

The Power of Word-of-Mouth Marketing

Even in an age of modern and high-tech communication, the most powerful and effective means of generating new business is word-of-mouth. People turn to trusted friends or colleagues for recommendations regarding product or service providers.

And because word-of-mouth referrals are free, you can't beat the return on investment that a positive referral can generate.

While a successful word-of-mouth marketing chain can sometimes start on its own, don't assume that the phone will start ringing off the hook. Any successful marketing tool—word-of-mouth included—requires a proactive, patient approach to ensure that the right message gets to the right people.

A good way to get started is to create a simple marketing message that is easy for people to pass along. If it's not simple, it won't pass the test. Make it specific to a real benefit or need, not something vague or general. If you can, include success stories or testimonials from real customers. These can have a tremendous pass-along impact.

To stimulate word of mouth, you might also consider asking customers for referrals and recommendations. And put your networking efforts into high gear. If you network and get to know people in your community or industry, they will think of you when they need your product or service. Join networking groups and local business organizations and attend conferences. Donating your products or services to local charities can generate goodwill and get your name around.

Consider introductory discounts or free samples. People are more willing to try a new product or service if they can do so economically. Many small companies have jump-started sales through carefully controlled giveaways.

Above all, recognize that people will happily spread the word about your business if you treat them well. Tales of negative experiences or poor performance can be difficult to correct once they are passed on. That's another important reason why it's important to continually provide superior service, address problems quickly and anticipate your customers' needs. Those are the things they'll remember—and talk about.

SCORE provides free and confidential mentoring to individuals who want to start their own businesses and to current business owners who want to find ways to grow their business and increase profits. All SCORE Volunteers are experienced business professionals. Contact the Hampton Roads SCORE Chapter to schedule an appointment or, if you are interested in becoming a SCORE Volunteer, contact us at 757.455.9338. Visit our website at scorehr.org or email us at scorehr60@whro.net.