

Improving Word of Mouth

In what might be the most ironic aspect of marketing, word of mouth is hardly discussed. The silence on the issue does not mirror its importance, as it is indeed acknowledged as one of the most effective – and therefore most important – way to generate new customers. In fact word of mouth marketing is considered superior to traditional marketing methods because the source of the recommendation (a friend or family member) is seen as more credible and more influential than a company generated source. So, if all this is true, why is word of mouth such a hush-hush topic?

One primary reason word of mouth is not used as much as it could be (and perhaps should be) is because most companies do not want to engage in the sort of positive customer service policies necessary to create a good word of mouth buzz. This may seem somewhat harsh, particularly when most companies do seek to pay lip service to good customer relations. However, when you see the behavior of most companies and the dissatisfaction they are nurturing among their customers, what other explanation could there possibly be?

If you are uncertain we are correct, ask yourself how happy people are with their cell provider, their cable company, and the chain retailers they deal with daily? Practices like hidden fees, customer service bureaucracies, and unfavorable long term agreement demands all point to companies more interested in generating immediate profits regardless of the damage it does to their long term interests or their brand equity. They know they are not generating any positive word of mouth, but they are willing to sacrifice it for the profits they squeeze out of the customers they have tied up.

So, for those companies that care, companies that still recognize and respect the relationship that exists between customer satisfaction and company profitability, what can be done? Tudog has a few suggestions, first on how to improve customer satisfaction, and then on how to transform it into positive word of mouth.

Improving Customer Service

There are many ways to improve customer service, most of which are apparent and undertaken to varying degrees during periods of performance review (to be neglected once again after customer satisfaction surveys are completed). Some long lasting customer service improvements include:

1. Dramatically Increase the Quality of Your Call Center – although the very heart of customer interaction (particularly when the customer has a problem or issue) most companies treat the call center as little more than a necessary evil. Some companies have even gone so far as to outsource their call centers to overseas operations, leaving customers with bad service in a language they can barely understand. Naturally customers are dissatisfied, leaving them with a bad image of the company – an image they willingly share with their friends and family. The improvement of the call center – accomplished by viewing it not as a necessary cost, but as a marketing channel – will change customer perceptions and drive word of mouth. Some improvements include easier menus, elimination of duplicate questions, customer service agents empowered to resolve problems (and highly trained to do so), and the staffing of centers with people who speak the customer's native language like, well, a native.

2. Evaluate and React to Customer Generated Responses – many outraged customers take the time to write to companies and explain the sources of their displeasure. The company should view these letters as opportunities to correct the ill, because just as the customer has taken the time to write, they most certainly also took the time to tell those around them. If the company responds and corrects the problem, they almost surely will also tell others, this time with a very positive spin. In addition to the opportunity to transform an disgruntled customer into a evangelist, monitoring customer responses also gives companies the chance to discover where they are weakest and which policies are generating the most resistance and customer displeasure. By understanding what is making customers unhappy, a company can also measure what makes them happy – sometimes simply by ceasing the negative actions.

Generating Positive Word of Mouth

Word of Mouth is an excellent form of marketing because, as already mentioned, it has a tremendous amount of credibility. There is nothing like an endorsement from a trusted source to get consumers willing to purchase a product. Marketers seek to capture this by have celebrity endorsements and dressing up actors as mechanics and doctors (when selling related products). Nonetheless, as effective as these methods sometimes are, nothing beats a friend or family member. So how do you generate good word of mouth? Tudog has a few hints:

1. Keep Your Promises – even if you are not making many promises, the fact that you keep the ones you make will work in your favor. Consumers pay more attention to the promises that are not kept, so the less they have to say about you that is bad, the more they'll realize they are having a fair experience with your product. If you can't keep a promise don't make it, and if you make one, be certain to keep it.
2. Fulfill Your Purpose – while perhaps part of the promise you make, nonetheless the purpose you claim to meet is a distinctive communication to the market and should be met, and to the full extent you claim. By doing so you will generate good word of mouth whenever the need for your purpose arises.
3. Don't Over Market – by trying too hard you raise the cynic in the consumer, as they start to wonder what you are over compensating for. Worse, when you over market, you tend to over promise, and as we have seen, making too many promises leads to breaking too many promises – which is the recipe for bad word of mouth.
4. Provide Incentive – always encourage people to tell others about your products, and whenever possible, provide incentive for them to do so. Sometimes these incentives can be in the form of a price reduction and sometimes it can be in the form of product giveaways, but either way, an incentive goes a long way in encouraging people to talk up your product.
5. Use Real Testimonials – testimonials are one level better than celebrity endorsements because they have the credibility of being “real”. Just make sure you don't overdo them or dilute them (as diet companies do by putting “not typical results” under their testimonials). Use real people with real results and it will seem like word of mouth praise.

Word of mouth is too important to be lost to the shortsighted, need-results-now-no-matter-what marketers. The soul of a company is wrapped up in its purpose and how well it meets its mandate. Making promises is always easier than keeping them. Keep

your promises and watch customer loyalty return. With it will come an increase in your profits and the value of your company.