



## Working with the Mouse that Roars

ADVERTISING IS A CRAFT WITHOUT RULES. MORE THAN A CENTURY AGO, THE GUY CREDITED WITH INVENTING MODERN ADVERTISING, JOHN WANAMAKER, SAID “HALF THE MONEY I SPEND ON ADVERTISING IS WASTED; THE TROUBLE IS I DON’T KNOW WHICH HALF.”

The situation is no better today. In fact, there’s compelling evidence that suggests Wanamaker may have been a bit optimistic. There is one kind of advertising, though, that has no direct cost despite its power.

Ask most people about advertising and they’ll tell you it doesn’t affect them. They’re wrong, of course, because advertising does have an effect, but it’s a long-term process of endless repetition. Campaigns that are well designed and properly placed do work. But most people also want to know what other people are buying.

If you plan to buy a new smart phone or hire someone to clean your carpets, what do you do? I’ll bet you ask a friend or two about their phones or their experience with carpet cleaners. But I’ll also bet that you head for a web browser and research people’s comments. The first situation illustrates *word of mouth* advertising, so let’s call the second *word of mouse*.

Recommendations from friends are the most powerful form of advertising known and working to develop word-of-mouth/mouse advertising is time well spent. Let’s refer to both as “**WOM**”.

WOM works better for some business categories than others. Finding a doctor, for example, or a mechanic. Selecting a provider for commodities such as gasoline are less likely to depend on recommendations from friends.

The more complex a product or service is, the more difficult it is to evaluate your brand against your competitors’ brands — and that’s exactly when WOM is most important.



Any lead that comes to you based on the recommendation of a friend is valuable because the prospect already knows about your company and will be inclined to have a favorable opinion of it. They’re easier to close and generally have a higher lifetime value.

Facebook, Twitter, and a bunch of sites where people can offer candid reviews make it easy for consumers to share what they know about

your business—good or bad—in an instant with everyone they know and potentially with hundreds of thousands of people they don’t know.

To earn positive recommendations, refine and shorten your brand’s story. Then communicate it clearly to your clients. The brand story is what they’ll use to describe your business to others.

When you and your brand solve a problem for a client, the event becomes a part of their life story. How big a part may depend on how big the problem was. Let me explain that with a personal example. In mid October I found about three inches of water in the basement one morning. We needed help to clean up the mess.

The insurance company recommended a company, but I wasn’t impressed by their approach. Then my local agent recommended another company. They arrived on time, quickly assessed the situation, described what needed to be done, and then did it. In less than 2 hours, they had removed the waterlogged junk from the basement and had set up commercial grade dehumidifiers.

I told the agent to keep recommending these guys and I sent emails to several acquaintances that said *if you ever need a service to clean up after a flood or a fire, this is the company you should call*. This company solved a big problem and it will be a significant part of my life story for quite a while even though faulty communications and poor follow-up will modify the story considerably.

Events such as this trigger WOM stories, but every touch-point should be positive.

*The Customer Comes Second:  
If your employees are unhappy, your customers will be dissatisfied.*



## Control Your Story

AUTHOR AND BUSINESS STRATEGIST FRED REICHHELD, BEST KNOWN FOR RESEARCH ON CUSTOMER LOYALTY, WRITES IN *THE ULTIMATE QUESTION: DRIVING GOOD PROFITS AND TRUE GROWTH HOW COMPANIES CAN BUY GROWTH. IT'S A BAD IDEA!*

America Online chose to spend money from its 1992 initial public offering to flood the nation with free software disks instead of improving the quality of its service and the hardware. "AOL's membership grew rapidly — but the flood of new users began to strain the capacity of the company's network," Reichheld wrote. Customers started calling the service "America on Hold" and within a decade, customers fled.

Were you ever a customer of AOL? Are you one now?

It's important to know what your clients think of you. There's remarkably easy way to discern this: Ask them.

Reichheld's *Ultimate Question Survey* consists of just 1 question: "Using a scale of 1 to 10, would you recommend us to your friends and colleagues?" (10 is "definitely would.") Those who select 9 or 10 are your promoters. They are satisfied and will talk about your product or service whenever possible. Those who score your brand 7 or 8 are passively satisfied; they won't actively promote you or your brand, but their response will be positive if someone asks. Consider any other answer, (0 through 6) to be detractors

The obvious goal is to move those in the 7-8 range into the 9-10 range and the methodology

is as simple to explain as it is difficult to execute: Do more of what your customers like and stop doing those things that annoy them.

## Execute Your Plan

THE MORE POSITIVE IMPRESSIONS YOU CAN MAKE, THE BETTER. HERE ARE SOME WAYS TO ACCOMPLISH THIS.

**Provide memorable service:** Every time and with every interaction. People remember outstanding customer service. Research conducted by a financial institution showed that customers who reported a problem that was resolved to their satisfaction became more loyal than those who have never had a problem.

**Keep in touch:** Let customers know how important referrals are to your business and how much you appreciate them.

**Be social:** Use social media yourself if you can. Assign someone to do it for you only if you absolutely do not have time. Be there consistently. Make yourself approachable. Help with real answers to questions. In other words, help!

**Make yourself top-of-mind with your customers:** What can you do to keep yourself and your brand in the customer's mind? How about sending birthday cards? Anniversary cards? Spend a few bucks and buy a good promotional item. Consider placing the client's name on the item instead of your company's name. Even if it doesn't have your name on it, they'll think of you every time they pick up that personalized item.

## The Customer Comes Second

TO CREATE SATISFIED CUSTOMERS, CONCENTRATE ON CREATING SATISFIED EMPLOYEES.

*The Customer Comes Second* is the name of a book by Hal Rosenbluth, who explains that having satisfied employees is essential if you want to have satisfied customers.

First impressions are important and unhappy employees will sour those interactions. When people are happy (or at least satisfied), they're far more likely to treat their fellow employees and the company's customers with respect.

Returning to WOM, realize that it will be less effective for new businesses, but even a new business should concentrate on developing WOM supporters. This isn't work you can hire out. Promoters need to be real clients, not skills. You can, however, ask people for their help in spreading the word. Develop a campaign to recruit, train, and deploy an active sales force of promoters. It's important for you to define your story in their minds.

By the way, the best source of a new WOM promoter is from those who have been referred to you by somebody else. Because they came to you based on a recommendation, yours may be the only company they considered.

The process does become easier over time. As you approach, reach, and then exceed a critical mass of promoters, you'll begin to observe that "gravity" is pulling more potential promoters into your orbit. **Ω**