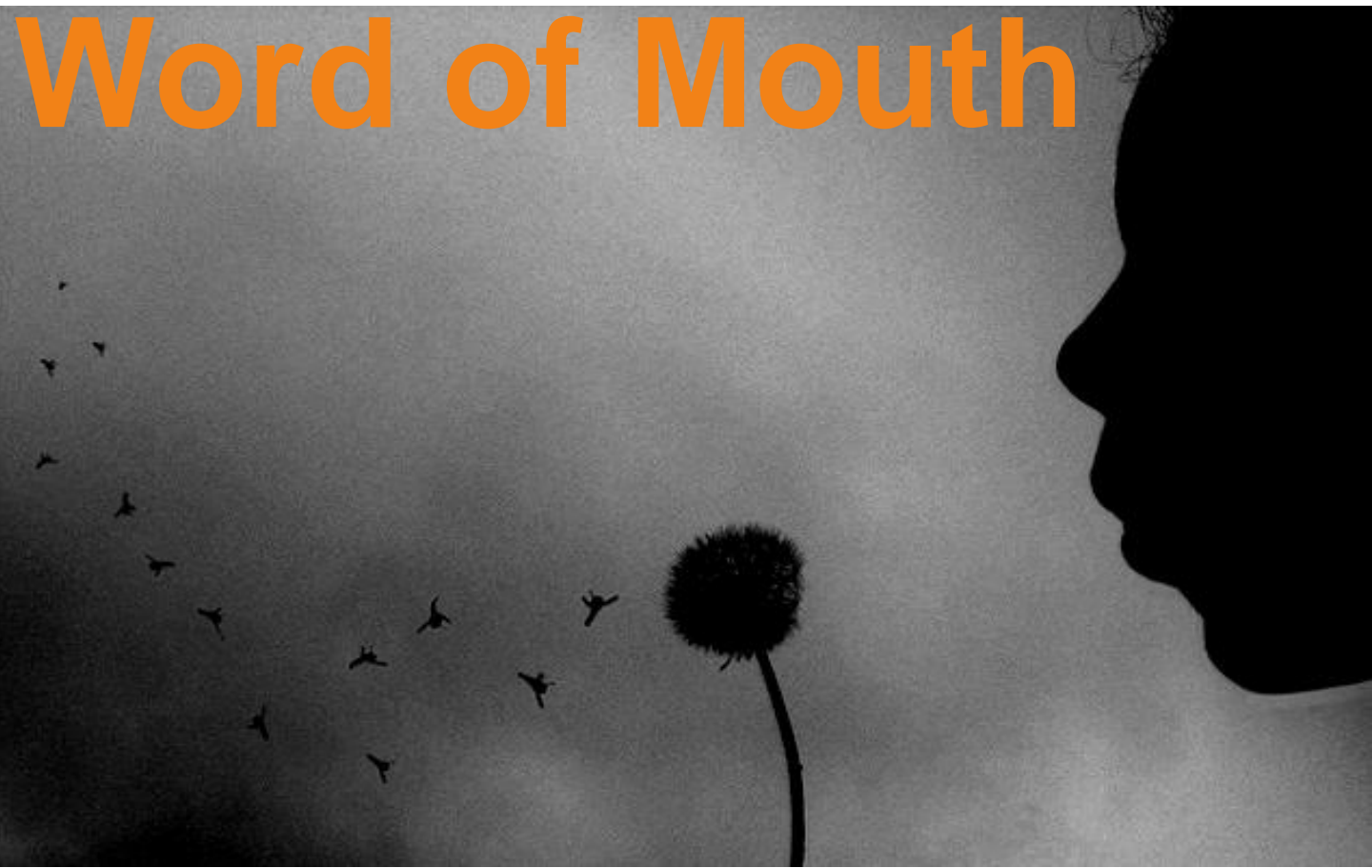


# DIGITAL

## Word of Mouth



Let Customers Transform Your Marketing

HubSpot

# Table of Contents

---

<b>How Important Is Customer Voice?</b> .....	page 3
PR Fiasco   The Power of Positive Sharing	
<b>What is Customer Evangelism</b> .....	page 5
Definition   Target Audience   Implications	
<b>How Has Word of Mouth Evolved Online?</b> .....	page 7
Social Media   Engagement Tactics	
<b>Customer Evangelism Fits Every Budget</b> .....	page 11
Expenses   ROI	
<b>Ethics in Word of Mouth Marketing</b> .....	page 14
Failed Experiments  Disclosure Policies	
<b>How to Leverage Customer Evangelism</b> .....	page 16
Case Studies   Testimonials	
<b>Measure Results Regularly</b> .....	page 19
Tracking   Surveys	
<b>Conclusion</b> .....	page 20
Final Thoughts   Additional Resources	

# How Important Is Customer Voice?

---

The voice of a few is all it took to unleash a [PR fiasco](#) for food manufacturer Nestle in March 2010. In protest against Nestle's usage of palm oil from companies that kill Indonesian rainforests, Facebook users put up anti-Nestle logos as their profile pictures.<sup>1</sup> Nestle asked them to remove these images, triggering even more discontent from the "fans." These conversations snowballed into a PR fiasco for the company. But how is this dynamic different from the way [PR has always worked](#)?



## Why is word-of-mouth different now?

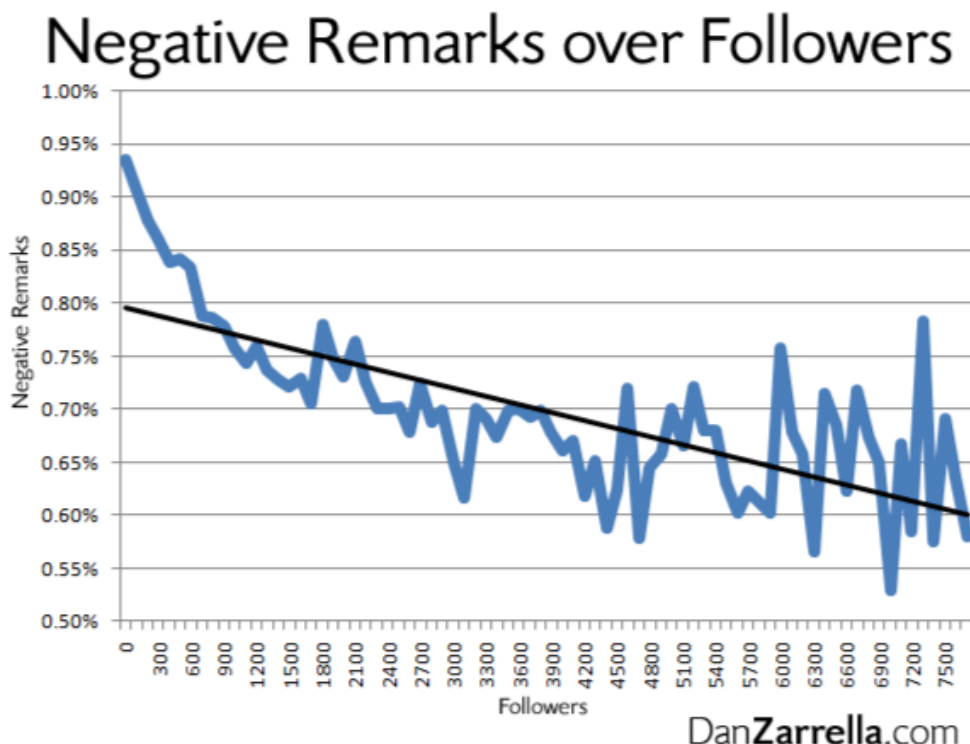
Today, people are organized in social networks and can take action together. They can discuss isolated instances of bad customer experiences and place them in context. Thus, they express concerns and dissatisfaction more loudly than they have ever been able to. What is more, they can take action to challenge business activities and people in power. In the digital environment, the voice of a few can inspire and reach many. The facilitated (and constant) flow of information among different social networks makes the voice of every single customer that much stronger. ([Tweet this](#)) This is where customer evangelism becomes critical.

# Happy Voices Reach Further

---

The fact that the customer's voice has gotten louder shouldn't scare you. On the contrary, it should motivate you to be a better marketer. It highlights the idea that if your customers are happy, they will share satisfactory experiences with a broader social network and earn you more followers.

In fact, people who share positive emotions tend to have a larger following. ([Tweet this](#)) This premise is backed up by HubSpot's social scientist Dan Zarrella's [analysis of over 100,000 Twitter accounts](#). Negative remarks, which included negative feelings and morbid comments, belonged to people with smaller reach.<sup>2</sup>



## Positive Comments Are Shared More Often

Positive remarks, on the other hand, are exchanged a lot more frequently. Zarrella's research of linguistic content shows that positive comments are the [second most shared item among Facebook users](#). So how do you take advantage of this phenomenon? By encouraging your customers to become marketing evangelists.

# What is Customer Evangelism?

---

Customer evangelism is a type of [word-of-mouth marketing](#) in which a company develops a loyal base of customers who voluntarily spread positive messages about it. Customers become passionate about the service or product offered by the company and willingly advocate for it. Guy Kawasaki, author of nine [marketing books](#), calls this practice “customer religion.”<sup>3</sup> ([Tweet this](#))

## Evangelism Marketing & the Notion of “Customer Religion”



[Photo credit: Mr. T in DC](#)

The target of customer evangelism is a pool of existing customers. As “evangelists,” happy customers engage others in positive communication around a specific service or a product in order to “convert” them. It is an organic process in which the audience is the evangelist’s own social network.

# Customers as Opinion Leaders & Fans

---

Customer evangelism also has implications about the type of customer you are. When you love the products and services you use and want to share them with others, you become an active customer—an opinion leader who makes conscious purchase decisions. This recognition of customer power drives more following for the brand. ([Tweet this](#))

As basketball legend Bill Walton noted in a [recent HubSpot webinar](#), talking down to people is one of the biggest mistakes brands make. “Treat your audience with respect,” he said, emphasizing the need for building trustworthy relationships with customers. “It is what keeps you coming back,” Bill added.

Apple, for instance, took full advantage of this opportunity for building vibrant customer conversations. “After we launched the Macintosh in 1984, hundreds of Macintosh user groups sprang up around the world,”<sup>4</sup> observed Kawasaki who worked for Apple in the 1980s. “They sustained Macintosh when Apple couldn’t—or wouldn’t.”



Photo credit: [kickerclub.com](#)

<sup>4</sup>Ben McConnell, Jackie Huba, *Creating customer evangelists: how loyal customers become a volunteer sales*, Foreward by Guy Kawasaki

# How Has Word of Mouth Evolved Online?

---

Though word-of-mouth promotion existed before the emergence of digital media, its power has now been reinforced by this new platform. [According to a study by PQ Media](#) spending on word-of-mouth marketing increased by 35.9 percent in 2006.<sup>5</sup> ([Tweet this](#)) Indisputably, one factor that has contributed to the rise in WOM marketing is the character of the digital ecosystem that encourages public contributions and open conversations.

---

A 2009 eMarketer report, [Social Network Ad Spending: 2010 Outlook](#), stressed that Facebook, with its now 500 million users, has become “the premier destination for marketers in the US and many worldwide markets.”<sup>6</sup>

---

As consumers spend an increasing amount of time online,<sup>7</sup> advertisers want to dominate this new environment and follow their target markets. Businesses have focused on expanding their online presence and becoming well known on the Web. They have rechanneled their ad spending into building loyal social networks—[recruiting employees](#) to assume positions of [engagement specialists](#), [content curators](#) and social media experts.

In this way, brands expect to closely monitor customer behavior, learn new marketing strategies and engage in immediate customer support. While consumers don't click on display ads, avoid banners and close pop-up ads,<sup>8</sup> they follow personal recommendations from family, friends and peers.

<sup>5</sup> Word-of-Mouth Marketing Forecast 2006-2011, PQ Media, [www.pqmedia.com](http://www.pqmedia.com)

<sup>6</sup> Williamson, Debra, Social Network Ad Spending: 2010 Outlook, eMarketer, [www.emarketer.com](http://www.emarketer.com), 2009

<sup>7</sup> An average Internet user, a 2009 Nielson study showed, spends 68 hours online per month, visiting nearly 2700 sites.

<sup>8</sup> A 2009 report by the Digital Future Project showed that more than half of Internet users, 52 percent, respond negatively to online ads and never click on them.

# The Power of Social Media in WOM Marketing

---

Morpace, a market research and consulting firm, [reported](#) that more than half of U.S. Facebook users said their chances of buying a product increase after a Facebook friend referral. ([Tweet this](#)) Nearly 70 percent of survey participants said that a positive referral from a Facebook “friend” would exercise a positive impact on their purchase decision. 41 percent of the 1000 customers surveyed said that they follow a retailer page “to let my friends know what products I support.”

Similarly, [Yelp is another platform that encourages the spread of reviews](#) and customer experiences. It connects online audiences with various restaurants and venues, allowing for people to rate these locations. Yelp has more than 31 million unique visitors per month, which makes it one of the most powerful networks internationally. Businesses that are present on Yelp should focus on engaging with reviewers that give both positive and negative feedback. These are great opportunities for demonstrating high product and customer service value.



Photo credit: [Matt Hamm](#)

It is no myth then that vibrant product discussions in the virtual space can expand brand awareness and lead to an improved sales cycle. Your job as a marketer is to facilitate these conversations and encourage further sharing. ([Tweet this](#))

# Engagement Tactics: Contests, Giveaways & Awards

---

An increasing number of companies are developing engagement tactics that help them expand their audience reach. Such marketing strategies, Godfrey Harris discusses in his book *The Hottest Ideas in Word of Mouth Advertising*,<sup>9</sup> can be:

- Award Programs
- Direct Communication
- Donations
- [Contests](#)

[FourSquare, a location-based social media platform](#), rewards its users with so-called badges when they use the application to check into different venues. This system motivates people to participate in a common culture and share their experiences with a larger audience.

## BADGES

---



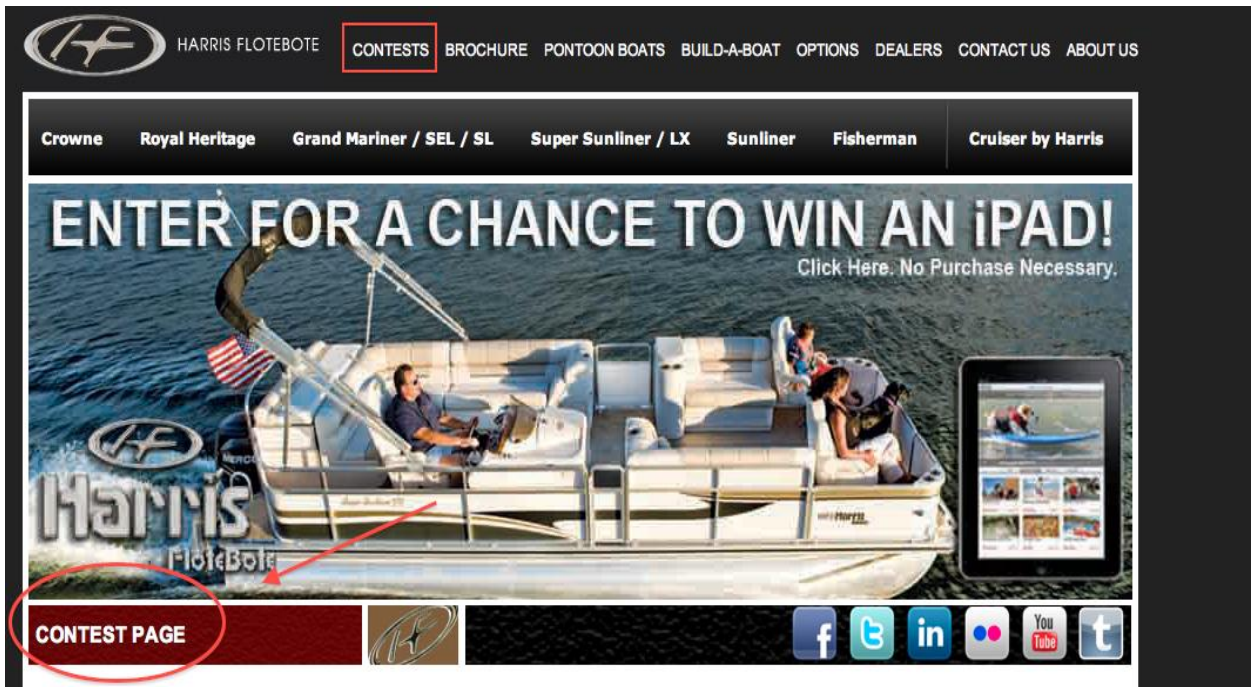
<sup>9</sup> Harris, Godfrey, *The hottest ideas in word of mouth advertising: what works, what doesn't*, p. 30

# Popular Contests Pages: Harris FloteBote

---

Harris observed that giveaways and rewards offer ways to spur a conversation, but shouldn't be perceived as exchanges for positive reviews. [\(Tweet this\)](#) "Those kinds of awards," he wrote about monetary stimulus, "tend to taint the honesty of a discussion between friends."

Unsurprisingly, then, more brands leverage these engagement tactics and incorporate conversation-generating elements in their marketing initiatives. For instance, Harris FloteBote, a marine craft manufacturer, had added an entire *Contests* page to its website.



# Customer Evangelism Fits Every Budget

---

Customer evangelism is one of the most affordable marketing channels. [\(Tweet this\)](#) Companies don't pay their most loyal customers to share positive feedback about their brand; nor do they pay for the promotion itself. Instead, businesses invest in the products and services their customer base is currently using in order to ensure a positive experience and encourage favorable word-of-mouth (WOM). The largest expense evangelism marketing demands revolve around stimulating and *maintaining* a conversation. That is why, for instance, companies need to maintain an excellent support team.

## Spending on WOM is Low Compared to Other Marketing Channels



Photo credit: [emmerrrrrr](#)

Customer evangelism uses minimum expenses; yet offers sustainable profits. [\(Tweet this\)](#) Thus, it has developed as an efficient advertising channel that will keep expanding, especially on the Web.

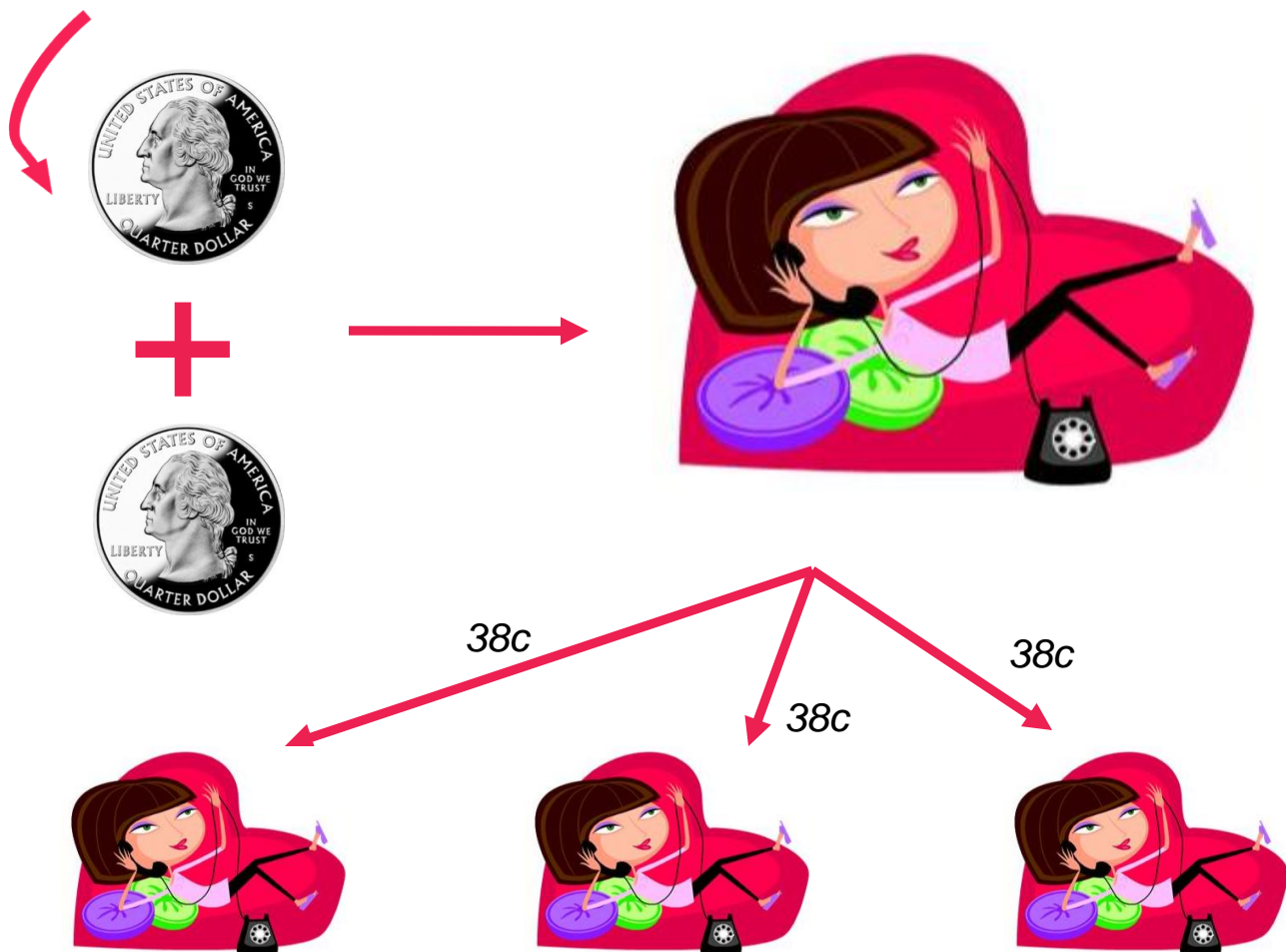
# Customer Evangelism Brings High ROI

[According to a PQ Media report](#) spending on word-of-mouth marketing increased 14.2% to \$1.54 billion in 2008.<sup>10</sup> But how profitable exactly is customer evangelism?

[A 2008 study by BzzAgent](#), a Boston word-of-mouth marketing agency, showed that the return on investment reaches about 400 percent. If a company spent 50 cents on generating a discussion, it would profit 38 cents every time a consumer engaged in an eight-minute conversation about the brand.<sup>11</sup>

***Spend 50 cents to generate a discussion about your product and receive 38 cents for every 8-min conversation about your brand.***

[\(Tweet this\)](#)



<sup>10</sup> Word-of-Mouth Marketing Forecast 2009-2013, [www.pqmedia.com](http://www.pqmedia.com)

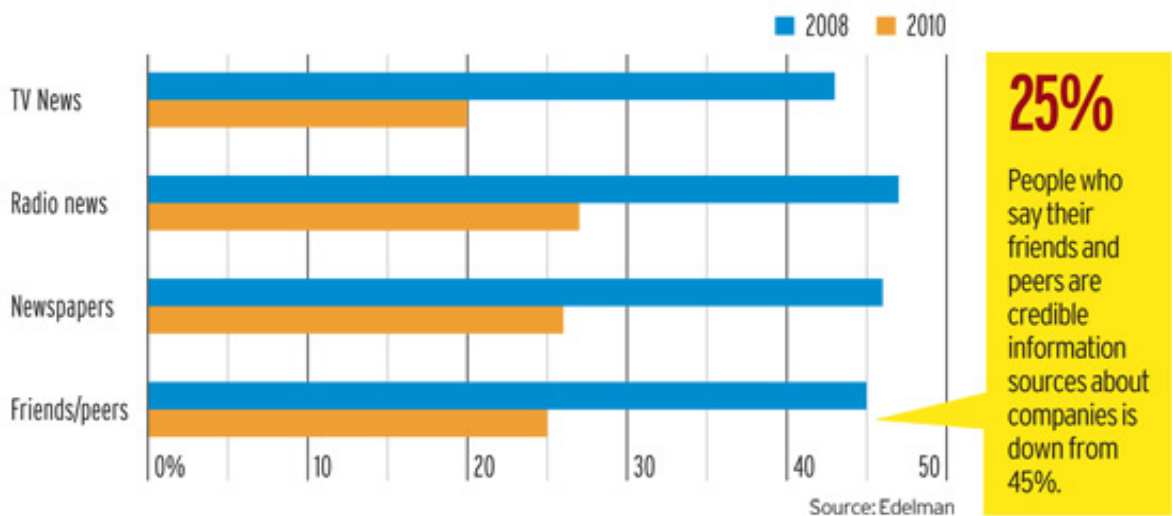
<sup>11</sup> Wong, Elaine, *Study: How Profitable Is Word-of-Mouth?*, Oct 10, 2008, [www.brandweek.com](http://www.brandweek.com)

# Trust Factor: People's Trust in Their Networks Lessens

Yet, in this environment populated by marketers, consumers are becoming more skeptical. A [2010 study by PR firm Edelman](#) showed that the number of people who view their friends as credible sources of brand recommendations has dropped 20 percent since 2008.<sup>12</sup> ([Tweet this](#)) Only 25 percent of respondents said they believed their networks.

One explanation behind this trend, *Advertising Age* suggests, is that consumers are increasingly concerned that customer evangelism might not be as genuine, after all. Today, people approach positive reviews and posts with skepticism because they expect the so-called “evangelists” might be paid freelancers.<sup>13</sup>

## WHOM DO YOU TRUST? Edelman's barometer



Organizations like the [Commercial Alert](#), an advertising and marketing watchdog organization, protested against such lack of transparency and petitioned the Federal Trade Commission (FTC) to regulate word-of-mouth marketers. They demanded that agents reveal their ties with the company whose brand they are promoting. But solutions to the trust problem exist and, simply enough, follow classical ethical standards.

<sup>12</sup> See table below.

<sup>13</sup> Bush, Michae, In Age of Friending, Consumers Trust Their Friends Less, *Advertising Age*, Feb. 2010

# Ethics in Word-of-Mouth Marketing

---



In its organic state—consumers recommending a brand based purely on their positive experiences with its product or services—word-of-mouth marketing shows a deep human instinct for sharing valuable information. But removed from its organic state, word-of-mouth marketing can exploit consumers.

Some companies hire people to recommend their brand without announcing their status as marketers. In 2002, for instance, [Sony Ericsson placed fake tourists](#) in New York City to ask passers-by to take their pictures with Sony's T68i mobile phone and digital camera. The purpose of this initiative was to demonstrate the phone's features in a more organic and less sales-oriented way. But the fake tourists never revealed their affiliation with Sony Ericsson.

## Failed Experiments, Learned Lessons

In Dec. 2006, the FTC required WOM marketers to disclose their affiliations with companies. As Mary K. Engle, FTC associate director for advertising practices, said in the [FTC statement](#), “We wanted to make clear...if you’re being paid, you should disclose that.”<sup>14</sup> ([Tweet this](#)) Failure to make this disclosure will most likely lead to fines and other monetary penalties.

# Disclosure Policies

---

With the expansion of word-of-mouth marketing to the Web, this regulation has also extended to the digital medium. The FTC recently [revised its guidelines](#) to include a clause obliging bloggers to disclose “the material connections they share with the seller of the product or service.”<sup>15</sup> Bloggers now have to announce their endorsements openly or pay a fine up to \$11,000 per post for violating the new rule.



Photo credit: [bookgrl](#)

Andy Sernovitz of the [Word of Mouth Marketing Association](#) explained that the industry has already created disclosure standards to ensure maximum transparency. Peter Blackshaw of word-of-mouth tracking company Nielsen BuzzMetrics also emphasized the notion that companies benefit more from an honest relationship with their consumers. “There’s a high turn-off factor if consumers learn that the person making a recommendation is actually on contract,” [Blackshaw said](#). ([Tweet this](#))

<sup>15</sup> [www.ftc.gov](http://www.ftc.gov), FTC Publishes Final Guides Governing Endorsements, Testimonials, October 2009

# How to Leverage Customer Evangelism

---

Fortunately, businesses don't have to make ethically unsound decisions to leverage the power of customer evangelism. Below, we offer several suggestions about ways to amplify the happy voices of your customers without crossing ethical boundaries:

## Encourage Referrals

Create forms and pages that encourage customers to refer your product / services to others. Reduce the recommendation process to a simple "submit" button. ([Tweet this](#))



### TO DO NOW:

Go to [Google Forms](#) and create a form that enables customers to refer your product / service to others.

## Discourage Anonymity

Reveal your real [identity on different digital platforms](#)—your website, blog and social media profiles. If a contact person is nowhere to be found on your online real estate, then you are unlikely to get folks evangelizing. ([Tweet this](#))



### TO DO NOW:

Go to your site and add a brief bio about yourself that includes contact information.

## Monitor Conversations

[Monitor conversations](#), reply quickly to customer requests and solve problems on social media. Take Starbucks for example: it has been one of the most successful brands using Twitter to engage its audience in constructive and positive conversations.



**Starbucks**

### TO DO NOW:

Go to Twitter, create a listing for current customers and monitor their conversations

# Case Studies & Testimonials Trigger WOM

---

[Case studies and testimonials](#) introduce two powerful ways in which brands can successfully magnify the happy voices of their customers and win over more followers. Creating case studies enables companies to convert passionate customers into influential “evangelists” who will spread specific messages and thus initiate word-of-mouth marketing. ([Tweet this](#))

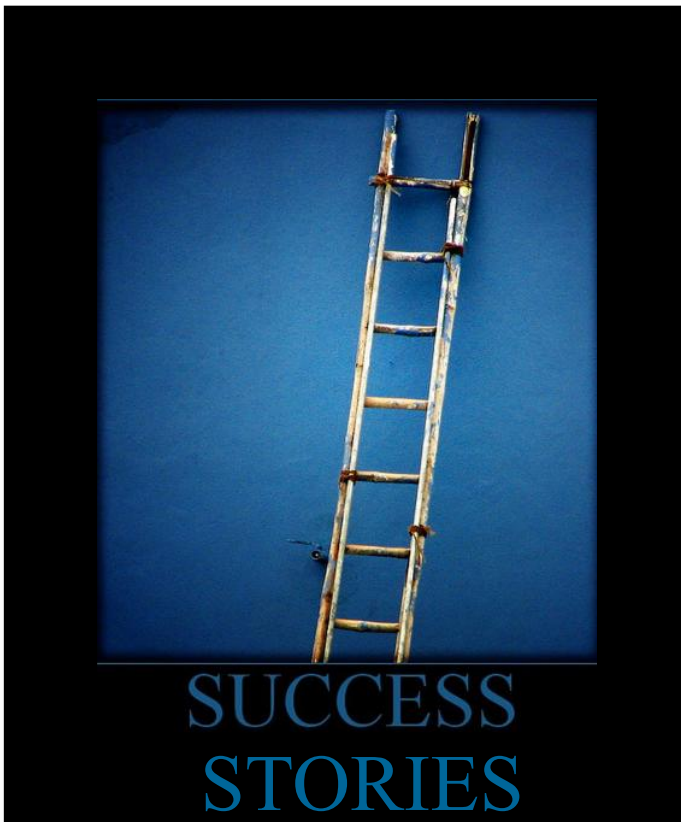


Photo credit: [aloshbennett](#)

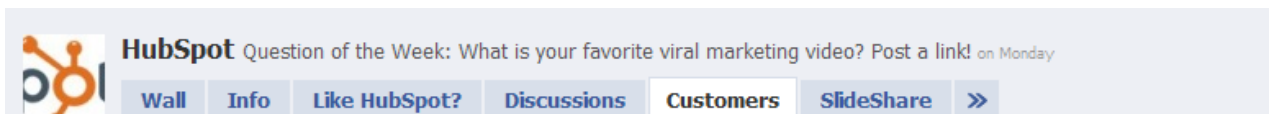
Case studies and testimonials not only allow marketers to harness the power of peer-to-peer influence, but they also equip salespeople with targeted examples of customer success stories. In this way, they empower businesses to “show” and not only “tell” about the value their product or service brings. Case studies provide sales people with examples of solutions relevant for potential audiences. The palpable results and personal quotes of featured customers demonstrate the real value of your product or service.

# Celebrate the Success of Happy Customers

At HubSpot, for instance, we create brief [video case studies](#), supported by results-driven analysis of customer performances. We celebrate the success of our customers by featuring them on our site as well as on a wide range of [social media channels](#)—SlideShare, YouTube, Twitter and Facebook.

Below is a special [Customers tab that HubSpot created on Facebook](#) for the sole purpose of publicizing the success of customers. That becomes a driver for existing followers to spread the word even further.

## Customers Tab on Facebook



We are proud of our customers' success in generating leads, building their businesses and becoming inbound marketing stars!

Check out our featured customer case study, as well as our "HubSpot All Stars" list of our top-performing customers who are seeing the most success with HubSpot (measured by their CHI score, or Customer Happiness Index.)

### Music School Grows Customer Base 400% with HubSpot

Jammin' With You provides in-home music lessons in Boston and the Metro West area. Josh Shriber, the school's founder and director, explains how he used HubSpot to grow his customer base by 400% in just a year.



**Results: Rapid Customer & Employee Growth**

Rank	HubSpot Account	Score
#1	HubSpot	265
#2:	Vico Software (Case Study)	265
#3:	Makana Solutions	265
#4:	Telecast-Fiber	265
#5:	Industrial Training International, Inc.	265
#6:	Idea Paint	265
#7:	Signiant	264
#8:	InstallFree	263
#9:	MLT Creative	263
#10:	ethoca	263
#11:	ProofreadNOW.com	262
#12:	AG Salesworks	261
#13:	Shoplogix Inc.	261
#14:	HealthBridge	260
#15:	Ultimus	260
#16:	SRS Crisafulli	260
#17:	Shreveport Casino Cooperative	260
#18:	Marketing	250

# Measure Results Regularly

---

Experimenting with various engagement tactics is great, but you will need data to show their real value. Commit yourself to [measuring results regularly](#) in order to prove your tests have been successful.

Though tracking customer evangelism might be a difficult task, it is certainly not impossible. ([Tweet this](#)) Here are three major ways in which you can do that:



Photo credit: [Sterlic](#)

## 1. Measure Social Media Following

If you decide to focus your efforts on video case studies, upload them on YouTube and start following the views they get. If you prefer to create PowerPoint presentations, take a similar approach—add them to SlideShare and track the number of people who view the files.

## 2. Track Referral Submissions

If you decide to launch new forms that encourage sharing within an existing pool of customers, make sure you track the success of these initiatives. How many people viewed these forms? How many of the visitors actually filled out the fields?

## 3. Survey Your Sales Team

Case studies often present some of the most valuable tools your sales team can use in order to meet your company's aggressive sales goals. Consider launching a monthly survey in which your sales department can rank the performance of case studies and testimonials overtime. Once you receive the feedback, work based on it to keep producing such content or shift efforts elsewhere.

# Conclusion

---

After reading this eBook, you should understand the foundations of customer evangelism and how to leverage WOM to expand your brand influence. Don't fall into common pitfalls but stay creative when engaging customers and amplifying their happy voices!



Photo credit: Kasaa

## o Why Is Customer Evangelism Important?

*Customer evangelism has become more powerful with the emergence of [social media and enhanced sharing channels](#). As a marketer, you need to leverage these opportunities and publicize further the positive experiences of satisfied customers.*

## o What Are the Pitfalls?

*Remain authentic in your communication with existing customers and potential audiences. If you decide to experiment with new engagement tactics, don't forget to reveal your affiliation as a marketer.*

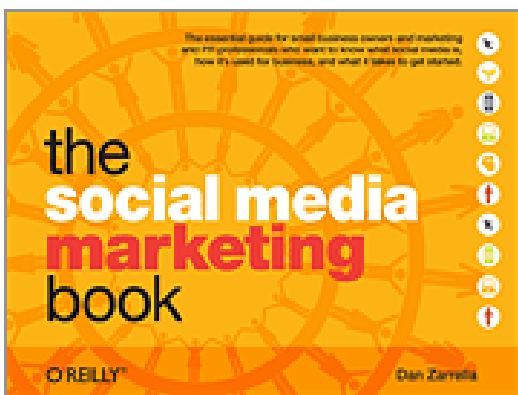
## o How Do You Get Started?

*Developing a strategy for customer evangelism shouldn't be complicated. Start by contacting a few of your happy customers and ask them to participate in a case study. Create a brief video and record their observations about your brand. Or simply write a copy with highlighted quotes. Feature their success stories on a range of social media channels, and watch how the content spreads.*

# Additional Resources

---

Want to learn more about the power of **social media marketing**?



## [View The Social Media Marketing Webinar!](#)

Learn what drives people to share information and opinions online and learn scientifically proven best practices for spreading your content virally through social media.

## [Who is HubSpot?](#)

HubSpot is a Cambridge, MA-based company that was founded in 2006 based on the ideas and efforts of two MIT colleagues who wanted to make modern, inbound marketing easy. They wanted to help companies like yours take advantage of the marketing opportunities the Web has opened up. HubSpot now serves close to 3100+ customers.

