

**Lexicon Essay Marketing Strategy**

***Word of Mouth Marketing***

**CRM. Content. Perception. Social Media. Pattern**

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The marketing strategy I chose for my Lexicon Essay is WOM (WOMM, Word of Mouth Marketing). I chose WOMM because it is the marketing strategy that can be seen everywhere, all the time (Word of Mouth Marketing Association). Besides, I like this strategy because I think it is a marketing strategy with the consumer rather than marketing at the consumer. Also, I have chosen this strategy for my non-profit organization, Hubei Provincial Museum, because I think WOM can help build a reputation in the communities. I will develop the essay as following aspects:

- **Definition**

Word of Mouth (also called word of mouth advertising) is an unpaid form of promotion in which satisfied customers tell other people how much they like a business, product or service (Entrepreneur website). WOMMA (Word of Mouth Marketing Association) define it as “any business action that earns a customer recommendation” (WOMMA website). As a survey AdAge published ten years ago, seven of ten young adults identified WOM as the most influential tactic to them when facing the decision of purchase (Dougherty, 2015). When people are faced with the choices, they usually tend to believe the recommendations from friends, family or colleagues. Nielsen’s latest Global Trust in Advertising and Brand Messages research states “...Earned advertising in the form of word-of-mouth (WOM) recommendations from friends and family continued to be the most influential source among 84 percent of global respondents” (Futak, 2013).

- **History & Development**

George Silverman, a psychologist, is most commonly attributed as *the* pioneer in the field of WOMM, creating what he called “teleconferenced peer influence groups” in the early 1970s. The groups were designed to engage physicians in dialogue about new pharmaceutical products,

but Silverman noticed an interesting phenomenon where skeptics' opinions on a drug were swayed with the positive endorsement from one or two of their peers. The phenomenon was so powerful that even ex-prescribers – who had negative experiences with a drug – were noted to change their minds following a positive review of the same drug from their peers (Brysha, 2013). Silverman also writes a book “*The Secrets of Word-of-Mouth Marketing: How to Trigger Exponential Sales Through Runaway Word of Mouth*” to illustrate the WOMM industry (Silverman, 2001).

With the development of technology, and the emerge of internet, there comes a lots of online communication platforms like: Facebook, Twitter and YouTube, etc. People get more and more easy to make a comment on a product or service. After typing and a click, the comment will soon be seen by millions of people from different countries in the world. Everyday consumers are eager to talk about products and services they like, and that their endorsements are more credible, and thus more valuable, than traditional marketing communications like ads, public relations and direct mail. WOMM becomes a powerful and useful resource for consumers and marketers. WOMM today has both online and through face-to-face interaction. According to the *Journal of Advertising Research*, 75% of all consumer conversations about brands happen face-to-face, 15% happen over the phone and just 10% online. That is to say with the high-use of social media every day, marketers still cannot only rely on online WOM.

- **Advantages & Disadvantages**

Word of mouth marketing is also called as "viral word of mouth marketing" the industry, because of its influence of the widespread. Entrepreneurs find that the product with good reputation will have a greater profit value. Each marketing has its own unique advantages and

shortcomings; word of mouth marketing is no exception. To make great WOM effect, we must understand its advantages and disadvantages.

**Advantages:**

1. Low cost.

Here, “Low cost” is compared with other marketing strategies. Once the products or services got a good reputation among public, it can be saving a lot of advertising, publicity costs for a long-term development of enterprises, because people will actively and inadvertently publicize them.

2. High trust.

As the survey mentioned above, people tend to believe the recommendations from friends, family members, or familiar people. As the consumers are always in the opposite position of the entrepreneur, choosing between the advertising from business and the recommendations from friends, people absolutely prefer latter.

3. Target consumers.

Word of mouth marketing is strong targeted. People have their own communication circle. Conversations between friends are usually about their favorite topics as they got good understanding about each other. For example, your friend will recommend a company or products to you which you are interested in or what you needed. Then, you become the ‘new customer’.

**Disadvantages:**

1. One-sided View.

People's opinions about certain types of products or services are often confined to their own knowledge and background. Some products involved in the professional knowledge, value, etc.,

that people cannot all understand. So, their views on a product are generally one-sided, or micro-view.

2. subject to a lot of clutter.

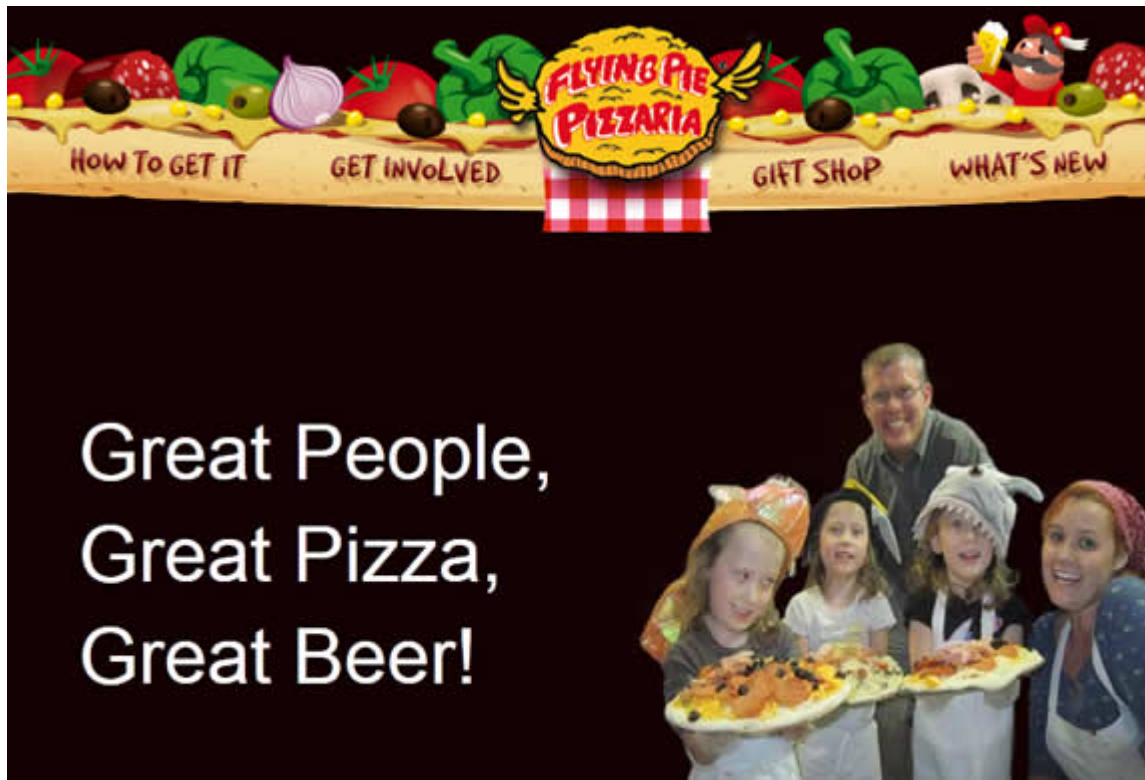
As the widespread influence can be a benefit of WOM, it also can become a flaw. Once the negative cognition formed and spread, it will result a negative corporate image which is harmful and hard to change for the organization. So, when dealing with WOMM, extra careful is necessary.

3. Personal prejudice.

Word of mouth marketing is often with personal color since it is launched by the public. Spread of behavior prejudice will Perhaps will form because of consumer's personal feelings and dissatisfaction. If a person is more critical, he is rarely satisfied with a product or service, naturally there will be no good reputation.

- **Successful cases**

**Flying pie**



Flying Pie is a pizza shop in US. Its website is dazzling, and full of large and small fonts. But it launched a very interesting online marketing program which has been implemented for several years that everyone in the town is knows it. This highly successful online marketing program called "It's Your Day". Every day Flying Pie will call out a "name", for example, February 16 is "Ross", February 19 is "Joey", they invited five people named these 'names' called the lucky people. And these people can come to their kitchen to make their own free pizza that day in a certain time, also they take a picture and send it online. Next, Flying Pie will be published a new week's name on the website every week, so people will often come back to see this list (Flying Pie ask each person who has once came to offer a name and voted for it, and they will take this ticket as the lucky name for the next week). Next, they will tell their friend if they named above, so that the crowd will become bigger. More and more new customers will continue to produce.

Flying Pie succeed in they formed a net of their target customer, and uses WOMM to bring in new customers through previous customers.

## Starbucks



The poster features a Starbucks cup with a red drink and a green straw, set against a background of green and pink stripes. Below the cup, the text reads "冰摇沁爽 星巴克《自然醒》专辑". The main title "星巴克《自然醒》专辑 微信首发" is prominently displayed. The instructions are as follows:

1. 打开微信, 扫描QR code, 或摇一摇, 或搜索星巴克中国, 加为好友.



2. 在微信里向星巴克中国发送1个表情符号, 告诉星巴克你的心情



3. 星巴克就会用专辑音乐回应, 让你沁爽一整天!

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WeChat is undoubtedly the last two years of the hottest mobile social applications; Starbucks will use this new platform definitely. In September 2013, Starbucks launched a bunch of activities in its WeChat account called "natural wake": first, users follow the "Starbucks China"

official account, if the user sends an emoji stands for their mood of that day, Starbucks will “talk” to them, and send back a music album. This innovative interactive promotion attracts the consumer. Then, Starbucks launched the "Starbucks alarm clock" activity to match the new series of breakfast products: if users can get to Starbucks stores within one hour after they press the alarm clock on the Starbucks APP, they can buy drinks, and have 50% off to get the breakfast. Once launched, it gets strongly recommended and shared on both Weibo and WeChat. Starbucks well uses the word of mouth marketing. Through the creation of innovative activities and interaction with users, they gain huge attention of users. Starbucks fans spread these activities widely through different social media and face-to-face, and this great increase the influence, finally achieve the WOMM effect.

- **Collaboration with social media**

Based on the Starbucks case study, I think it is important for WOMM to collaborate with social media, which is “the online WOMM” that mentioned above. Comments, recommendations and people’s attitude about products and services will get great spread through social media.

- **Lexicon Terms**

When reviewing the lexicons from fall term, I think these 5 words most relevant WOMM: *CRM (custom relationship management), Content, Perception, Social media, Pattern*. WOMM is launched by the public, so its focus should be customs, or for art organization, audiences. To maintain a custom relationship is important to the organizations. I think ‘Content’, in WOMM, refers to the products and services that company or organization offered and then widespread. I define ‘*Perception*’ in WOMM as the audience's’ understanding, identification and attitude of the organization. It can be both positive and negative, which can result totally different outcomes. If the ‘*content*’ refers to the ‘*sender*’, then ‘*perception*’ can be defined as ‘*receiver*’.



The way that information got spread is '*social media*'. Social media is an important tool for WOMM except face-to-face recommendation, more and more people get feedback from various social media, like YouTube, Facebook or Weibo etc.. WOMM also has its own '*Pattern*'. Public based their own experiences to give feedback and spread the information out, then result either attracting more audience or losing the potential audiences. I think these 5 words can form the process of WOMM: organizations maintain a 'custom relationship', then release the 'content' to the custom. After they evaluated them, their own 'perception' formed. Using 'social media', custom give either positive or negative feedback and suggestion about the 'content'. Then there comes the WOMM 'pattern'!

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