

CONCEPTUAL STUDY ON WORD OF MOUTH MARKETING

R.Elamparithi¹, K.Hema², V.Kumaresan³

¹First Year MBA Student, Knowledge Business School, Salem

²First Year MBA Student, Knowledge Business School, Salem

³Assistant Professor, Knowledge Business School, Salem

Email: ¹elamparithirama@gmail.com, ²hemaarao@gmail.com, ³kbskumaresan@gmail.com

Abstract—The main objective of this conceptual study is to articulate the importance of word of mouth marketing (WOMM) in offline and online. This study explains in detail about the different types of word of mouth marketing. It also enhances the business people to know that many other means of marketing other than word of mouth marketing are superfluous. Even today 90% of the marketing is done by word of mouth (i.e.) almost 90% of the marketing is done for free of cost. That's how important word of mouth marketing is.

Keywords—Buzz Marketing, Marketing, Viral Marketing, Word of Mouth, Superfluous.

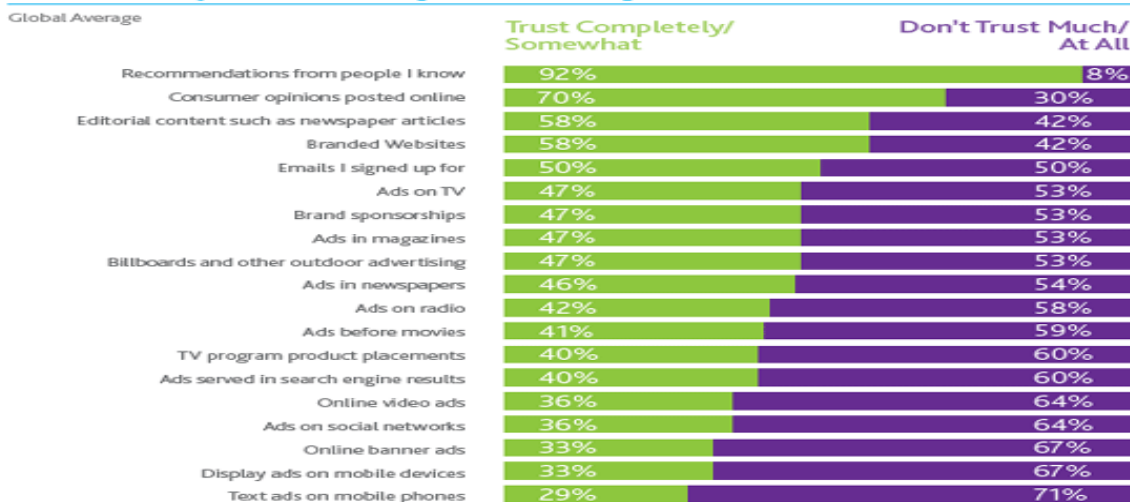
INTRODUCTION

What is word of mouth marketing? Do you remember having a great experience at a restaurant and later on tweeting about it? This is, essentially, word of mouth marketing (WOMM). It's an organic way of spreading information which utilizes components of viral marketing, though unlike viral marketing, it spreads by more natural channels. Word of mouth is a free form of advertisement or promotion. It's shared by customers and triggered by an event the customer experiences. This event is something beyond what's expected.

IMPORTANCE OF WOMM

1. Consumers trust their friends. This is why word of mouth marketing is the most valuable source of marketing.
2. According to a **Nielsen study**, 92% of consumers believe suggestions from friends and family more than they do advertising - this stat alone solidified the word of mouth use case.

To what extent do you trust the following forms of advertising?



Source: Nielsen Global Trust in Advertising Survey, Q3 2011

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3. Word of mouth also doesn't stop after just one interaction. One person will tell another, and that person will tell someone else, then that person will continue the chain and spread the word further, making it a great vehicle for exposure and distribution - if used well.
4. Of course, the same is true in reverse - negative news can spread just as fast, but the essential benefit of word of mouth in the connected era is personal endorsement, which is not only more readily available, but is seen as significantly more valuable to modern consumers.

REASONS FOR PEOPLE'S REACTIONS

There are two ways people react while considering word of mouth (i.e.) for word of mouth to happen people must talk and people must react.

1. Reasons People Talk
 - a. They fully understand something.
 - b. It enhances something about themselves.
 - c. They are compelled to talk about something.
2. Reasons People React
 - a. They trust the person.
 - b. They understand the back story.
 - c. It's interesting which gets them interested.

TYPES OF WOMM

Word of Mouth Marketing can be broadly classified into two types.

1. Offline – As the name suggests offline word of mouth deals with sharing of the experience by the customers directly to their family, friends and peers.
2. Online – Sharing of the events experienced by the customers indirectly with the help of technological advancement is called as Online Word of Mouth Marketing.

Other terms that fall under Word of Mouth are

1. Buzz marketing - This focuses on getting consumers to create and spread conversation about a product. This grows company awareness through the use of online traffic. Influencers create the 'buzz' - they're the ones spreading the word about a specific product/service. This is usually done via tools that are attention-grabbing, like videos and humor.
2. Blog Marketing - Promoting a product or service via a blog. In this instance, the blogger is the influencer or brand ambassador. Bloggers become word of mouth marketers, word travels to their followers. The blogger provides reviews and ad space to their favorite brands/affiliations. The blogger's followers are then inclined and share the information with friends, based on their established relationship with them.
3. Social Media Marketing - Content on social media has a way of reaching people outside of the original group following. As noted, shared content has a higher value when shared by someone you know and trust. This type of marketing is the hub of marketing, especially referral marketing.

HOW TO USE WOMM?

Passing of information through word of mouth is powerful in influencing others, it has a way of reaching parties that it might not have been able to do otherwise. Customers will not help you in marketing unless you provide them with the experience they have never experienced before. Four tips for maximizing the benefits of WOMM.

1. Make yourself interesting - Think of it as social currency - share what makes you look fun/good/interesting. This entices sharing. Consumers feel more confident in the information they're sharing when they're contributing something that's worth talking about. For example, research has shown that Facebook users are more likely to share content that educates their network, and/or makes them look good and reinforces a certain image of themselves. You can tap into such behavioral trends to benefit your messaging.

2. Create a Trigger - Can you tie yourself into other things that your consumers do or use? As explained by Live Chat: *"You can design products that are triggered by the environment, and create new triggers by linking your products and ideas to prevalent cues within that environment"*. If people remember you, they'll continue to talk about you. Sounds like a great way to start a successful referral program.
3. Provide Value - If you establish yourself with a few people, they'll share the experience with friends - you may not remember the last time you shared a mediocre restaurant or service with someone, but you'll no doubt be able to remember an amazing experience or event. For example, you might have gone to a great Japanese restaurant and had a good night out. You know a co-worker who loves sushi - you relate your experience to them sharing valuable information makes you valuable. Great, unique customer experiences, along with having a great product, can help increase your value, and thus, your WOM potential.
4. Provoke Emotion - Creating emotion goes hand in hand with creating value. People are more likely to share something that promotes high arousal, and people are more likely to share experiences in which they had some sort of emotion towards. No one shares an 'OK' experience. People share the things that make them happy or upset. Think about Yelp - the reviews are either one extreme or the other - hardly ever does someone take the time or effort to talk about their experience if it was average.

CONCLUSION

Why consider spending a lot to spread or develop the name of the organization or firm through other means of marketing when you can do it for free using word of mouth marketing. It is better to concentrate on the 90% instead of 10%. Think and act, you can win peoples heart just by providing a valuable experience and the can win you millions of hearts by spreading that experience.

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