How to Tap Into the Rise of Online Word of Mouth Marketing

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Word of mouth marketing is by no means a new concept, and it's one that lives on to this day. Consumers now have social media and online review sites as avenues to air out grievances or share pleasant experiences with a brand. While these channels mainly serve consumers, they can also be used by brands and companies to help improve their online presence and reputation. Successful word-of-mouth marketing can help motivate customers to share their positive experiences, encouraging consumers to try out a product or service and eventually become customers themselves. According to a Nielsen report, 92% of consumers trust recommendations from family and friends when it comes to making purchase decisions. Research has also shown how word-of-mouth marketing helps in conversion.

More targeted and persuasive than traditional forms of marketing, word of mouth marketing helps establish stronger ties with customers by eliminating the noise from the multitude of online channels people use today. It's also more efficient because it targets a network rather than an individual; by building a community of customers, brands can easily expand their reach and increase brand awareness. Unfortunately, even though 74% of consumers indicate word of mouth as a major influence when it comes to purchasing decisions, only

<u>33% of businesses</u> make the effort to gather customer reviews and opinions. This despite the fact that word of mouth marketing has shown that it can generate twice the sales volume than paid advertising.

The benefits of word-of-mouth marketing are easily multiplied, so it's in the best interest of companies to leverage their strengths to improve business outcomes.

Focus on Customer Experiences

Trust is a very important component in developing brand image, especially online. People want to build relationships, and they gravitate towards those companies or brands that share their values and work in a manner consistent with them. This is the reason why companies provide information about their mission and vision on their website, stating who they are and the bigger goal they hope to achieve. According to Nate Brown, Chief Experience Officer at Officium Labs, this is no longer enough and quotes Fusion author Denise Lee Yohn:

"Customers are savvier today. They see advertising rhetoric for what it is, and they no longer accept brands at face value. They are skeptical about the claims companies make. They want authenticity—brands that live up to their promises and stated ideals."

Brown states that loyalty is built by consistent delivery of excellent customer experiences and not necessarily by publishing a set of ideals on your website. It's different today, however. "Now, if an organization is failing to embody a unique identity, it forfeits one of its greatest competitive differentiators. Purchasing decisions in today's marketplace are often less about what, and more about who," he adds.

Influence With Influencers

Because people trust recommendations from family and friends, the power of social media has multiplied through the years. It's arguably the hub of word-of-mouth marketing these days, and the role it plays in influencing purchasing decisions can't be denied. If you're seeking information about a brand, take a look at their social media pages and you'll see what customers have to say about it. If customers are pleased with their experience with a certain brand, they will share that on social media. Unfortunately, the same is true if they are dissatisfied.

One way to boost your online presence and reputation is through influencer marketing. It uses the same strategy as word-of-mouth marketing by engaging with customers through someone they already trust. Aside from adding the human element, it has a higher ROI over ad spend. Businesses can earn at least \$6.50 for every dollar spent; more if they tap influencers in the top 10%. The younger crowd, specifically the millennials and Gen Z crowd, also don't trust paid advertisements as much as social media influencers because these influencers are representative of actual consumers. Symbo Business Development Manager Renjit Philip believes that brands should leverage influencers who are respected by and

relate well with their customer segment. "Go for engagement rates and not by the number of followers that they have," he adds.

It also helps to actively ask customers who like your product to comment on social media and tag their friends. Philip suggests, "Encourage customers to review your service or brand as soon as they have completed an interaction like a purchase. If you don't ask, they will not give you a review!" Asking customers to provide photos of themselves using your product can also act as free visual reviews or endorsements.

Content by Users for Users

The reason why word of mouth marketing is on the rise because it remains the most positive form of marketing. Real reviews from real customers will always be more credible to consumers than paid advertising, especially in an online landscape where even our social media feeds aren't exempt from the bombardment of marketing messages. Honest reviews from people customers know and those they deem trustworthy enough to sway their purchasing decisions have more impact. Today, this impact can easily be spread to more people because a multitude of platforms are available to help brands collect and share verified customer feedback—and a number of them are completely free to use or come at little cost. A recent survey shows how customer reviews, good and bad, affected the decision of the majority of consumers when it comes to whether or not they will use a product or service.

<u>Verisk</u> Global Marketing Director <u>Helen Christopher</u> weighed in on the subject: "Besides increasing your client trust and keeping your reviews on your website to boost conversions, you should analyze those reviews and allow you to act on what your customers are feeding back to you. Truly focusing on your customer experience and acting on the insights received enables you to stay ahead of the competition." For the same reasons, user-generated content works as a great consumer engagement tool, with little to no effort on the part of the brand. Because consumers have the tools to access user-generated content at any given time, it's an "always-on" tool that can help determine current customer sentiment. Even while consumers roam the store or stand in line, <u>82% of them consult their phones or mobile devices</u> to help them decide what to buy.

Additionally, Christopher suggests incentivizing user reviews, "It makes sense to reward your champions, not with cash incentives, but rewards such as access to exclusive information, early product release previews, fan clubs, technology days, i.e., an event offered hosted exclusively to individuals who independently promote your product and services. This applies to B2C and B2B but in a B2B context, seek out your champions and involve them in the evolution of your business."

Reward Your Customers

The online landscape can be a noisy and distracting place, and it can be hard to stand out when every entity is trying to get the attention of everybody else. Word of mouth marketing is all about building a community of customers that would be happy to share their pleasant experiences with a brand to others with similar preferences. As a brand, you should be able to provide customers with reasons to discuss your brand and share their experiences with it. You should find ways to encourage your customers to share their experiences both online and offline, from social media to the break room in their respective workplaces. According to Dmitry Chervonyi, Chief Marketing Officer at Belkins, "You should not only offer exceptional products but also create an amazing story behind your news hook, for instance, launching an off-road racing competition to promote four-by-four vehicles. Don't hesitate to incentivize people to share their experiences—for instance, you can install a mirror with your brand hashtags in a changing room at your store, encouraging them to take and post a photo if they like how they look."

Brands should also be able to identify their most active customers—those who often refer you to their friends and convert them to brand advocates—and keep them engaged through tailor-made campaigns, brand ambassador programs, and product giveaways or freebies. These efforts will help reinforce your word-of-mouth marketing strategy.

The Brand of Champions

Ultimately, word-of-mouth marketing will depend on "brand champions." these champions will be responsible for providing constructive feedback; actively recommending the brand to family, friends, and colleagues; providing suggestions on what they will need in the future; and defending the brand loyalty. The key is identifying these brand champions and keeping them engaged for the foreseeable future. While they defend brand loyalty, the brand itself must defend its turf by remaining competitive and retaining a laser focus on providing the best customer experiences every time.