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Enter the Wonderful World of Word-of-Mouth Marketing

By [Jennifer Schiff](#)

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People like to buy from companies or people that they know and trust, and they tend not to buy from those they don't. But how do you build that trust, particularly online? How do you get customers to come to you without spending a lot of money on advertising? With word-of-mouth marketing — it's free, and it works.

Online communities that let people review businesses and services and share their opinions (like [Judy's Book](#)), professional networking sites like [LinkedIn](#) and organizations like the [Word of Mouth Marketing Association](#) (WOMMA) make getting the word out easier than ever before.

"The beauty of word-of-mouth is that it doesn't cost anything," says Andy Sernovitz, the CEO of WOMMA. "Anybody can get word-of-mouth just by being a good company."

Generate Buzz

Sernovitz, who is writing a book on word-of-mouth marketing, believes that in order to generate good word-of-mouth, you need to follow two basic rules:

"Rule number one: you have to be buzz-worthy. If you have a company that isn't very interesting, nobody is going to talk about you," says Sernovitz. "So step one in word-of-mouth is making sure you're worth talking about. Do you have a whacky logo or tagline? Do you have a cool product? Extraordinary customer service?"

It doesn't matter if you do something mundane like fix computers for a living as long as there's something about you or the way you do business that makes you unique, says Sernovitz, who points to Geek Squad as making computer geeks chic.

The second rule: "Make it easy for that conversation to take place," he says, meaning, give your customers a forum for talking about your business. "Is there a Tell a Friend form on your Web site? Do you put out your news on a blog, so it's easy to link to?"

Most of all, says Sernovitz, you have to remind people to spread the word. "You need to tell them when they walk out of your store [or leave your Web site], 'don't forget to post on Judy's Book. Don't forget to give us a good review.' It's a reminder that a conversation is happening, and you have to work for the good stuff," he says.



He also cautions small business owners not to hide from their mistakes. "When something goes wrong, when a service doesn't come out as expected or a customer leaves unhappy, you need to go out there and make them happy, otherwise they're going to post a negative review," says Sernovitz. "It gives you a huge incentive to take care of your customers. And the better you are to your customers, the more money you're going to make."

Find a Megaphone

When Darcey Howard — a 15-year brand marketing expert with impressive client credentials that include Eddie Bauer, Nordstrom and Seattle's Best Coffee — started her Seattle-based business, [LifeStyled](#), back in 2004, she knew she needed to find a way to stand out and generate some quick buzz.

While the proliferation of TV makeover shows made Howard's business concept familiar to many people, she needed to make clear that helping people brand themselves through their appearance (what she did) was "not about \$3,000 hand bags, disturbingly cute pocket Pomeranians, dresses that require tape to stay on, bright orange suits or anything as 'extreme' as you see on reality TV."

Traditional advertising is expensive, and she knew from experience that advertising wasn't the best way to get across the benefits and differentiation points of her business. For Howard, her best, cheapest marketing tool was herself.

Not one to wait for people to come to her, Howard beta tested her service on friends and associates and encouraged them to write testimonials for her Web site. Using [Business Network International](#), the world's largest referral organization, she found a local networking group (where, she says, she still gets most of her referrals). She gave or participated in workshops. She treated every person she met as a business opportunity. And, through a friend, she discovered Judy's Book.

Judy's Book is named for co-founder and CEO Andy Sack's mother-in-law, who kept a "little green book" of her local favorites, from restaurants to doctors to gardeners to mechanics. The site provides an online platform for anyone to share his or her opinion on a local business (much like how Amazon gives consumers an opportunity to review any products it sells).

"Judy's Book is a platform that allows small businesses to take word-of-mouth that's occurring every day, put a megaphone to it and blast that information out onto the World Wide Web," states Sack.

For Howard, Judy's Book provided another important tool in her word-of-mouth marketing toolkit. "If someone's thinking about hiring me, I can send them to Judy's Book and they can read unbiased testimonials from people who have actually used my service," she says. And those unbiased reviews have been great for wooing prospective clients who might not know her personally.

Judy's Book patrons can also post questions about a business or a service and receive trusted advice back from local people. That's how many style-challenged customers have found Howard and how Howard found just the right bike mechanic when her vintage bike needed repair.

A small business itself, Judy's Book provides lots of free marketing services to fellow small business owners, including helping new members tailor how and where they post their business on the site, to maximize being found. The site also recently began a new service that lets businesses respond directly to customer reviews, which has received a lot of good word-of-mouth from local business owners.

Network Online

For serial entrepreneur and headhunter Bill Vick, the ability to network, or generate word-of-mouth, online has taken him and his business to a whole new level. Vick, who is somewhat of a legend in the world of recruiting/headhunting and runs a Web site called [Xtreme Recruiting](#), describes himself as "one of those guys who goes online every day trying to find out what's newest, best, brightest, fastest and cheapest."

When Vick found LinkedIn, he hit pay dirt. "I struck gold from day one," says Vick, who has been an avid user for two years. "In the second month of using LinkedIn I earned a \$30,000 fee because of finding the right candidate."

Since going live in May 2003, more than 5.9 million professionals like Vick have joined LinkedIn — and generated millions of dollars in revenue for fellow patrons, all via networking and word-of-mouth. The professional networking site offers a wide range of free services (as well as some very reasonably priced paid ones) to individuals and small business owners.

It also provides a platform for building an online professional community by encouraging members to find and invite colleagues past and present, as well as friends and former classmates, to join and expand their network. It also lets members find and post jobs and services and endorse each other — the equivalent of giving someone a positive review.

For Vick, LinkedIn became such a crucial part of his headhunting business that he wrote a book on it, *LinkedIn for Recruiting*, co-written with Des Walsh. As he points out, if you Google "Bill Vick," you will get around 14,500 results — an impressive result. But it's his 4,700 (and counting) connections and positive endorsements that have helped him build trust and woo customers online.

"I've got 174 endorsements on LinkedIn, and I'm probably mentioned on 50 different blogs for my book, *LinkedIn for Recruiting*," states Vick. "That's all word-of-mouth. I look at word-of-mouth as probably the best form of advertising that you can do," though, like Howard, Vick stresses that a good word-of-mouth marketing toolkit contains many tools.

"You want to feel comfortable about a product or a service, and you're far more comfortable being referred," he says. "That's one of the strengths LinkedIn has. You have the perception that you have a trusted relationship."

Security Note: LinkedIn, like many of the well-established professional networking sites, is concerned with privacy and is a licensee of the TRUSTe Privacy Program as well as a participant in the EU Safe Harbor Privacy Framework. Both LinkedIn and Judy's Book publish in-depth privacy statements on their Web sites.

Ask for Recommendations

"People realize that relationships matter in business," says Konstantin Guericke, co-founder and vice-president of marketing at LinkedIn. "People want to find and do business with people who are recommended by people they know. As a small business, you don't have a big brand behind you, which, in some ways, makes your work is harder. People are less likely to respond to you because they don't really know who you are. Having a profile and endorsements on LinkedIn can help."

Adds WOMMA's Sernovitz, "If you're worth talking about, people will advertise for you for free. If you're not worth talking about, you have to pay people to talk about you. That's called advertising, and it's awfully expensive.

"Asking people to tell a friend works," says Sernovitz. "Unhappy customers will do it without your help. You have to remember to remind your fans that you need their help. People like to support businesses that treat them well. If you give people an opportunity to be good to you, usually they'll take you up on it. You just have to make it easy."

Thanks to the Web, small business owners now have more tips, tools and options for generating good buzz — both online and off — than ever before.

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