're at all interested in word of mouth marketing."

> Mark Hughes, author of Buzzmarketing

"It's a good book."

 Don Peppers, author of The One to One Future "Andy Sernovitz's book will give all marketers a reason to talk. Sernovitz not only legitimizes word of mouth marketing, he provides THE road map to what drives it."

- MaryLee Sachs, Chairman, U.S., Hill & Knowlton

"As I read through *Word of Mouth Marketing*, I felt, more than anything else, relieved. Relieved that we finally have a marketing author who understands the simplicity (and complexity) of this business; who recognizes that honesty is the only workable policy for advertisers; and who sees that in a flat, information-flooded world, nothing but the right product—a product fashioned around your customers' needs—will cut it. Sernovitz has managed to achieve a pretty rare twofer in providing a simple, tactical, how-to guide that anyone could use to improve their communications efforts, while simultaneously sketching out a whole new philosophy for marketers and advertisers everywhere. Oh, and the guy has fun anecdotes and a readable style too. Seriously, I know you're bored silly by all those marketing texts and I am too, but this one's worth your time."

- Jonah Bloom, Executive Editor, Advertising Age





WORD or MOUTH .org

WORD OF MOUTH MARKETING How Smart Companies Get People Talking

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FOREWORD By Seth Godin

People talk about Andy. Wherever he goes, whatever industry he's in, Andy Sernovitz causes a conversation.

That's his secret. Don't tell anyone (actually, go ahead—he won't mind). By causing a conversation, and then creating organizations that make it easy for the conversation to continue, Andy thrives. He is a living, breathing example of the power of word of mouth.

This isn't the first book on the topic (I wrote *Unleashing the Ideavirus* in 2000, and mine wasn't even the first). It probably won't be the last, either. But what this book offers you is two things: First, Andy's vision as honed through his work in the trenches, year after year. And second, an incredibly straightforward, jargon-free approach to a topic your boss keeps talking about. Be sure to show her the manifesto in chapter 3, which is worth the entire cost of the book.

Personally, I doubt whether anyone needs an association to dream up new ways to amplify word of mouth. What it does need, and what Andy's busy arguing for, is a group of people who keep pushing each other to do more and more remarkable stuff, to not settle, to create things that are actually worth talking about.

Have fun. Spread the word.

– Seth Godin Author of Unleashing the Ideavirus





Visit **WordofMouth.org** for more great word of mouth ideas.

PREFACE

This is a book for everyone who has something to sell.

Word of mouth marketing isn't just for multinational corporations with huge marketing budgets. The ideas and practical information you'll find here will work just as well for a dry cleaner, a restaurant owner, or a dentist as they will for a Fortune 500 company. You don't need to be a marketing genius or an I-only-wear-black advertising guy.

Why? Because word of mouth marketing isn't about marketers or marketing. It's about real people and why those real people would want to talk about you and your stuff.

From here on out, I'll use the term *stuff* for *products and services*. Word of mouth marketing works for any kind of product or service. It also works for causes, ideas, charities, and organizations—anything that you want people to talk about.

I've been marketing for a long time, but I've never had a marketing budget. Despite that, I've sold a lot of stuff. Any success I've had has always been half creativity and half talking to a lot of people. I didn't know it at the time, but what I was doing then is what we now call *word of mouth marketing*—joining in the conversation that people are having every day with other people.

Good Marketing Is Easy

One of the most important things I've learned is that word of mouth marketing can be so easy and obvious that everyone misses just how easy and obvious it is. I get dozens of calls and emails every day from people asking how to get started. Small companies, big companies, everyone. There are a number of great books on the topic, but they



are often specialized or theoretical. It seems there isn't a simple howto-get-started-with-word-of-mouth book.

So here you go.

This book is full of inexpensive things that you can do today to get word of mouth started. There are tons of ideas here. You can start with steps as basic as a clever product name, a special service, a choice of uniform, a well-worded email, or being a little bit nicer to your customers.

People often say that I make marketing seem too simple.

I disagree. Marketing shouldn't be hard, and the best marketing never is.

This isn't a book about advanced techniques. You won't find any advice here that asks you to hire an agency or spend a lot of money. (I will mention some of the expensive-but-effective tactics just so you know what they are.) Many amazing agencies out there can help you create amazing word of mouth, and I recommend that you talk to them.

But this is a do-it-yourself book. This is what you can do on your own to get people talking about your company.

You'll do it well.

A Promise

When you are done with this book, you will be able to try one or two of the techniques I've talked about the next day, without spending more than \$50 or a few hours of your time. The day after that, you'll have more people talking about your company. A week later, you'll have a lot more. Then you can dig in and really do it big.



INTRODUCTION

People love to talk.

People talk about products and services. People talk about hair color, cars, computers, sandwiches, TV shows, and floor cleaner. The stuff they use every day.

People are talking about you and what you sell right now. It might be a casual mention. It might be a scathing attack. It might be a scathing attack posted to Amazon, where 20 million people will read it before deciding whether to buy your stuff.

Or—it might be something really nice.

How much they love what you do. How their friends just have to try it. Why you are definitely better than the other guys. How wonderful it is to do business with you.

Maybe they'll say these nice things to their neighbors or write them on a blog, or review you on Amazon, where 20 million people will read it and decide to buy your stuff. This is, of course, what you'd like to have happen. And it's actually pretty easy to do.

Word of mouth marketing is about earning that good conversation.

It doesn't matter whether you're selling real estate, jelly, or jet engines. People will ask other people about you before they decide to buy from you. We turn to people we trust first—friends, family, coworkers, and other people like us—when starting to look for something to buy. Not ads, not brochures, not phone books.

So what is word of mouth marketing? In this book, I define it as, "Giving people a reason to talk about your stuff, and making it easier for that conversation to take place."



In the end, marketing is pretty easy: If people like your stuff, and if they trust you, they will tell their friends to do business with you.

Learn to make customers really, really happy. It doesn't take much more than that.

Understand this concept, devote yourself to it, and you will be a successful word of mouth marketer.

It's More than Just Marketing

This is nominally a book about a specific marketing technique. But it's really a new philosophy of business (and how to live it).

It's about honesty and admiration. It's about making people happy. It's a simple philosophy, a new golden rule:

Earn the respect and recommendation of your customers, and they will do the rest.

- Treat people well, and they will do your marketing for you, for free.
- Be interesting or be invisible.

When people trust you, they are willing to put their words on the line for you. Please them, inspire them, and they'll bring their friends to you.

What are your other options? Bore them—and be forced to spend millions in advertising to get them interested. Annoy them—and watch your customers walk away, taking their friends with them.

Advertising is the cost of being boring.



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If your customers won't talk about your stuff, you have to pay newspapers and TV shows to do it for you. That's why you see lots of ads for cereal and toothpaste.

Word of mouth marketing is more than just marketing. It's about making your stuff and your company worth talking about.

How can you become buzzworthy?

Leveling the Playing Field

Word of mouth marketing works for any size business. You don't need to have a hot website, to be in a sexy industry, or to have a cool, innovative new technology. You can make it work if you're the one person who gets it inside a giant corporation. You can make it work for a single store with no advertising budget.

You just have to give people something to talk about.

I love Mario's Barbershop in Chicago. When I went in with my four-year-old son, they offered me a cocktail. They offered him a toy car. It's a guy place. No one ever accepts their drinks, but it's a blast to hang out with Mario, Zoran, and Bobby.

Those drinks are a reason to talk. I tell the other dads at day care. It comes up at parties. It's the first thing that comes to mind when someone mentions a haircut.

The result: a line of dads and kids out the door every Saturday. (A Supercuts on the same block is deserted.)

When I was single, there was no better date restaurant than Otello's in Washington, D.C. When I showed up with a woman, the owner would come out before the meal with a big, "It is soooo good to see you again. We are soooo happy you are here." (Of course, he had no idea who I was.) After dinner, he'd produce two glasses of cheap wine, on the house. This guy knew how to make sure you looked like a high roller.

You can only guess how many word of mouth recommendations he got.

There are hundreds of examples of simple ways to get people talking (most don't involve liquor).



Seth Godin calls it being "remarkable" in his book *Purple Cow*. *Remarkable* means worth remarking on, worth saying something about. It's the root concept of word of mouth marketing.

It's Not About the Internet

One of the great misconceptions about word of mouth marketing is that it's all happening online. The role of the internet and the new ways people use it to communicate are indisputably critical components of the sudden spread of word of mouth. Blogs and social media are a big deal because they empower lots of people to share ideas.

But that's only a part of it—only about 20 percent of word of mouth happens online. When it does play a role, it usually sparks the 80 percent of word of mouth conversations that actually happen face-to-face.

So let me apologize up front. A lot of the examples I use are about things you can do with the internet. These stories tend to make good examples. I talk about blogs and online communities because the word of mouth you find there is very visible—it's written down publicly for everyone to see. Many of the recommendations you'll read involve things you can do online, because it's the easiest way to reach people. But word of mouth is not just about the internet and not just for online businesses.

Real word of mouth dips in and out of different spaces. You eat at a good restaurant. You mention it to people at the office. One of them emails your recommendation to his wife. She emails four friends, and they have lunch there. Two mention the restaurant to other friends at a party, and one of them blogs about it. Someone reads the blog and calls a buddy about eating there. They review it online. You get the idea.

Word of Mouth Marketing Makes Us More Honest

Now, here's where it gets interesting. Word of mouth marketing only works if you have good products and services. It only works if people like you and trust you. (If you're a jerk, word of mouth will backfire horribly on you.)



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If your product or service sucks, no PR campaign, clever TV ad, or announcement on your website will make consumers believe that it doesn't. Not anymore. And the speed of word of mouth on the internet spreads the truth almost instantly.

You don't hear a lot of good word of mouth about cable companies.

When word of mouth works, good companies are rewarded with gobs of free advertising and attention, and they make more money.

When word of mouth works *better*, bad products and bad companies are punished with negative buzz, and they lose customers.

Think about what this means for you and your family. We have a new social force that rewards companies with free marketing, sales, and profits when they treat people well and produce good products. The same force stops companies from treating people badly by killing their sales.

For the first time in the history of modern business, we have a *force for good* that is also driven by the *all-powerful profit motive*. For years, government regulators and consumer advocates have tried to use legal and public pressure to make companies treat people well. I'll bet that the profit motive works better.

This is why word of mouth marketing is so exciting. Everyone can do it. It makes money. It makes products and services better. It makes business more honest and ethical.

It's good for all of us.

Everyone Is Already Talking About You

So here's the deal: You're getting talked about whether you like it or not. The conversation has started, so you might as well get involved.

A lot of that talk is happening online. Millions of people blog, millions more post online reviews, and everyone Googles you.

But even more is happening offline—as it always has. Each and every one of us talks to a friend or family member before we buy something. We listen to our friends before we bother going to a store or restaurant. And we don't just ask for advice—we also make recommendations about what we liked and what we hated.



So what about the negative? What if people say bad things about you? Too late—if it's going to happen, it's going to happen. Unless you're the perfect company, it probably already has.



So you only have two choices: let people talk about you, spread rumors, and get it wrong; or join in, participate, and make it work for you.

Yes, it's uncomfortable. The first time you search the blogs for your product name,

it's usually a real surprise-sort of like walking

into a crowded party when the laughter suddenly stops and everyone looks at you.

But it's different. Because everyone is waiting for you to join the conversation. The door is open, everyone is listening, and they want you to be a part of it. So jump in.

The best part is, the more you participate, the more the conversation grows, and the more it is about you. Feed it, put the good stuff out there, and the conversation will be dynamic and positive. That's what this book is about—learning the right way to participate and make the most of this wonderful opportunity.







Visit **WordofMouth.org** for more great word of mouth ideas.



WHAT IS WORD OF MOUTH MARKETING?

Get People Talking

Here's the definition of word of mouth marketing:

- 1. Giving people a reason to talk about your stuff
- 2. Making it easier for that conversation to take place

Even simpler: It's everything you can do to get people talking.

If you like acronyms, think of it this way: Word of mouth marketing is "CtoC" marketing. You've heard about business-to-business (BtoB) and business-to-consumer (BtoC) marketing. Word of mouth marketing is about real people talking to each other—consumer to consumer (CtoC)—instead of marketers doing the talking.

Actually, it's BtoCtoC. Your job as a marketer is to put out an idea worth talking about. That's marketing. When a real person repeats it, that's word of mouth. It's about the second hop (and the third hop, and the fourth hop, and so on).

Right after our son was born, my wife and I saw an ad for a weekly show at our local movie theater where you were encouraged to bring infants. Now featuring screaming and pooping right in the theater! What a great idea! Any parent of a newborn knows that you probably



won't see another movie together until the kid gets old enough to be embarrassed to be seen with you.

What was the first thing we did? We called every other parent in our apartment building and brought them with us. The promotion that we saw was traditional marketing. The 12 conversations we had with other parents was word of mouth marketing at its best.

It's All About the Second M

Word of mouth has been with us forever. What's new is the second M—marketing.

Word of mouth exists. Word of mouth *marketing* is working with it toward a marketing objective. Word of mouth *marketing* is a new specialty that is as actionable, trackable, and planable as any other form of marketing.

Word of mouth is natural conversation between real people. Word of mouth *marketing* is working within this conversation so people are talking about you.

Word of mouth is about genuine consumer conversations. Word of mouth *marketing* is joining that conversation and participating in it—but never, ever manipulating, faking, or degrading its fundamental honesty in any way.

Why Now?

If word of mouth has been around forever, there must be some reason why marketers suddenly began talking about it.

Here's what's new: We can finally do something about it.

It's evolved from *anecdotal* to *actionable*, from something that just happens to something you can influence. Word of mouth marketing has become the fastest growing form of marketing because we now have the tools and knowledge to work with it.

Until a few years ago, we sort of wished that good word of mouth would just happen on its own. You could have a special sale or do some silly publicity stunt and hope people would talk.



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Now we can work with people who want to talk about us and help their ideas reach a new audience. We can provide a platform so more people hear what our fans are saying. We can use the internet to give far more visibility to a conversation that has always been happening.

We've also gained the ability to track and measure that conversation. Thanks in part to blogs and the web, we can see who is saying what about us. We can listen to the conversation and understand it. We can figure out who is talking and why they are talking. It's not such a mystery anymore.

Family legend has it that my grandfather Gene was the first person to hire a teenage Elvis Presley to perform in public. At the department store where he worked in Memphis, he had this unknown kid play his guitar from the back of a truck in the parking lot. I'm sure it got some people talking, but it wasn't a big deal at the time.

These days, we'd do it a little differently. We'd announce the concert on the web. We'd email a note to people who blog about the local music scene. We'd give flyers to kids at local high schools and invite them to a free show. We'd put the invitation in an email so it could get easily forwarded. We'd try to hire a band with a big social media following, so it could get its fans to show up. We'd use all those cheap and easy things that get lots of people talking.

Later, I'll go into detail on these techniques and explain how to make them work for you.

It's More than Marketing (or Maybe Not Marketing at All)

In many cases, word of mouth marketing isn't actually about marketing at all. It's about great customer service that makes people want to tell their friends about you. It's about fantastic products that people can't resist showing to everyone.

This is called *organic* word of mouth—word of mouth that springs naturally from the positive qualities of your company. Many experts would argue that this is the only legitimate form of word of mouth. The opposite concept is called *amplified* word of mouth—word of



mouth that is started by an intentional campaign to get people talking. I like the organic kind better, but we'll learn about both.

I like the idea that consumers reward companies that have earned their respect with great word of mouth. Nothing beats coming up with a product so interesting that people just can't help talking about it. Nothing is better than customers taking it upon themselves to support a business that they love.

TiVo is the classic example. They aren't known for their advertising.



In fact, TiVo has hardly advertised at all. But everyone knows what TiVo is.

TiVo owners are maniacs. They absolutely will not stop talking about their TiVos. They will chase you down and drag you to their living

rooms to make you see a demonstration. Their love for the product turns them into crazy, passionate word of mouth promoters.

You see the same passion from people who love OXO utensils, Aeron chairs, or Camper shoes. You see it from Yankees fans and teenagers in love with rock bands.

Organic word of mouth is created by products that get your customers to love you so much that they just can't shut up.

And sometimes the best word of mouth is exceptional customer service—think of the famously generous return policies of Nordstrom or the fact that Enterprise Rent-A-Car will pick you up at home.

I pay a little more than I should to do business with my cell phone company and my web hosting company, because they answer my calls on the first ring, and they usually solve my problems on the first call. Of course, I also tell everyone who asks that they'd be crazy to work with anyone else.

There's a great little conference call service in Fairfield, Iowa, called Conference Calls Unlimited. Pretty much all conference call services look the same and do the same thing, so it's difficult to stand out from



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the crowd. It's a boring business, and advertising is expensive and ineffective when you sell the same thing as everyone else.

So what did they do? They stopped advertising. They put everything they had into customer service. These guys will do anything for you. They take care of their customers, whatever it takes. It's surprisingly pleasant and interesting to work with them, despite the uninteresting nature of what they sell.

As you can imagine, the word of mouth they get is fantastic. This isn't the first book to mention this tiny company.

Traditional marketing is no longer the safe way to go. It may make you more comfortable, but it is becoming gradually less and less effective for more and more companies. It's time to focus on making customers happy—earning their trust and respect and getting them talking about your stuff.





Visit **WordofMouth.org** for more great word of mouth ideas.

The Four Rules of Word of Mouth Marketing

Rule #1: Be Interesting

Nobody talks about boring companies, boring products, or boring ads. If you want people to talk about you, you've got to do something special. Anything. If you are boring, you'll never get a moment of conversation. Your word of mouth will fall flat on its face. (Actually, it will just fade away, unnoticed.)

Before you run an ad, before you launch a product, before you put something new on the menu, ask the magic question: Would anyone tell a friend about this?

Take a trick from the Chicago Bagel Authority's 56 bizarrely named sandwiches, like the Hoosier Daddy and the Muenster Mash. Or the seven-inch-high corned beef sandwiches at New York's famous Carnegie Deli. It would still be the best corned beef sandwich in the world if it were a normal size. But its insane mass guarantees that hundreds of tourists leave the restaurant every day to spread the word about one of the greatest sights in the Big Apple.

There are probably hundreds of shoeshine stands in New York City. But everybody goes to Eddie's in Grand Central Station. They tell their friends to make a special trip to go there (passing plenty of other good shoeshine stands on the way). Why? Eddie's has huge, comfy, oldfashioned, red leather easy chairs to sit in. You feel like a king when you sit back and enjoy a few minutes of peace in those chairs at the end of the day.

Give people a reason to talk about you.

And please, I beg you, stop for a minute before you buy more advertising. Think about how much money you are about to spend. Think about how fast you, and everyone else in the world, flip past hundreds of ads without even noticing them.

Don't run another ad unless it is truly worth talking about.



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Rule #2: Make It Easy

Word of mouth is lazy. You've got to help it along if you expect it to go anywhere.

You need to do two things: Find a super-simple message and help people share it.

Start with a topic that anyone can remember. Something like, "Our software doesn't crash," or "They have chocolate cream cheese!" or "They give you snacks while you're waiting for a table," or "Stupid name, but it sure does work." (Anything longer than a sentence is too much. It'll get forgotten or mangled.)

We all think of Steve Jobs as the greatest computer marketer who ever lived. So what did he do when he returned to Apple in 1996 with the mission of reviving a stumbling company? Did he talk about great software? Stable operating systems? No.

Jobs's great marketing insight was ... pink and purple computers.

It got everyone talking. It restarted positive word of mouth about the company. Everyone told a friend, because they had a simple topic of conversation that was interesting to share. And when people heard about the cute computers, they were ready to take another look at the more important features.

Once you've got your big word of mouth idea, find a bunch of ways to make it easier to spread. There are countless easy ways to make your ideas portable. A special announcement on a website or brochure is stuck in place. But when you put it in an email or post it to a social network, it's in motion.

Rule #3: Make People Happy

Happy customers are your greatest advertisers.

Thrill them. Create amazing products. Provide excellent service. Go the extra mile. Make the experience remarkable. Fix problems. Make sure the work you do gets people energized, excited, and eager to tell a friend.



When people like you, they share you with their friends. They want to help you, they want to support your business, and they want their friends to enjoy what you offer. You will get more word of mouth from making people happy than anything else you could possibly do.

Let's look at one of the great mysteries of the modern age. In 1999, why did 60,000 people drive their plain Saturn sedans to Spring Hill, Tennessee, to meet the people who made them? What car could possibly be less interesting than a Saturn?

The annual Saturn Homecoming was a great word of mouth marketing strategy. But it wouldn't have worked if people didn't trust and respect Saturn. People really liked the company. They liked its attitude. They felt taken care of by the nice salespeople and the company's no-haggle concept. They were amazed when they got a friendly note twice a year with instructions on how to adjust the clock for daylight saving time.

So they told their friends. They supported the company that supported them.

Let's look at another great mystery of the modern age. Why do some people like Target so much? This I won't attempt to explain, but I'm not the only guy who, while on vacation, has been taken to visit a Target *that looks exactly like the one we have at home*. (Aargh.) But they have some stylish stuff. Decent prices. Clean stores. A fun attitude.

Target makes my wife happy in a way that would threaten a less manly man.

And she talks to everyone about it.

Rule #4: Earn Trust and Respect

If you don't have respect, you don't get good word of mouth.

Nobody talks positively about a company that they don't trust or like. Nobody puts their name on the line for a company that will embarrass them in front of their friends.



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Always be an honorable company. Make ethics part of everything you do. Be good to your customers. Talk to them. Fulfill their needs.

Make people proud to tell your story to everyone they know.

Southwest Airlines is one of the most

trusted brands in the world. It treats its customers well, with few hassles and a great attitude. It treats its employees well, with stable jobs, a no-layoff policy, and decent pay. People like Southwest. People like the company so much that

If you don't have respect, you don't get good word of mouth.

they sent cash to the airline after 9/11 to help it out.

Lots of people are spreading great word of mouth about Southwest. Does anyone have anything good to say about most other airlines?

Every company can be nicer, and every employee can work to make his or her company a little better to its customers.

My bank, Washington Mutual, offers pretty much the same services as every other bank. But they are really nice. Really, really nice. Tom and Abby remember my name and my wife's name. They even remember my baby's name, and she doesn't do much banking.

I banked at one of the top three banks for ten years, and at one time my company had more than \$1 million on deposit. I could barely get them to cash a check or take my calls. And after a while, the random, punitive fees started to eat away any respect I had for this venerable institution. Negative word of mouth from people like me has sent a whole lot of money to banks that treat people better.



Visit **WordofMouth.org** for more great word of mouth ideas.

The Three Reasons People Talk About You

You won't get good at word of mouth marketing until you really understand what motivates people to talk about the stuff they talk about.

People love to talk and share opinions. They love to talk about people and ideas. They love to talk about stuff to buy, from the sexy and fun to the dull and mundane.

Three basic motivations drive word of mouth conversations.





Visit **WordofMouth.org** for more great word of mouth ideas.

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Reason #1: You-They Like You and Your Stuff

People talk because you're doing or selling something that they want to talk about. They love your products. They like how you treat them. You've done something interesting.

It's about giving them a reason to talk about you. The more interesting you get, the more motivated the talkers are. Your customers aren't going to love or hate you (or feel indifferent to you) for no reason.

Bottom line: You've got to arouse some passion before your advocates will begin talking about your company. If you've given them something to love, you can build on that. If you've given them something to hate or ignore, you'll have to address that before you can worry about the rest.

A decent product gets recommended to a friend, but only passively—usually when they are asked directly about it:

"What kind of grill should I buy?"

"I've got a Weber; it's pretty good."

You get much more word of mouth when you make your products worth talking about. The more you make your product buzzworthy, the more it pushes itself into the conversation. The special satisfaction that people get from something great is what moves them from being a passive recommender to an active one:

"Check this out. My new grill has a Pork-A-Licious Thingamabob. You've got to try it!"

Being worth talking about doesn't mean being complicated or expensive. Let's look at a \$2 pen, the Zebra F-301. I mean, what is there to talk about, really? A pen is a pen. It has ink, and it writes. What's the big deal?

Well, it turns out that it's a pretty good pen. No radical leap forward in pen technology, just a cool-looking, stainless-steel, smooth-writing pen that people want to talk about. It's so good that it has inspired actual fans, as well as a huge amount of word of mouth. These fans write hundreds of product reviews and blog posts raving about ... a \$2 pen.



Giving people something to talk about means being creative with how you present your products, services, and company. The day-today existence of your business doesn't provide a reason to talk. You've got to keep putting new topics out there.

Even your most die-hard fans need something new to keep them interested on an ongoing basis. Without that extra oomph, you don't have a conversation. But when you do something special, your fans go bonkers.

We all love White Castle (in that Rolaids kind of way). And White Castle gets decent word of mouth. People talk about it, even make movies about it. But it's not a part of our day-to-day conversation. So what did White Castle do? It announced that you could make reservations at White Castle on Valentine's Day. What a silly idea. What a wacky dinner date. What a great reason to talk.

You don't need to be that clever. You just need to keep it fresh. If nothing special is happening at your business, there is no reason for anyone to talk about you. Find something. Do a promotion, publish a report, have a sale, stock a new line of products. Anything.

What makes your product worth talking about?

Reason #2: Me-Talking Makes Me Feel Good

Word of mouth often comes down to emotion more than products or product features. We're driven to share by feelings that are far more about us as individuals than about what a business is doing.

The emotions that drive us to talk aren't complicated.

We want to look smart

A lot of people get their kicks out of being the expert on their favorite subject. When we tell people about what to buy, we're showing off what we know. Some people do this really well, and everyone goes to them for advice. We love to talk to these people when we're making a purchase, and they love to tell us what they think.



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With blogs and online communities, it's gone to a whole new level. People put up pages where they can show off and share. It becomes a labor of love. You also see these people on message boards, those diehard volunteers who answer everyone else's questions. They are out there as the expert for everyone to see.

Help these people look smarter. Give them newsletters, inside information, technical detail. More is better. They'll love you for it.

We want to help other people

The desire to look smart is often paired with a higher-level motivation: to help other people. Some people are so passionate about what they know that they want everyone else to enjoy what they are enjoying. It bugs them to see someone buy the wrong brand or get stuck with an inferior product.

These are the folks who come up to you in a store when you're trying to decide what to buy and give you an unprompted sales pitch for what they think is the greatest product in the world. Annoying, yes, but driven by a genuine desire to help you out.

Ever met a Macintosh groupie? How could you not? A certain kind of Mac user is so emotionally connected to the brand that they want everyone else to use it. They believe it will surely make everyone's life easier—and possibly cause peace on earth.

Help these folks help others: Give them samples to share, flyers to distribute, and messages to forward.

We want to feel important

Some people talk because they like being asked. They get a kick out of being the expert. The more people ask for their advice, the more important they feel. It feels good to be an authority figure.

Find ways to recognize these customers and give them higher status simply by acknowledging them, keeping them in the loop, and asking for their input. Being a frequent flyer used to be as much about the gold luggage tag as the miles and rewards.



These customers will talk about you and your stuff because it shows off their importance and expertise and because they feel like they're in the inner circle.

Give them things that make them feel important: special status, private shopping hours, or advance news.

Reason #3: Us-We Feel Connected to the Group

The desire to be a part of a group is one of the most powerful human emotions. We want very badly to be connected.

Talking about products is one way we achieve that connection. Our jeans, our cars, where we shop, and the beer we drink all are ways we show who we are.

We are emotionally rewarded when we share excitement with a group that has a common interest. We share a bond with people who like the same teams or bands that we do, and we feel a similar connection with those who like the same cars or clothes. The passion generated by being in a group of enthusiasts translates very easily into word of mouth.

Members of groups that coalesce around specific brands, such as Harley-Davidson riders, Macintosh users, and Nikon owners, are the most likely to talk about the companies' products.

Working with this motivation is all about group recognition. It's giving away T-shirts, hats, bumper stickers, or temporary tattoos. It's holding events and rallies that bring people together.

You've got to make these people feel special, like part of the family, as though they have some skin in the game.

How to Stop Word of Mouth

Prizes and Rewards

Mixing love and money is usually a bad idea.

Offering customers incentives to spread the word about your stuff is often a mistake. Here's why: You make them feel dirty if they're



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paid for it. Some things just shouldn't be for sale—friendship, certain kinds of favors, and your recommendation.

People are engaging in word of mouth because they love you or it makes them feel good. When you offer a monetary reward (or discounts, points, or miles) for a referral, you make it awkward and creepy.

Just at the moment someone is about to recommend you, they think, "If my friend finds out I'm being paid for this, they're not going to trust me. I'd better not say anything."

Even worse, incentives and rewards often create negative word of mouth. When you pay for it, you risk having people say, "This product is so bad, they need to *pay* people to talk about it."

The very powerful emotions that create word of mouth and the resulting affinity with your brand are nothing to be trifled with. You can deeply insult a loyal talker by offering to pay them for doing it.

Like everything in word of mouth marketing, these ideas are plenty obvious when you think about them. But you'll soon realize that these obvious ideas turn out to be the opposite of what traditional marketing teaches us to do.

A lot of companies offer their current customers rewards for signing up their friends. Whenever I get one of these emails or cards from a friend, I always think, "Well, that's great. You get \$50. But what's in it for me?" It turns the friend-to-friend relationship into a salesperson-to-prospect transaction. Even good friends or family members are less believable when they're working for rewards.

But do you remember the original MCI Friends and Family promotion? It was all about mutual benefit. When you told a friend about the program, each of you got a reduced phone bill. You both benefited, equally and together. It kept the motives pure, it respected altruism, and everyone felt good about it. It was all about sharing the savings, not one person making money off the other. It's still one of the greatest word of mouth programs in history.



Overexposure

When you understand why people talk, one more lesson is clear: Overexposure kills word of mouth.

When everyone knows about something, no one needs to talk about it. Nothing could be dorkier than saying, "Hey, have you heard about *Star Wars*?" There's an obvious but often overlooked aspect to word of mouth—it is inspired and kept going by newness. When inline skates and Sony Walkmans were new, they were on everyone's lips. Twenty years later, they're not so remarkable.

Forgetting Why People Talk About You

Krispy Kreme was built on word of mouth. Then they killed the conversation with overexposure.

Remember when those were the most special doughnuts on planet Earth? Krispy Kreme had an amazing word of mouth topic—hot, gooey doughnuts. And there was a big neon sign that lit up—"HOT NOW"—when fresh doughnuts were coming off the line.

If you lived in a town with a Krispy Kreme, it was an event, even a tourist destination. You did silly things to show it off. When my wife visited a college friend in Toledo, they went on a mission to get those doughnuts at the instant of freshness. There were two stores about a mile apart. They actually drove back and forth between the stores until the light came on and they could dash in to get those hot doughnuts.

Everyone, and I mean everyone, was talking about those doughnuts. The word of mouth gods smiled upon them and their sugary goodness.

Then the company tried to make Krispy Kreme as common as Dunkin' Donuts. What built the chain's great word of mouth—the fact that the doughnuts were hard to get, fresh, and in limited supply—disappeared when Krispy Kreme put its pastries, cold and stiff, on every store shelf. This sudden and massive overexposure killed what was special—in other words, what was buzzworthy or remarkable.

Nobody tells their friends about food you can buy in a gas station.


The Five Ts of Word of Mouth Marketing

Sometimes great word of mouth is an accident. Sometimes it's a well-planned campaign. Either way, certain basic elements need to be in place for word of mouth to spread like crazy.

These elements are the Five Ts: Talkers, Topics, Tools, Taking Part, and Tracking.

- 1. Talkers: Who will tell their friends about you?
- 2. Topics: What will they talk about?
- 3. Tools: How can you help the message travel?
- 4. Taking Part: How should you join the conversation?
- 5. Tracking: What are people saying about you?

I've studied hundreds of great word of mouth successes. Every single one has the Five Ts, whether it's a big business or a small business, a Silicon Valley wonder or business-to-business manufacturer, a national chain or a single restaurant.

Each time you start a word of mouth campaign, take a few minutes to go through these five steps and figure out how they fit into what you're selling. The process is simpler than you think, and it will guarantee that you'll create effective word of mouth marketing.

1. Talkers–Find People Who Will Talk About You

Talkers are any group of people who have the enthusiasm and connections to relay your message. Sometimes they are called "influencers" or "evangelists"—but don't let these terms make it sound as though you need some exotic system to find them.

Talkers are regular people. Talkers are your customers, your doctor, your neighbors, your friends.



Sometimes they are new customers bubbling with enthusiasm; sometimes they are rabid fans who volunteer to spread your message. They may be part of a formal word of mouth program, or they may be bloggers who happen to cover your topic.

We all know some talkers. There's the neighbor everyone goes to for advice on travel, the friend who knows every doctor in town, and the coworker who always knows about the best happy hour. Every product has some talkers—and you're probably the talker for something. (What do people ask you about?)

Talkers talk because they love to share great ideas and help their friends. They'll talk about you if you give them something to talk about and if they like you. It doesn't take much more than that.

Don't confuse talkers with trendsetters, celebrities, or journalists. Bellhops, cabbies, and office computer gurus do far more talking, day after day.

The people who will talk about your stuff are closer than you think. Your best talkers are probably customers you interact with every day who would love to be given the opportunity to do a little more.

Think about the fans of a rock band. They spend hundreds of dollars to support and promote a band they love, and they insist that their friends do the same. They *want* to spread the word and will even pay (through purchases of music, concert tickets, T-shirts, and posters) to do it.

Once you identify the right group of talkers, your next challenge is to give them a topic that they are willing to talk about.

2. Topics-Give People a Reason to Talk

All word of mouth starts with creating a message that will spread. It doesn't need to be fancy. A special sale, remarkably good service, a cool new feature, a unique flavor, a funny name, or a nice package may be all it takes. The specifics of the message don't matter.

Good topics are portable, clear ideas that one person can repeat successfully.



Commerce Bank was a very friendly, helpful bank with the motto "America's Most Convenient Bank." Sort of generic. But their word of mouth topic? A free change-counting machine in the lobby called the Penny Arcade. Everyone talked about the only bank around that would let anyone (even noncustomers) turn change into bills, when most banks won't do it at all.

JetBlue created an amazing topic with their onboard TVs. Now, these TVs are nothing special. (Trust me, basic cable at 30,000 feet is still infomercials and reruns of *Saved by the Bell*.) But it's an easy idea to share. It's easy to repeat. It reminds people of the airline and starts them thinking about the other positive qualities of the brand. No one will tell a friend about the "low-cost, high-personality service model with an efficient structure and dedication to customers that results in quality service." But they will say, "Hey, JetBlue has TV!"

People share surprisingly simple and stupid things. Take a moment and look at your inbox. What have your friends sent you? Jokes, videos, and coupons.

Once you find a topic that is interesting enough to motivate your talkers, your next challenge is to give them tools to help encourage that conversation.

3. Tools-Help the Message Spread Faster and Farther

Even the best topics need a little help to spread.

Word of mouth marketers make their biggest impact when they provide the infrastructure to help messages travel. The recent growth of word of mouth as a marketing technique is largely due to the growth of the tools that we have to support conversations that are already happening.

Provide the tools that help your messages move farther and faster. An easy-to-forward email and a tell-a-friend button on the product page of your website are two incredibly powerful (but simple) online examples.



If you run a store or restaurant, don't let someone walk out the door without something to give to a friend, like a menu or a coupon.

Kiehl's cosmetics stores are famous for their free samples. It's impossible to leave without a pocket full of goodies. And they always give you more than one, so you have something to share with a friend.

If someone's got a desire to talk about you, do everything possible to help them along.

Magazines figured this out a long time ago. Although it seems over the top, there is a reason why every magazine has a flurry of subscription postcards falling all over your house. People share magazines, and those cards are the tools that help pass along the subscription offer.

A special sale or unique product (the topic) may be worth talking about, but it has exponential marketing power when you pack it into an easy-to-forward email (the tool). A blog is a tool that enables a company to talk directly with fans, giving them a story to share. Online communities create a home and a focus for otherwise disparate conversations. Formal evangelism programs provide the support and encouragement that keep fans talking. Once you've created tools to accelerate the word of mouth, your next challenge is to keep that conversation fresh and fast-moving by taking part in it.

4. Taking Part–Join the Conversation

The idea of taking part gives marketers the heebie-jeebies.

Once you open the door to word of mouth conversations, there's no way to shut it again. When you reach out to real people and encourage them to start talking about your brand, they expect you to participate.

When people are talking about you, answer them. Reply to email messages, accept comments on your blog, participate in the discussion board, answer the phone. Thank bloggers who write about you. If you come across complaints, find out why the conversation is negative and fix it. Be helpful. Be truthful. Be thankful. Be nice.



If you don't join the conversation, it will die out. (Or turn against you if you are seen as aloof.)

Yes, it can be scary, especially at first. You'll get negative feedback, you'll even get crackpots, and you'll need to assign staff to listen to and learn from the conversation. At the same time, however, you'll be earning the respect and recommendations of your customers and building powerful long-term relationships.

Once you are a part of the dialogue, your next challenge is to track the conversation and learn what people are talking about.

5. Tracking–Measure and Understand What People Are Saying

Amazing tools have been developed that enable us to understand how word of mouth conversations travel and to follow what consumers are saying about us.

Tracking what is being said about you and your company is now a whole lot easier. You can find every comment about you on every blog and message board, moments after they are written. A deep understanding of the word of mouth being spread about you is now at your fingertips, instantly, for free.

Thanks to the popularity of blogs and online communities, people are now writing down every fleeting thought and publishing them online. ("I ate a sandwich. It was tasty. Do you like sandwiches? Comment on my blog!")

Because they are written down, these consumer-to-consumer conversations are easy to find and to measure—a major knowledge boon for marketers. Monitoring online communication lets you understand what consumers really think about your brand, your marketing, and your products. It provides a level of genuine understanding that is more authentic and immediate than the data from traditional research techniques.

Your next challenge is to learn to value this raw consumer word of mouth and to use it to build a smarter marketing plan and a better company.



Case Study: Intuit— Using the Five Ts

Let's look at a product with great word of mouth: QuickBooks. Software for small business bookkeeping is never fun, but Intuit masterfully uses the Five Ts to keep the word of mouth conversation going.

• Accountants are usually the first to recommend an accounting product. But Intuit realized that they had another great group of *Talkers*: small business owners who answer each others' questions about bookkeeping. Plumbers, graphic designers, hair stylists (you know, regular people) were helping their friends with the day-to-day challenges of running a small

• The *Topic* evolved directly from the talkers. People were telling their friends, "You're not alone; there is a community who will help you with your bookkeeping questions."

business by talking about products.

- The *Tool* Intuit uses is a website called Intuit Community. It's a place where users—and future customers—can find people like themselves and talk about bookkeeping. A plumber with his own business can join a conversation with people just like him. The website facilitates the conversation among these regular people who learn from one another's experience and pass along helpful information about the product. What might have been a private conversation between two buddies is now shared publicly, viewable by millions of potential customers.
- Intuit *Takes Part* by joining in the conversation. All sorts of Intuit employees are encouraged to answer questions, share ideas, solve problems, and be part of the community. In a world where many software companies barely answer the phone, this participation earns them incredible respect—and more word of mouth.
- Finally, Intuit *Tracks* the word of mouth with detailed recordkeeping and ongoing surveys. They use the word of mouth discussion to learn what works, where there are problems, how to improve the software, and how to keep customers happy.



Word of Mouth Marketing Isn't Deception

Listen closely: Deception, infiltration, dishonesty, and any attempt to manipulate consumers or the conversation are morally bankrupt practices. Plus, they just don't work in the long run.

Honest marketers do not do this and will not do this.

Dishonest marketers will get caught if they try. Sleazy behavior will be exposed by the public, who will turn on anyone who attempts it.

Word of mouth marketing is not what is known as *stealth marketing*: lying to people or shilling (a marketer pretending to be a regular customer to promote a product). It's not going into chat rooms with fake identities. It's not posting fake positive reviews on websites. It's not sending employees out to bars disguised as eager fans.

Honest marketers oppose all forms of stealth and deception.

Word of mouth marketing is about listening to consumers and giving them a voice. Stealth marketing is tricking people. You don't get good customers by lying to them.

If you're being sneaky or deceptive, you will get busted. Consumers today are incredibly savvy and independent, with the information and resources to catch you in a lie and tell everyone about it. The power of the consumer voice will make dishonest companies pay a steep price.

Word of Mouth Can't Be Faked

Word of mouth marketing can only succeed when people trust each other to talk honestly about what they like and don't like.

You cannot fake word of mouth. It just doesn't work without the trust. You might be able to fool a few people for a little while. But in the end, people will figure out that you faked it. Then you get embarrassed, you make enemies, and you lose sales.

Let's say a restaurant posts fake reviews to a website. It will get noticed. No matter how good you are, website operators are great at



sniffing out fake reviews. It's their job to keep their reviews clean and credible. If they didn't police them, no one would trust their sites. So they pay attention.

On a bigger scale, if you post the same review to a bunch of blogs or message boards, people will catch you. You can try to hide it, you can try to vary the message, you can use a bunch of user names. You'll still get busted. It's too easy to search for and compare similar posts. The more you post, the more people know you are posting. As soon as one blogger gets suspicious, they'll look you up and see that you've been posting all over the place.

Guess what happens? All of that positive word of mouth that you were hoping to create turns negative. The very same audience that you were hoping to reach with your fake posts will feel deceived and lied to. And they will start spreading attacks on your company all over the web. You'll lose far more business than you ever could have hoped to gain.

Just Be Yourself

As a marketer, you can comment online, you can post on message boards, and you can do it a lot. Participation is welcome in the new world of online communications and communities. But you have to do it the right way.

The difference between deception and honest participation is disclosure.

You can be an eager participant as long as you do it in your own name, clearly identifying who you are and what you stand for. Also, insist that any relationship between your business and the people who speak for you be clearly disclosed from the beginning, whether they are employees, customers, or volunteers.

Sony was busted a few years ago for sending out actors to pose as tourists, asking people to take pictures of them with a fancy new camera. When consumers found out that the supposed tourists were hired by the company, they got angry. They had been used.

Now, let's show how it should have been done. What if Sony had created an exclusive "Sony VIP Tester" program? Let people who are



true camera junkies sign up. Sent them loaner versions of new cameras. Given them a membership card, a hat, and a camera bag. Made them feel very, very important.

I guarantee that these people would have talked to far more people than the actors ever could. And they would have done it with a genuine passion and enthusiasm that no actor could ever fake. These volunteers would have been more credible because they had status. They would have felt like important people selected by Sony because they are so special. They would have been proud of their affiliation and happy to disclose it.

Disclosure is a positive thing when done well. Smart marketers understand that disclosure makes messages more powerful because it makes them more trustworthy. Disclosure gives status to participants in a word of mouth program, giving them credibility.

Disclosure is good. Demand disclosure.

Word of mouth is about genuine communications. Always be honest. It's the right thing to do—and it works better.

Staying Honest Is Easy

It really comes down to one simple idea—the *Honesty ROI*. Follow these rules and you'll stay away from trouble:

Honesty of Relationship:

You say who you're representing.

Honesty of Opinion:

You only say what you really believe.

Honesty of Identity:

You never lie about who you are.



Be sure to check each word of mouth initiative you start against these simple rules. It's also important to share these rules with the fans, employees, and agencies who are spreading the word for you. Teach them these rules, and insist that they share the rules in turn with the people with whom they are talking.

Make sure that your company has an internal review process and that someone is asking the tough questions. Many great brands have been deeply embarrassed when an uninformed marketer hired an iffy agency to do a dirty stealth campaign. Make your values clear.

Just Say No

Sooner or later, you'll be offered an opportunity to do something deceptive under the guise of word of mouth. A marketing firm will suggest some secret postings. A junior staffer will offer to go online and generate some buzz.

Don't do it.

If you do even a little stealth marketing, word will get around. And if consumers catch you doing something just a little sleazy, they are going to assume that you're completely sleazy.

This perception snowballs out of control very quickly. In the early days of the internet, pretty much everyone sent email to people who didn't want it. By the time we figured out how much people hated it, the use of all marketing email was tainted.

There isn't a business out there that didn't contribute a little bit to the spam problem.

What happened? Reporters and consumers started referring to all email from businesses as spam, lumping in responsible messages from respected brands with the worst kinds of trash. Everyone stopped talking about honest ways to use email. Few companies fought for anti-spam laws. And the spammers ran free, unopposed.

We must not repeat the unhappy history of email marketing. Your inbox (and your kid's inbox) will never be free of spam, and while email marketing still works, it will always have a reputation problem. We must make sure no one confuses word of mouth marketing, which



is by its nature about consumer trust, with the worst kind of deception. If that perception sticks, all of your customers will think you're a liar, too.

Draw a line that your company won't cross. Educate your team. When you see a stealth campaign from someone else, step up and say something. Blog it, call a reporter—whatever it takes. Stealth thrives on secrecy, so uncover it.

You have to step up now to make sure that your reputation and honest marketing tactics don't get tarred with the actions of a sleazy few.

The Rules of Honest Word of Mouth Marketing

- 1. Word of mouth isn't stealth. It's open, honest communications with customers and the community.
- Fake work of mouth doesn't work. You will get busted.
 When you get busted, the backlash will destroy your reputation.
- 3. **Oppose all deception.** Protect the trust in genuine word of mouth—for yourself as a marketer and for your family as consumers.
- 4. Follow the Honesty ROI.



Word of Mouth Ethics Checklist

When you're planning a word of mouth campaign, ask yourself the following questions. If you get even the slightest feeling that something isn't 100 percent ethical about a campaign—don't do it! There is no gray area with ethics. (These best practices were adapted from guides we published when I was running the Word of Mouth Marketing Association.)

- Have we repudiated and forbidden all forms of shill, stealth, and undercover marketing?
- Do we insist that our advocates always disclose their relationship with us—including all forms of compensation, incentives, or samples?
- Do we insist that all opinions shared with the public express the honest and authentic opinion of the consumer or advocate without manipulation or falsification?
- Are those individuals who are speaking for us free to form their own opinions and share all feedback, including negative feedback?
- Is all of the information provided to advocates, consumers, and the media factual and honest, and are all of our claims accurate?
- Does everyone working on our behalf use his or her true identity? Do we forbid blurring or obscuring of identity in any way?
- Do we forbid the use of expressly deceptive practices, such as impersonating consumers, lying about familiarity with or use of a product, or other circumstances intended to enhance the credibility of the advocate while deliberately misleading the public?



- Do we respect and honor the rules of any medium we might use, including the terms of participation set by specific websites, blogs, traditional media, and live events?
- □ If we use agents or volunteers of any sort, do we actively instruct them in ethical practices and behaviors?
- When hiring an agency, do we insist that it subscribe to the same high standards of ethical behavior, and are they willing to guarantee the ethics of their own work as well as that of all subcontractors?
- Do we have a plan to monitor any word of mouth generated on our behalf?
- Do we know how we will correct any inappropriate or unethical word of mouth resulting from actions taken by us?

Just to be sure, ask yourself: Would I be uncomfortable if my family or friends were involved in this campaign? Is there anything about this campaign that I would be embarrassed to discuss publicly?



Word of Mouth Has Always Been Your Best Marketing (You Just Didn't Know It)

Word of mouth has had a far greater impact on your business than you think.

Unfortunately, most businesses do a bad job of measuring it, so they don't always recognize it when they see it. In fact, most marketing reports bury it altogether. The impact of word of mouth is what I call the "hidden statistic."

Problem #1: We Never Call It by Its Real Name

We've just started using the term *word of mouth* in formal marketing. That means that lots of things that should be considered word of mouth are not properly identified as such. This inconsistent naming means that we fail to measure word of mouth accurately.

Take another look at how you describe your sources of new customers. Rename anything that could be considered customer to customer. Give word of mouth its due credit to understand the real impact that it's been having on your business.

Here are some of the customer sources that are actually word of mouth:

- From a friend
- From a coworker
- From my boss
- From my doctor
- Online review or article (not an ad that you ran)
- Direct mail sent to someone else at my company
- Cross-reference on Amazon
- Knowing someone who uses it
- Other
- None of the above
- ... and many more.



You probably have a survey, chart, or spreadsheet that reports where your new customers are coming from. It might look something like this:



Now, let's rename those sources of customers that are actually from word of mouth:



When you reveal those word of mouth sources and name them correctly, it turns out that word of mouth is the most important category.



Visit **WordofMouth.org** for more great word of mouth ideas.

Problem #2: It's Hard to Divide by Zero

You've probably got another spreadsheet that lays out all of your marketing costs and how much business you got from each of them. It might look something like this:

Source	Cost	New Customers	New Revenue	ROI
	10,000	12	12,000	120%
dvertising	7,000	8	8,000	114%
)irect Mail	9,000	7	7,000	78%
Promotion Sales	15,000	9	9,000	60%

What's missing? Word of mouth!

Why? Because word of mouth usually doesn't cost anything. If we don't have a budget for it and we don't have staff assigned to it, we usually forget to add it to our reports about sources of new customers. On top of that, it screws up our spreadsheets, because you can't write a formula to figure the return on a zero-cost word of mouth campaign. So most of us skip it.

Add it in. Take another look, and you'll see something surprising: You're probably getting far more customers for free through word of mouth than from all those other types of marketing.

Remember this: The best value from your marketing investment is the customers you've acquired for free.



The Orphans of Marketing

You've always been doing word of mouth marketing; you just didn't call it that.

Word of mouth marketing is an umbrella term for dozens of different techniques that can be used to energize customers and get them talking. Many of these tactics aren't new, and some are very familiar.

Take another look at some of the specialized marketing tactics that you already know: special sales, loyalty programs, wacky promotions, viral emails, sponsoring a softball team, newsletters, free samples, grassroots political outreach, blogs, partnering with community groups, referral programs, and much more.

These techniques have been used for years by event promoters, small businesses, online marketers, political consultants, loyalty experts, and so on. Now we understand that word of mouth is the thing that ties them all together.

Ask yourself this: "Which marketing programs get people talking about me?"

Most of these programs don't fit into a traditional marketing category such as advertising or direct mail (and you'd have a hard time hiring a traditional agency to do them for you). So they often get neglected or stuck in another department. They are the orphans of marketing.

Many of these orphan techniques actually share a common objective—starting conversations. When we look at them in light of this objective, we realize that what we now call word of mouth marketing is a unified, planable marketing practice.

So let's define word of mouth marketing as a top-level marketing discipline (like advertising, sales, and PR) and place all of the individual techniques you can use within that discipline. Proactively looking at these tactics within the context of word of mouth marketing clarifies the objective and helps you do a better job.



Not only should word of mouth marketing take its place next to other mainstream marketing techniques, it should come first, because it's the cheapest, most effective, and most customer friendly.

Now You Know Just How Important Word of Mouth Is to Your Business

Rescue that orphan.

Put word of mouth at the top of your to-do list. Don't let it get lost, and don't let it get buried under much more familiar traditional advertising programs.

Word of mouth marketing has always been your most important source of new business. It's always been your least expensive source of new customers.

It's time for your most effective marketing strategy to become official, to move out of the marketing orphanage. It's time to create a space for word of mouth marketing in your budget and business plan, set clear objectives, and measure the results.



MORE GREAT WORD OF MOUTH TOOLS



Go to **www.wordofmouth.org** for everything you need to learn how to be a great word of mouth marketer. You'll find a bunch of videos, articles, case studies, and newsletters – all filled with tons of ideas you can use to get more people talking about you.

Get worksheets, helpful tools, and everything else you need to implement what you read in this book at **www.wordofmouthbook.com**. This is also the place for bulk buys, special offers, and custom editions.



Check out my blog, "Damn, I Wish I'd Thought of That!" at **www.damniwish.com**. It's full of unusually useful ideas for smart marketers. It's where I share a bunch of resources to help you master word of mouth. It's also where I test and demonstrate a lot of the ideas from this book.



Damn, I Wish I'd Thought of That!



Visit **WordofMouth.org** for more great word of mouth ideas.