

Use Word of Mouth Marketing to Grow Your Business

When I ask my clients, “What promotional tactic works best for your business?” the overwhelming response is “Word of Mouth.” Most believe it works best because it doesn’t cost any money and because they see sales and awareness increase. Those are both pretty good reasons. What they don’t know is why it works and how to use it to grow the business.

Let’s delve into why it works. A study conducted by Jupiter Research, revealed that 76% of all consumers don’t trust advertising anymore. So, we don’t trust messages pushed out by companies very much. Well, who do we trust then? Turns out it is recommendations by other consumers. According to Forrester Research, about 90% of consumers trust those recommendations. Basically, if a marketer says it, then it’s an advertisement. If a consumer says it, then it’s word of mouth.

We trust these sources primarily because they have little to no monetary gain involved in recommending a product, service or company. Consumers

recommend things for a lot of reasons. Sometimes they have an altruistic desire to educate and inform others, sometimes to share ideas and opinions, and sometimes because they want to appear to be in the know. There are almost as many reasons as there are consumers who talk about things, but these are the predominate ones.

Another interesting aspect of this type of marketing is that more than 50% of consumers go online to validate the offline word of mouth information they have received. Apparently, consumers trust but they want to verify. This means that “Word of Mouse” is important too.

Business owners monitor word of mouth and mouse to manage and grow their companies. When they understand the social nature of communications between consumers and the influence they wield, they can tap into the conversations to get competitor insights, product or service satisfaction, consumer affiliations or hot buttons, learn how consumers interact with their products, and who is passionate about their companies. This intelligence is critical to a firm seeking growth.

Good word of mouth marketing strategies find ways to support satisfied customers and make it easier for them to tell their friends about your products and services. Here are a few ideas you can use to help the good word to spread.

1. **Encourage Communications.** Develop tools that make telling a friend easier. Create forums and feedback tools. Work with social networks such as Facebook.
2. **Give People Something to Talk About.** Have information that can be shared or forwarded. Stories are always interesting to people and many times are shared more frequently.
3. **Create Communities and Connect People.** Some firms can create user groups for their products, while for others it is better to have a message board or host a discussion about your product or service.
4. **Co-Creation and Information Sharing.** Involve consumers with marketing. Get their feedback on new products or let them create a

commercial for you. This will help give them something to talk about as well.

5. **Engage in Transparent Communication.** Create a blog and encourage two-way conversations about your products and services.

Word of mouth marketing is a specialty unto itself in the field of marketing. It is an important but often overlooked part of the overall marketing strategy. If you need help developing, implementing and monitoring your marketing plan, call your nearest SBDC consultant for an appointment. We want to help you give people something good to talk about!



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