

387 Reconsidering Models of Influence: The Relationship between Consumer Social Networks and Word-of-Mouth Effectiveness

TED SMITH, JAMES R. COYLE, ELIZABETH LIGHTFOOT, and AMY SCOTT

- Contrary to conventional wisdom, social networks are approximately normally distributed.
- Influence increases with social network size continuously—not discretely.
- Giving advice is a fundamental human activity not something reserved for the few.
- Conventional advertising models do not take advantage of the large viral capacity of most consumers.
- Ironically, it is the few unconnected that form a unique segment rather than a few highly connected.
- Moderately and highly connected consumers respond identically to advertising messages.
- Display advertising directed at the masses could be better leveraged if it were also usable for advice giving.

398 Word-of-Mouth Research: Principles and Applications

DEE T. ALLSOP, BRYCE R. BASSETT, and JAMES A. HOSKINS

- Over the past few years, there have been significant advances in approaches to measure and understand word of mouth, but much remains to be discovered about how social networks operate and how they can be influenced in a positive fashion.
- Word-of-mouth research is most valuable when undertaken as part of a broader program of strategic research. WOM research is not simply about discovering “how to create buzz.” Rather, it can and should inform day-to-day business decisions on such issues as corporate reputation, brand positioning, customer segmentation, communications strategy, marketing mix, and new-product development.
- Focusing on supposed “influentials” may miss the mark. What is important is to understand how the specific social network in your category operates, and in particular, which individuals within that social network are most active in creating and spreading messages about your product category to others.
- The authors identify five general principles for understanding WOM and suggest these as a useful framework for developing and interpreting strategic WOM research.

412 Visibility versus Surprise: Which Drives the Greatest Discussion of Super Bowl Advertisements?

JIM NAIL

- Aggressive early promotion of Super Bowl involvement correlates to higher levels of total media coverage and consumer discussion volume.
- Media coverage and consumer discussion around Super Bowl advertisers form a “long neck” and not a “long tail.”
- Relying on postgame coverage leaves an advertiser vulnerable to unpredictable events that can dominate coverage and discussions.
- Perhaps the most important finding from this analysis is to dispel the belief that generating word of mouth and media coverage before the game undermines discussion after the game.

420 The Origin and Impact of CPG New-Product Buzz: Emerging Trends and Implications

KATE NIEDERHOFFER, ROB MOOTH, DAVID WIESENFELD, and JONATHON GORDON

- CPG buzz is still evolving. A minority of CPG brands dominate category buzz. While buzz is much more prevalent in other sectors (entertainment properties and automobiles, for example), some CPG products garner a significant volume of consumer buzz. Within CPG, a concentrated group of products accounts for the bulk of the CGM. Many CPG products achieve no measurable buzz, likely due to a combination of low involvement or the marketer not attempting to drive buzz with the chosen marketing mix.
- New CPG product buzz usually precedes sales: Buzz tends to occur very early in relation to a new-product launch, with peaks in buzz that generally precede peaks in sales.
- Advertising spending is a critical factor in generating new CPG product buzz: The drivers of buzz are complex, with both “traditional” media spending and certain category and product characteristics being relevant in anticipating buzz. Strong media support can be an important driver of buzz, although buzz in the context of a strong media presence is sometimes no more than the echo that results from making a lot of noise. The formula for generating meaningful buzz is not as simple as spending money.
- Brand ubiquity and distinctiveness are predictive of buzz: While a formal model for predicting buzz is not yet available, some key factors do appear to have predictive value. Beyond marketing factors such as media support and distribution, category familiarity (as indicated by high purchase frequency) and product distinctiveness show value when attempting to anticipate or predict buzz.
- High buzz levels drive sales and improve forecasting models: for the select group of new CPG products that generate substantial buzz, there is evidence that buzz can positively influence sales. In a regression-based sales forecasting experiment, incorporating actual buzz levels resulted in a meaningful improvement to forecast accuracy

427 Finding the “Missing Link”: Advertising’s Impact on Word of Mouth, Web Searches, and Site

Visits JEFFREY GRAHAM and WILLIAM HAVLENA

- Advertising spending is significantly associated with higher levels of person-to-person brand advocacy (positive word of mouth) in four of five product categories.
- Advertising is a significant stimulus in brand searches and visits to brand websites—important indicators of consumer interest.
- Online advertising, followed by television, is the most powerful and consistent performer in getting people to advocate brands, even offline.
- Online and offline consumer and brand communication channels are interrelated and mutually dependent.

436 Word of Mouth on the Web: The Impact of Web 2.0 on Consumer Purchase Decisions

CATE RIEGNER

- Techie guys are no longer the rulers of the web. Indeed, teen girls are the heaviest users of online communication channels.
- Seventy-three percent of 13 to 17 year olds and 68 percent of 18 to 24 year olds use IM or chat, compared with just 26 percent of Broadbanders 45 and older.
- Television remains an important channel for learning about new entertainment, but the numbers of 13 to 24 year olds influenced by WOM online (48 percent) is far greater than the percent influenced by television (31 percent).
- Thirty-three percent of online fans learn about entertainment through user-generated content, specifically blogs, social networking sites, community sites, and podcasts.
- WOM plays an important role in the purchase of pricey tech-electronics products such as DVD players and computers. The second most influential source for purchasing these items is *user-generated content*, influencing 24 percent of the products purchased in this category.

448 Unleashing the Power of Word of Mouth: Creating Brand Advocacy to Drive Growth

ED KELLER

- There are “billions and billions” of WOM conversations each day. Brands are truly a major currency of conversation in America.
- Despite the rapid rise of digital marketing and social networking, when it comes to word of mouth, face to face is still the predominant mode of conversation.
- Word of mouth is generally positive toward brands, and there is far more to be gained by joining the consumer conversation than avoiding it for fear of possible negative WOM.
- Word of mouth brings with it high impact: credibility, pass along, purchase intent. When marketers can unleash the power of WOM, their sales will grow.
- Marketing communications drive WOM. There need not be a conflict between WOM and the rest of the company's marketing programs. They work hand in hand, each making the other more effective and impactful.

453 Self-Generated Advertisements: Testimonials and the Perils of Consumer Exaggeration

TERENCE A. SHIMP, STACY L. WOOD, and LAURA SMARANDESCU

- The act of writing testimonials enhances consumers' brand evaluations.
- Brand evaluations are enhanced most when testimonials are written about a brand in conjunction with a person who is special to the testimonial writer compared to when the testimonial is about the brand per se.
- Exaggerated testimonials mitigate brand evaluations.
- Brand managers should encourage consumers to write unexaggerated testimonials and assure them that writing honest, nonoverstated testimonials will not diminish their chances of winning testimonial-writing contests.

462 Word of Mouth and the Viewing of Television Programs JENNI ROMANIUK

- Positive word of mouth is much more common than negative word of mouth. It also has more impact on program viewing behavior.
- People were not turned off by negative word of mouth. Even when having received both positive and negative word of mouth, viewers continue to be more likely to watch the program.
- High rating shows get more positive word of mouth than low rating shows. This knowledge can be used to identify normal, and unusual, word-of-mouth levels for a program.

472 Bloggers' Motivations and Behaviors: A Model

CHUN-YAO HUANG, YONG-ZHENG SHEN, HONG-XIANG LIN, and SHIN-SHIN CHANG

- Bloggers are observed to have interaction-oriented and/or information-oriented blogging behaviors. These behaviors are driven by five major motivations: self-expression, life documenting, commenting, forum participating, and information searching.
- Execution and media planning for information-oriented bloggers should provide rich information and easy-to-find paths for eyeballs to converge.
- Execution and media planning targeted at interaction-oriented blogging activities should attempt to get individual, nurturing empathy, and encourage self-expression by audience bloggers, which will keep the dialogue going.

485 The Influence of eWOM on Virtual Consumer Communities: Social Capital, Consumer Learning, and Behavioral Outcomes KINETA H. HUNG and STELLA YIYAN LI

- The structural, cognitive, and relational social capital embedded in a virtual consumer community generates credible eWOM among consumers.
- eWOM increases the consumer's product knowledge and exerts a nonmonotonic effect on the brand consideration set composition and size.
- Virtual consumer community helps develop the consumer's persuasion knowledge.
- Increased persuasion knowledge will entice the consumer to reflect upon his or her consumption behavior to adapt to or to resist marketers' persuasion attempts.

496 More than the Words: Using Stance-Shift Analysis to Identify Crucial Opinions and Attitudes in Online Focus Groups PEYTON R. MASON and BOYD H. DAVIS

Stance-shift analysis:

- increases confidence in analysis because it minimizes investigator bias,
- locates subtle meanings underlying customer responses,
- quantifies qualitative data from focus groups and open-ended surveys,
- pinpoints what is important to focus group participants, and
- highlights intensity in how consumers express opinions and attitudes.

507 News and Advertisements: How Negative News May Reverse Advertising Effects

MAY-MAY MEIJER and JAN KLEINNIJENHUIS

- Corporate reputation is not only dependent on advertising expenditures, but also on the positive or negative direction of news.
- Advertisements will not compensate effects of negative news. Negative news may actually lower the effectiveness of advertisements, whereas positive news may bolster advertising effects.
- Advertisers should wait until a storm of negative news dies down to increase their advertising budgets.
- Websites with elaborate information to counterbalance negative reports in the press may miss the target, because only highly aware consumers will have the patience to read and the skills to comprehend this information.

518 A Status Report on Podcast Advertising DANIEL M. HAYGOOD

- Podcasting is emerging as one of the popular new tools in the new media realm. It allows consumers both to create audio or visual content and control when and where they consume the content. The internet allows for broad distribution of podcasts to anyone with an appropriate connection.
- Marketers have been slowly embracing podcasting as a marketing tool with some large manufacturers, such as General Motors, gaining some early lessons in how to use podcasts effectively.
- As a venue for advertising, podcasting is potentially powerful and effective, reaching consumers who are engaged and involved in specific content areas. The synergy generated between podcast content and advertising could be highly promising for marketers.
- The research shows that advertising on podcasts is not extensive yet but best practices are slowly emerging as more and more advertisers are exploring placing advertisements on podcasts. For example, the sponsorship model, with advertising serving as “bookends” to uninterrupted podcast content, is a common model among the podcasts reviewed for this study.
- Advertising presence on podcasts will increase steadily. But the challenge for the future will be maintaining the integrity of the podcast content and respect for the audience while also serving the interests of the advertisers in reaching potentially promising audiences.

524 The Determinants of Email Receivers' Disseminating Behaviors on the Internet

HUNG-CHANG CHIU, YI-CHING HSIEH, YA-HUI KAO, and MONLE LEE

- A successful viral marketing campaign can be analyzed by the factors of message source (who), message contents (says what), receiver characteristics (to whom), and message transmission channel (in what channel).
- Message recipients who receive emails from close interpersonal sources are more willing to forward them than messages from unfamiliar interpersonal or commercial sources.
- Recipients who receive more utilitarian or more hedonic messages are more willing to forward them.
- People who score high on extraversion and openness and low on conscientiousness traits are more willing to forward a marketing message to others.
- Those who access the internet via a broadband connection are more willing to forward the message than are those who use dial-up modems.