



Stats, and Data, and Numbers, Oh My!

All the facts and figures about Word of Mouth that you can eat

Ed Keller, CEO, The Keller Fay Group



Greg Wester, VP, In-Call Network, VoodooVox **voodooVOX**

Ann Green, SVP, Marketing Solutions, Millward Brown  MillwardBrown

Our Agenda

1

WHY WOM is important

2

WHO is creating and relying on WOM

3

WHERE WOM is happening

4

WHAT is being said

1

... Read **STORY LINE** Here ...

2

#

take this key number home

3

Find Detail Here

Note Use of Icons



Can Help Strategize or Design Next Campaign



Meaningful Differences by Industry



Meaningful Impact on Bottom Line

WHY

People Don't Trust Advertising . . .

76%

don't believe that companies tell the truth in advertisements

Yankelovich, 2005

...People Trust Others

68%

trust other people “like themselves”. Up from **22%** in 2003.

Source: Edelman Trust Barometer

“Person Like Yourself” Since 2003

TOP 4 BOX (6-9)	2003	2004	2005	2006
	%	%	%	%
US	22	51	56	68
Europe	33	51	53	56
Canada	NA	NA	55	59

* Europe = UK, France, Germany

That Trust Extends to Product Advice

92%

cite WOM as best source for product ideas.
Up from **67%** in '77.

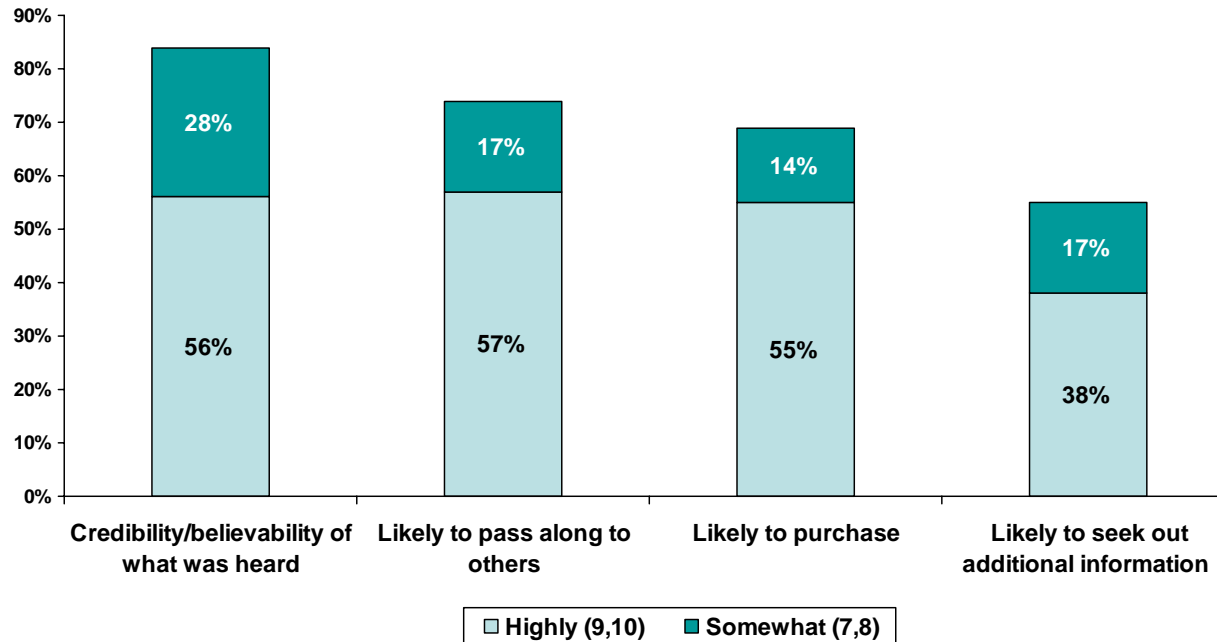
Source: GfK NOP/Roper

That Advice Makes a BIG Difference . . .

84%

Find the advice at least somewhat credible.

Source: TalkTrack™, Keller Fay Group, 2006

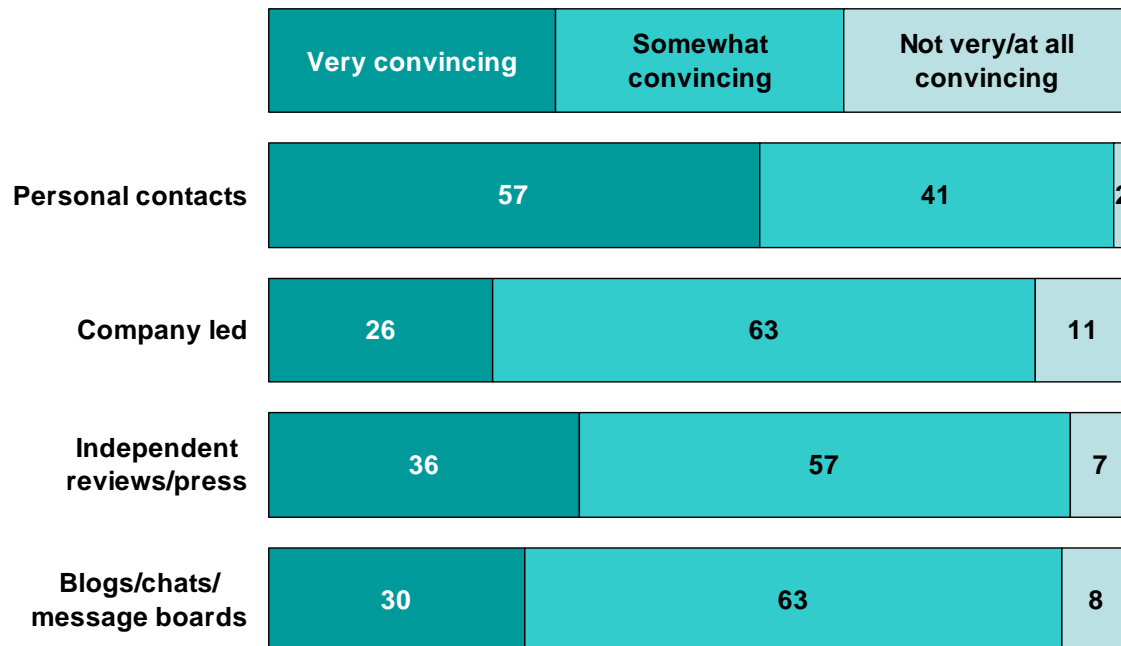


Personal Contacts Are Most Convincing . . .

2x

difference when comparing stated impact of contacts versus company led info

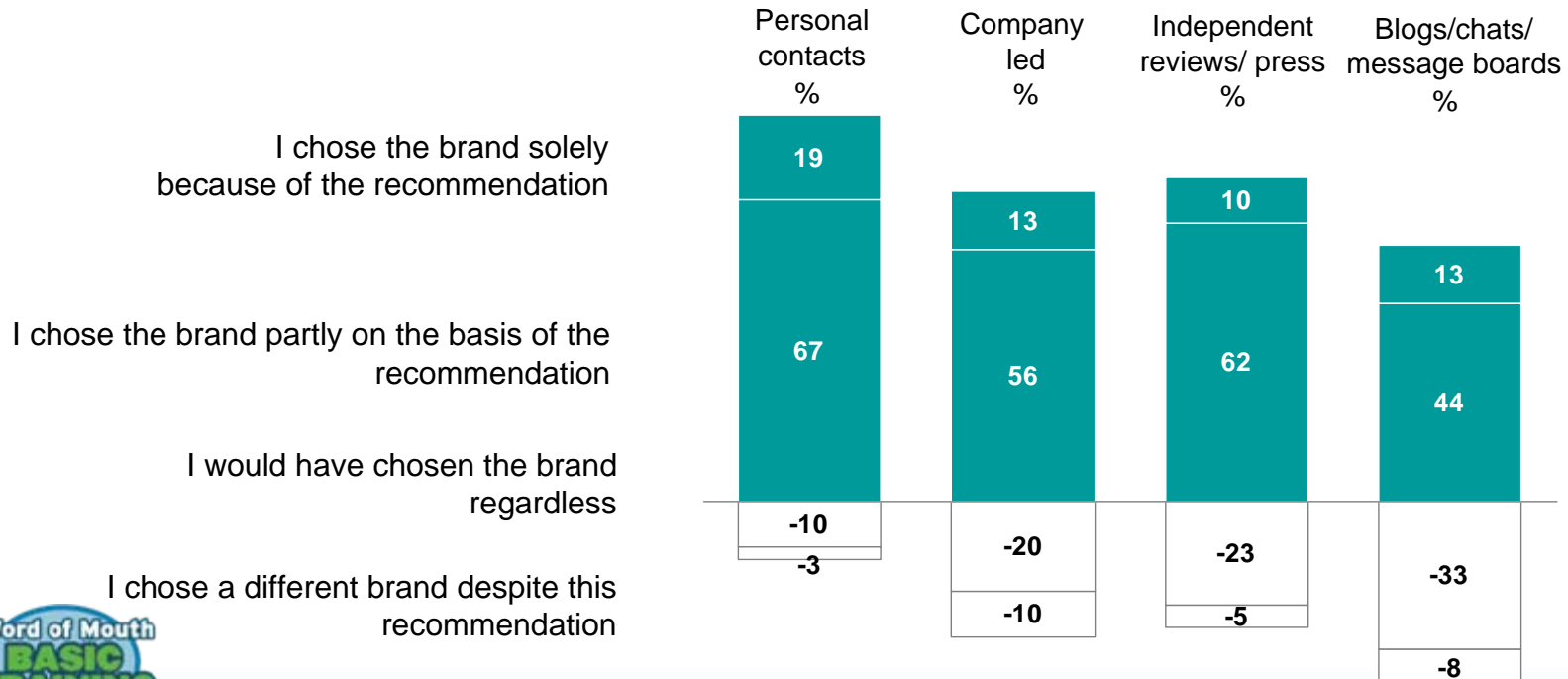
Source: Millward Brown, WOM Influence Study, 2005



Their Recommendations Impact CHOICE . . .

19% choose brand solely due to recommendation

Source: Millward Brown, WOM Influence Study, 2005

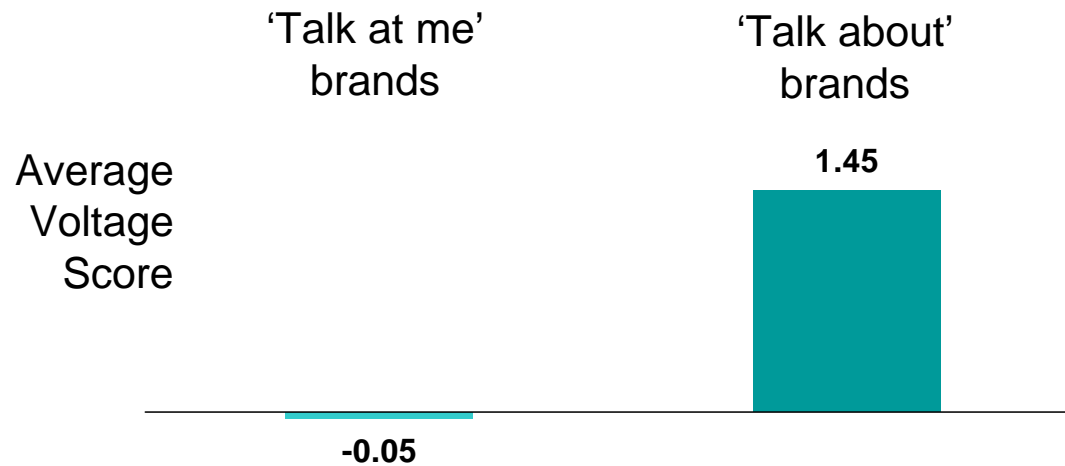




Their Talking About The Brand Impacts BRAND STRENGTH . . .

1.5x more likely to grow if brands are talked about

Source: **BRANDZ™**
THE WPP BRAND EQUITY STUDY

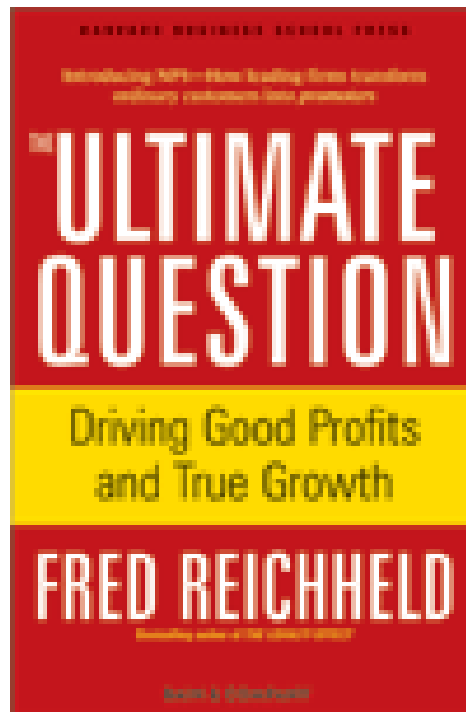




... as well as COMPANY GROWTH...

2x

increase in company rate of growth from a 12 point increase in advocacy

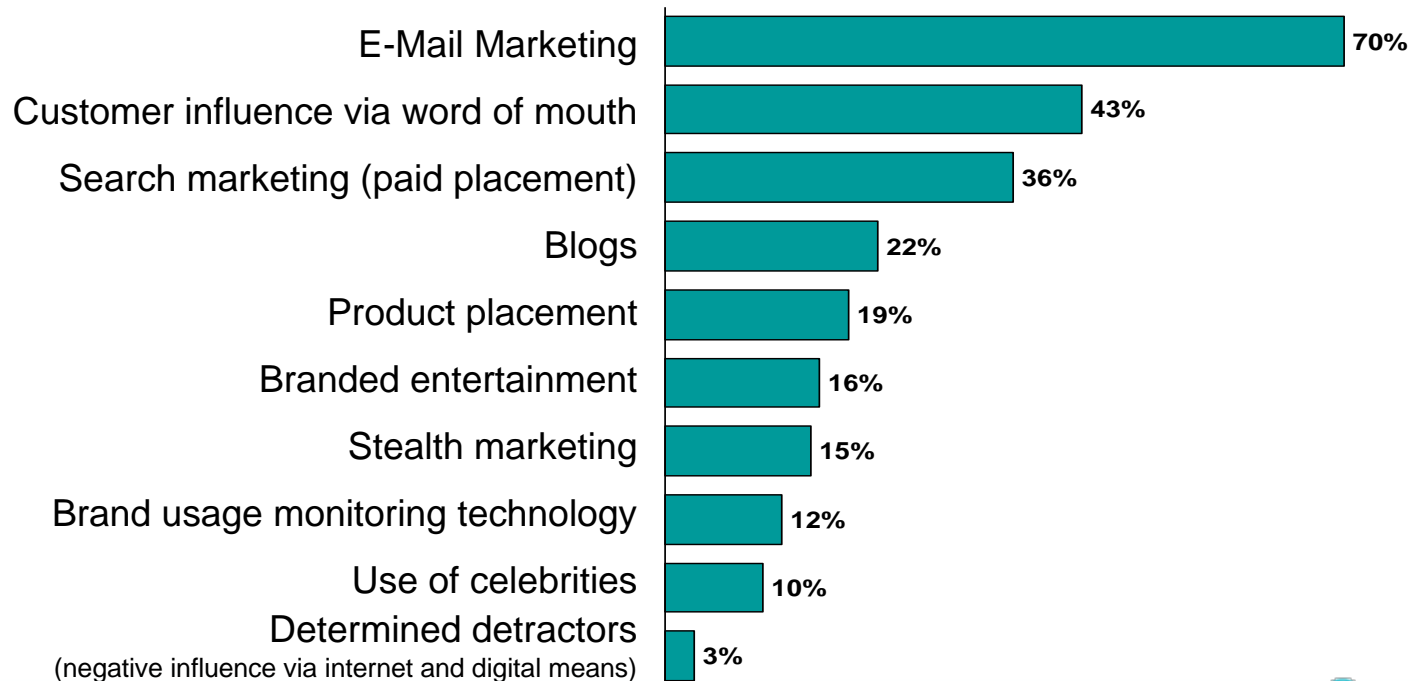


As A Result, Marketers Are Doing More Than Talking

43%

of US marketing execs plan to use WOM in next 6 months

Source: CMO Magazine, April 2005



WHO

Just About Everyone Is Talking . . .

76%

of all Americans talk about at least 1 brand a day (and average 10)

Source: TalkTrack™, Keller Fay Group, 2006

15%

of every conversation in America includes something about a product or service

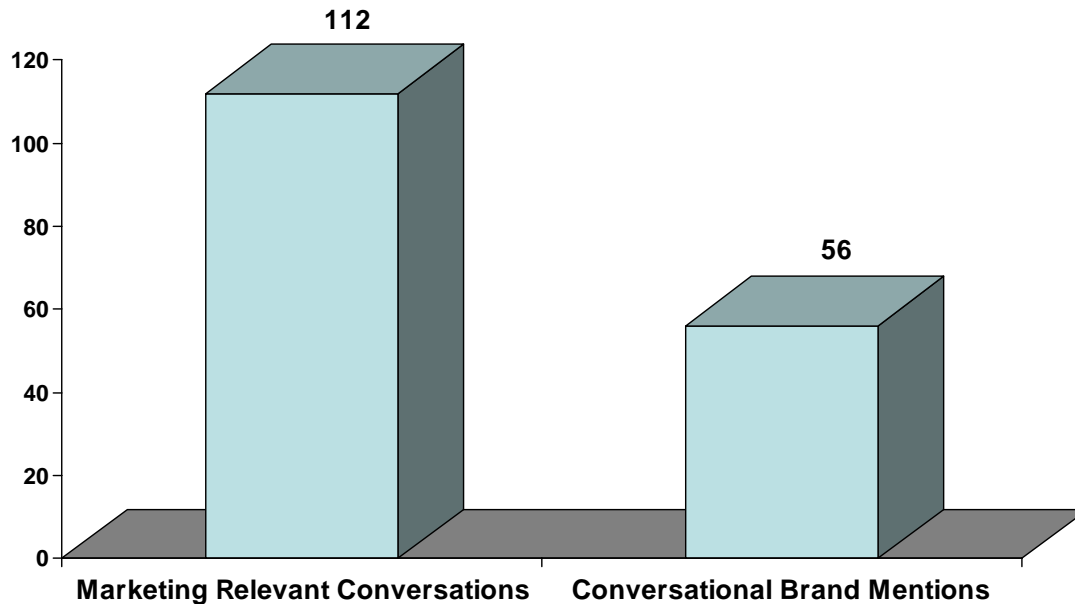
Source: Northeastern University

And They're Talking Frequently

112

marketing relevant conversations per week per person

Source: TalkTrack™, Keller Fay Group, 2006

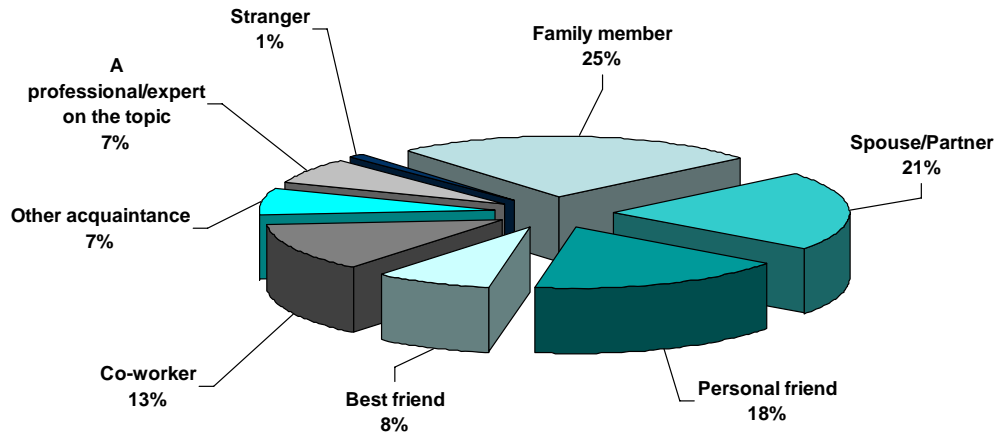


. . . Primarily With Friends, Family . . .

46%

of brand conversations take place between spouses or other family members

Source: TalkTrack™, Keller Fay Group, 2006





And, Peers

+35%

of teens & young adults are talking to their good friends

Source: TalkTrack™, Keller Fay Group, 2006

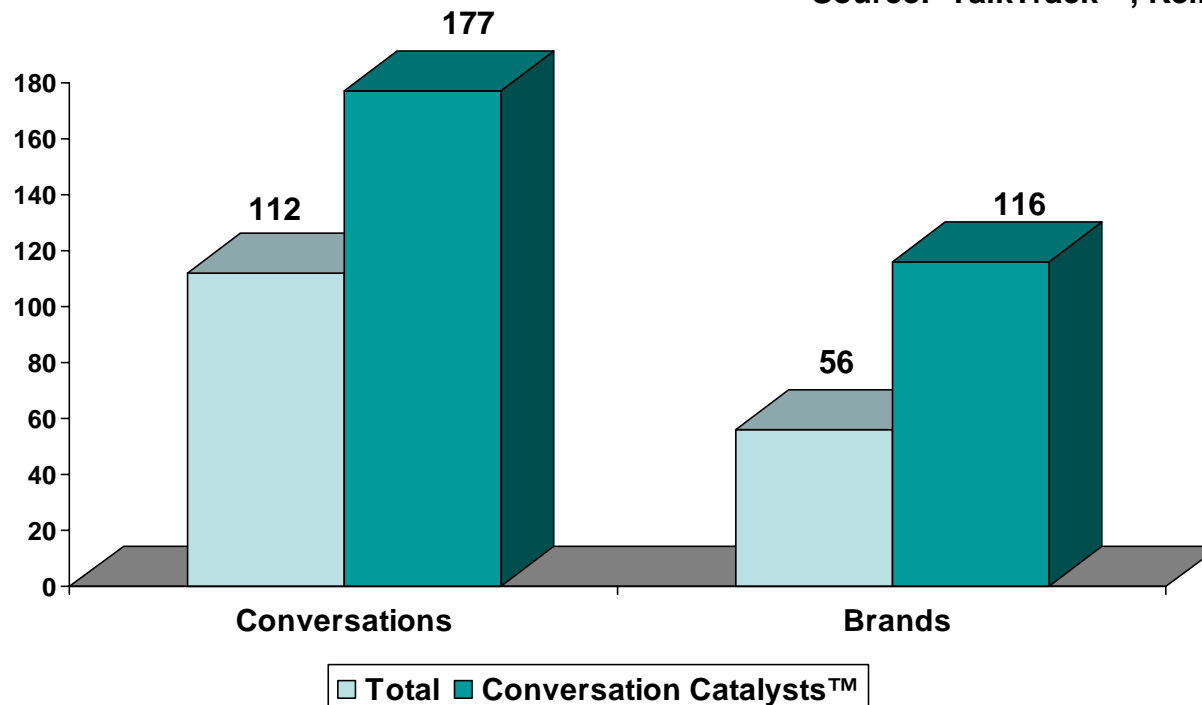
Who are the different age segments talking to about brands?					
Relationship to receiver	13 to 17	18 to 29	30 to 39	40 to 59	60+
Family Member	42%	19%	20%	28%	22%
Personal Friend	24	25	16	16	15
Best Friend	23	10	9	4	3
Other Acquaintance	7	7	11	5	8
Spouse	1	18	19	24	35
Co-Worker	1	17	14	15	4
Professional/ Expert	1	4	10	6	11
Stranger	1	-	1	2	2
Age of the person who is giving advice to the receiver	13 to 17	18 to 29	30 to 39	40 to 59	60+
Under 13	3%	1%	2%	1%	-
13 to 17	56	1	1	3	-
18 to 29	11	57	18	11	3
30 to 39	9	22	44	16	13
40 to 59	20	16	26	56	27
60+	1	2	4	10	49

But Some People Talk More Than Others . . .

2

times as many brand conversations per week come from Conversation Catalysts™

Source: TalkTrack™, Keller Fay Group, 2006



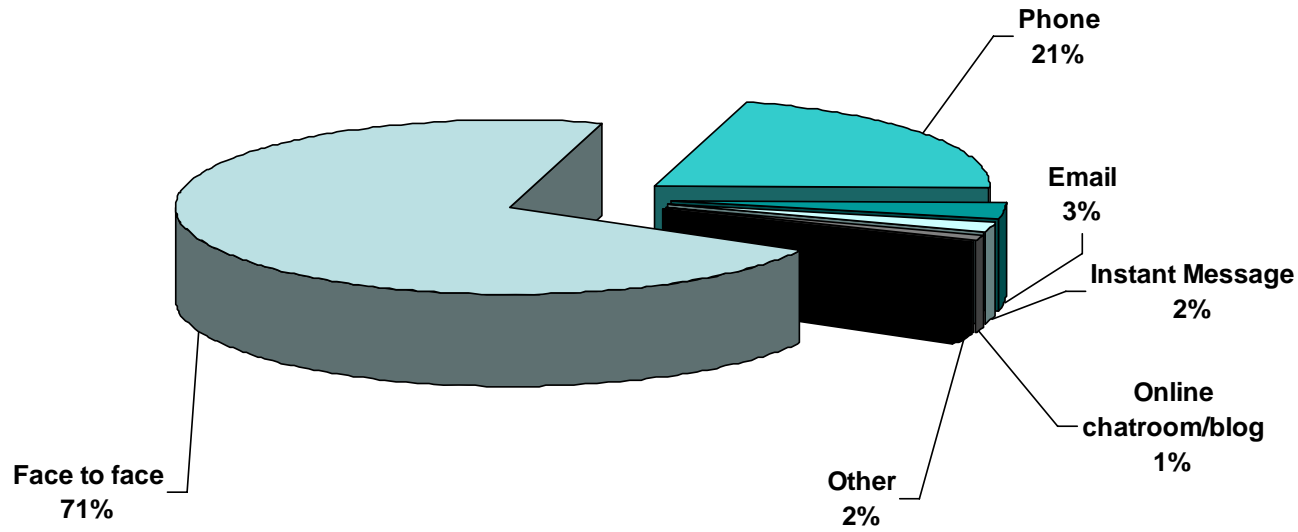
WHERE

The Majority Of WOM Conversations Are Occuring Offline . . .

71%

of WOM conversations are face-to-face

Source: TalkTrack™, Keller Fay Group, 2006



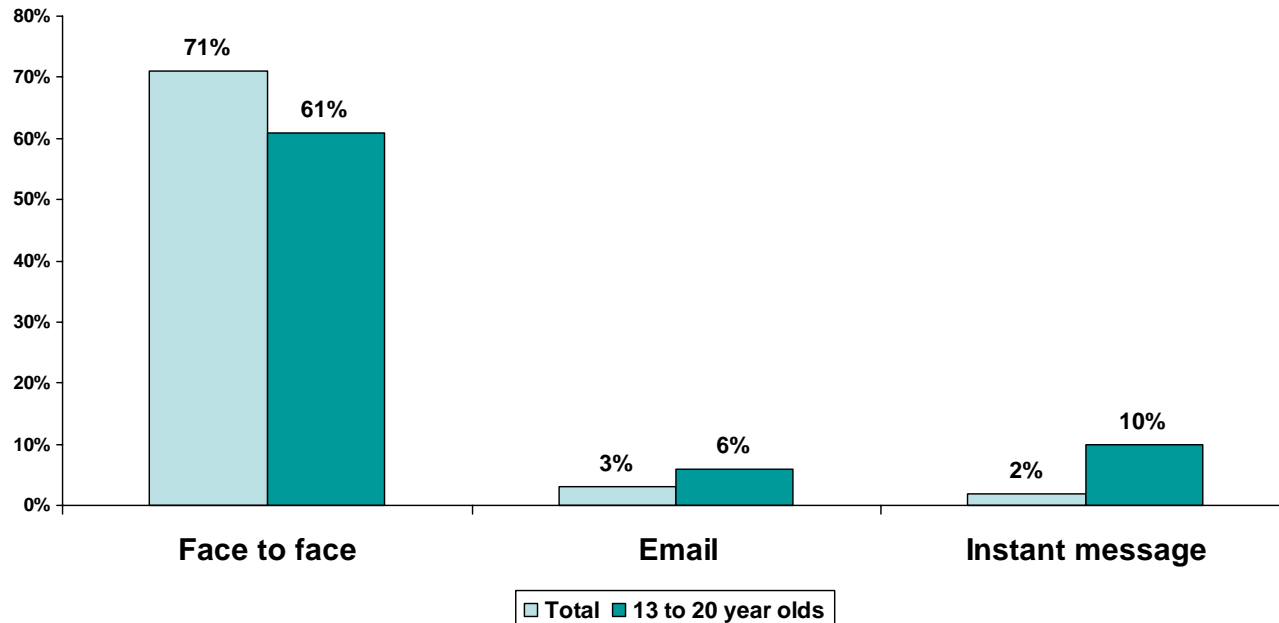


... But Youth Is More “Digital”

3x

greater share of youth conversations are digital

Source: TalkTrack™, Keller Fay Group, 2006



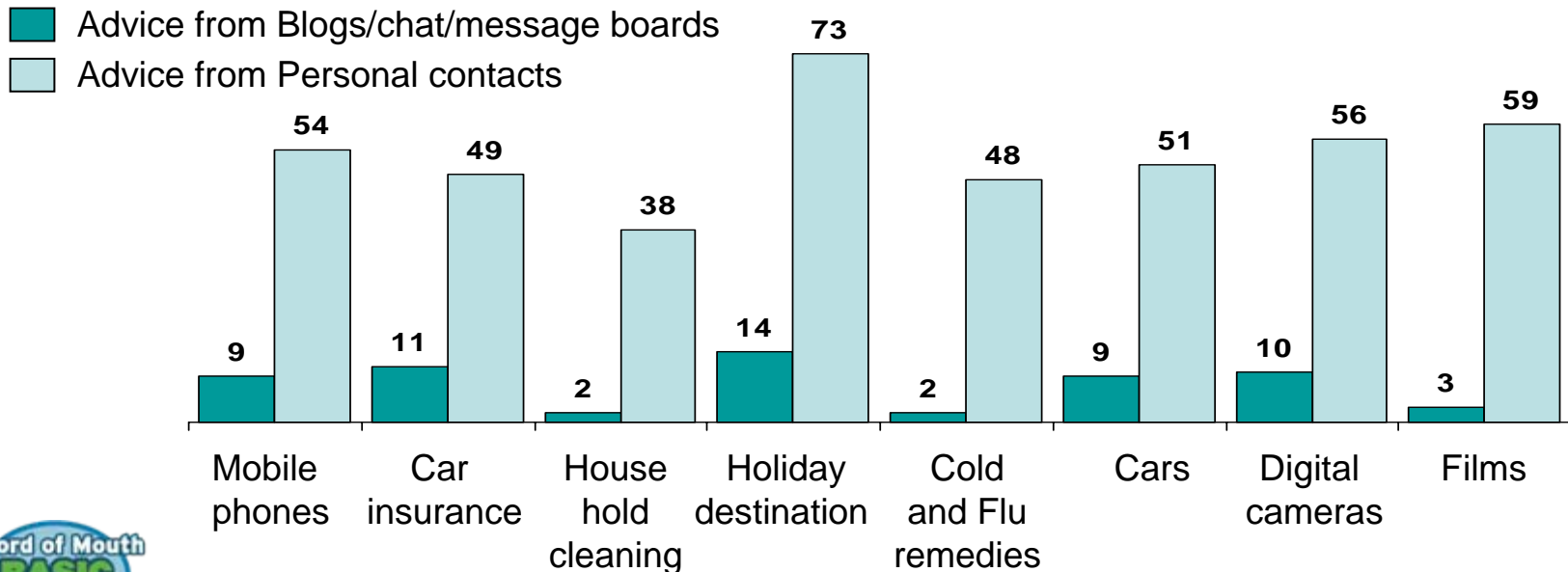


As Are Some Industry Categories

7x

difference in online popularity across categories

Source: Millward Brown, WOM Influence Study, 2005



WHAT

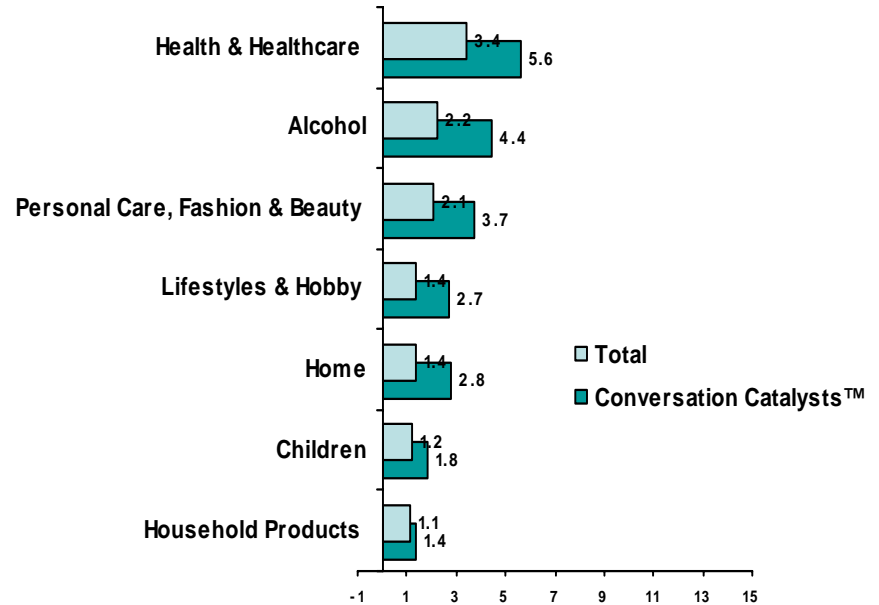
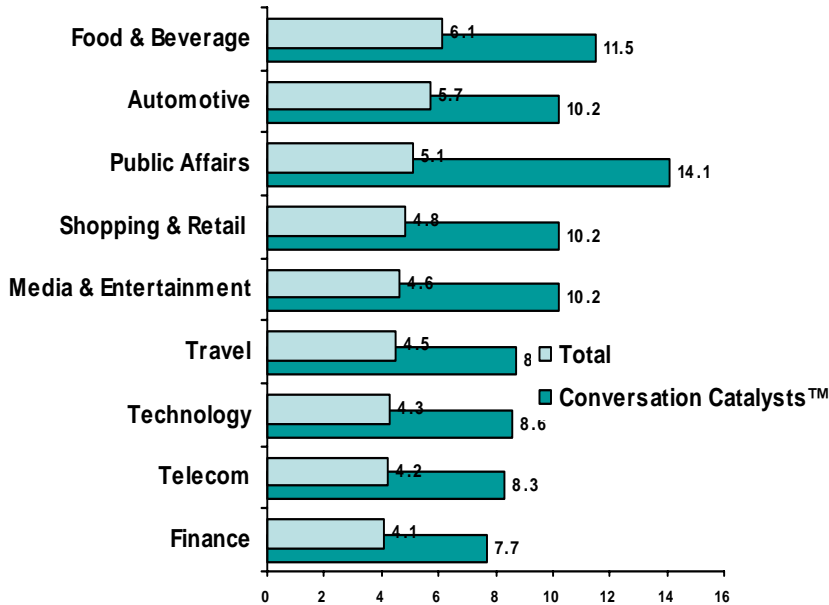


There's More WOM in Certain Categories

2/3_s

of brand mentions occur in the top 7 industry categories

Source: TalkTrack™, Keller Fay Group, 2006

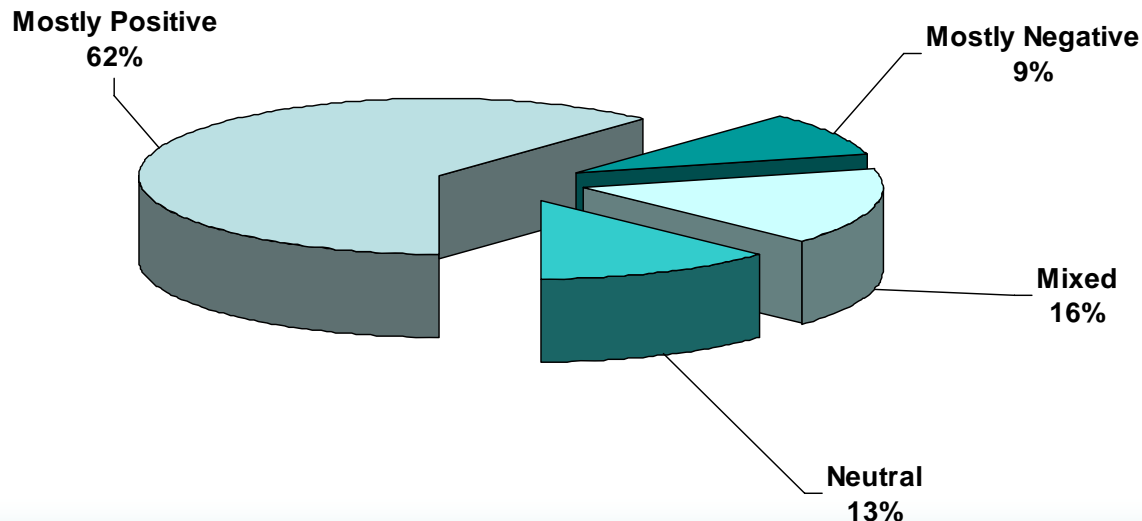


And, This Word Of Mouth Is Mostly Positive

6:1

is the ratio of positive to negative word of mouth

Source: TalkTrack™, Keller Fay Group, 2006



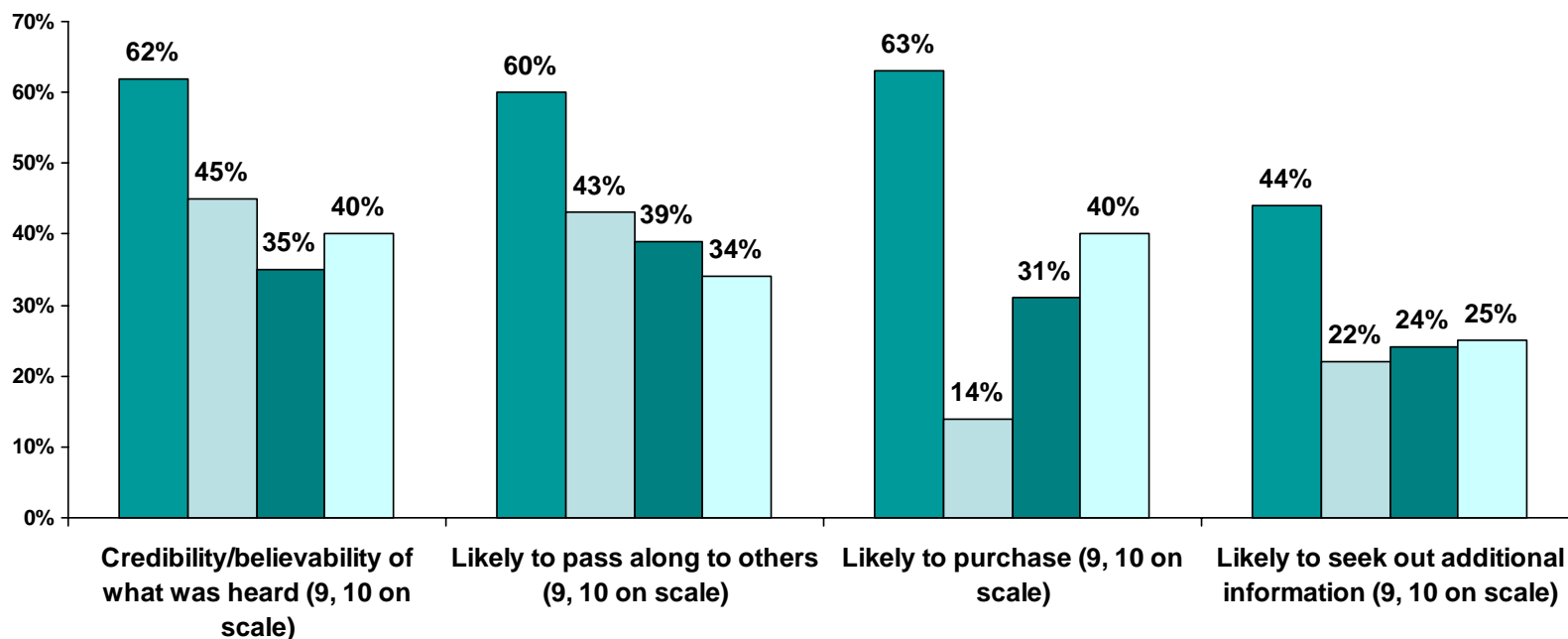


... And Positive WOM Has The Most Impact

26

point average difference in “key area impact” between positive and negative WOM

Source: TalkTrack™, Keller Fay Group, 2006

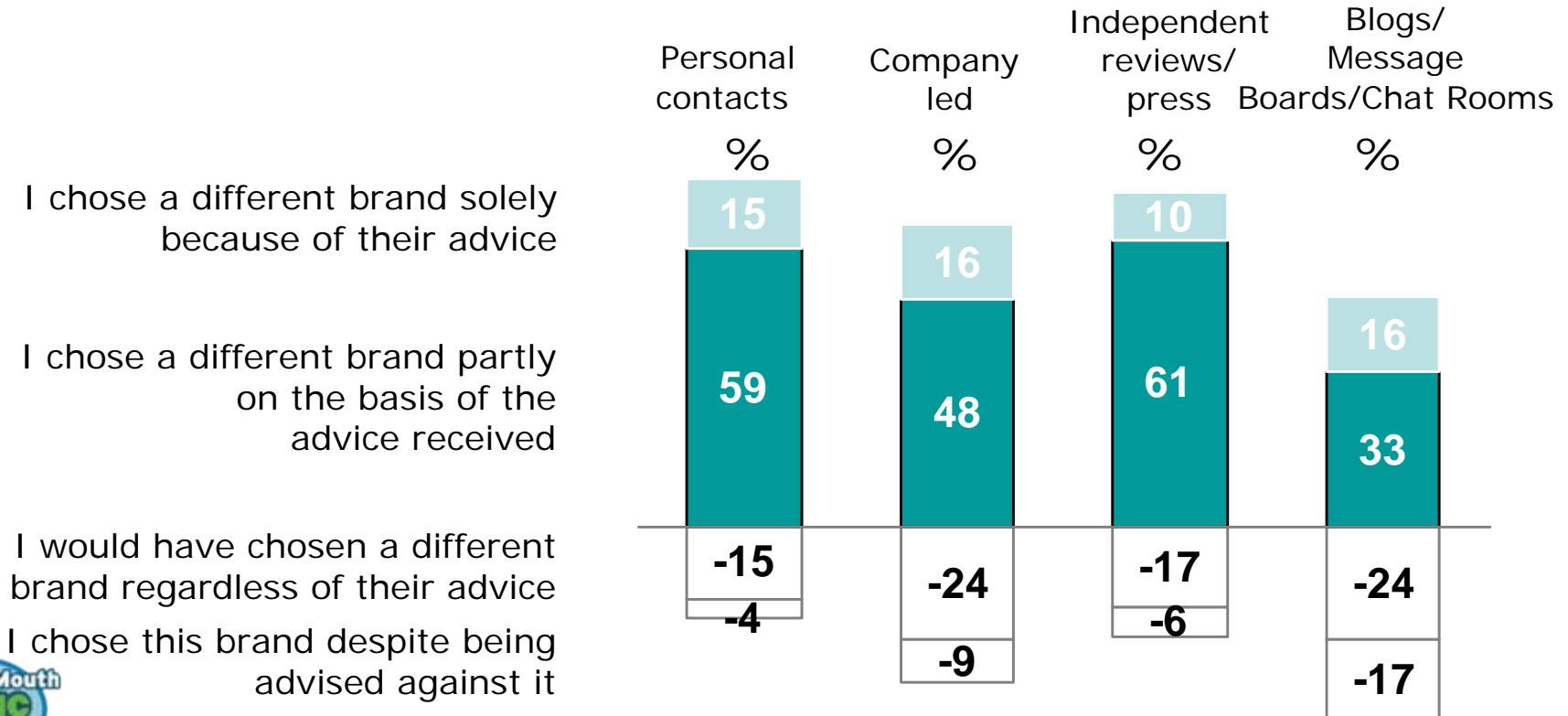


...But Don't Underestimate The Power Of Negative WOM!

74%

of those hearing a personal, negative recommendation were influenced to buy another brand

Source: Millward Brown, WOM Influence Study, 2005



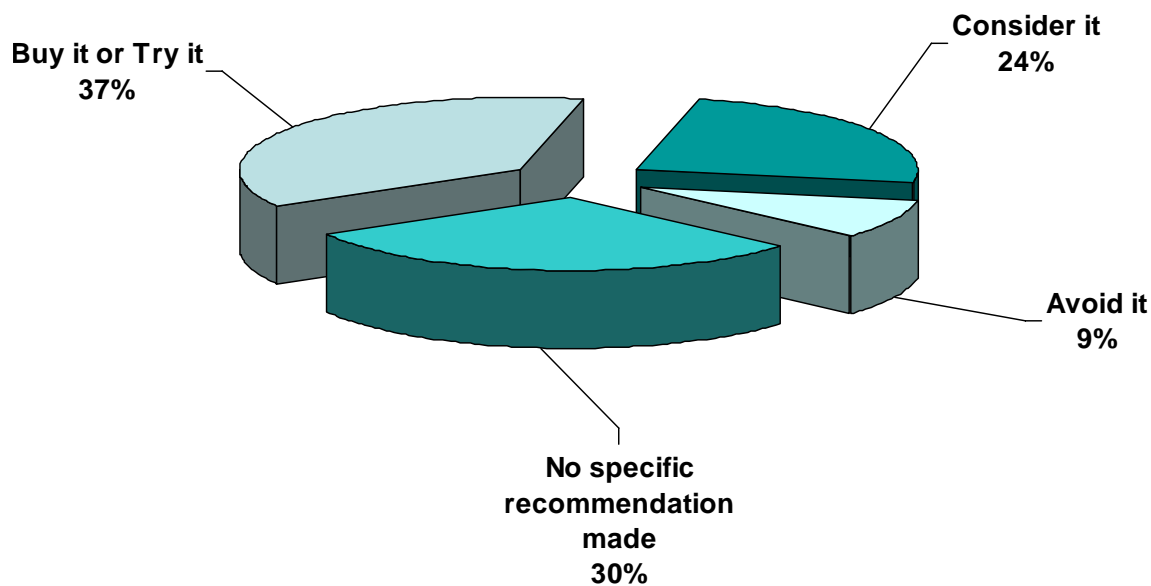


WOM Impacts Purchasing

61%

of conversations have an impact on the likelihood to buy a brand

Source: TalkTrack™, Keller Fay Group, 2006

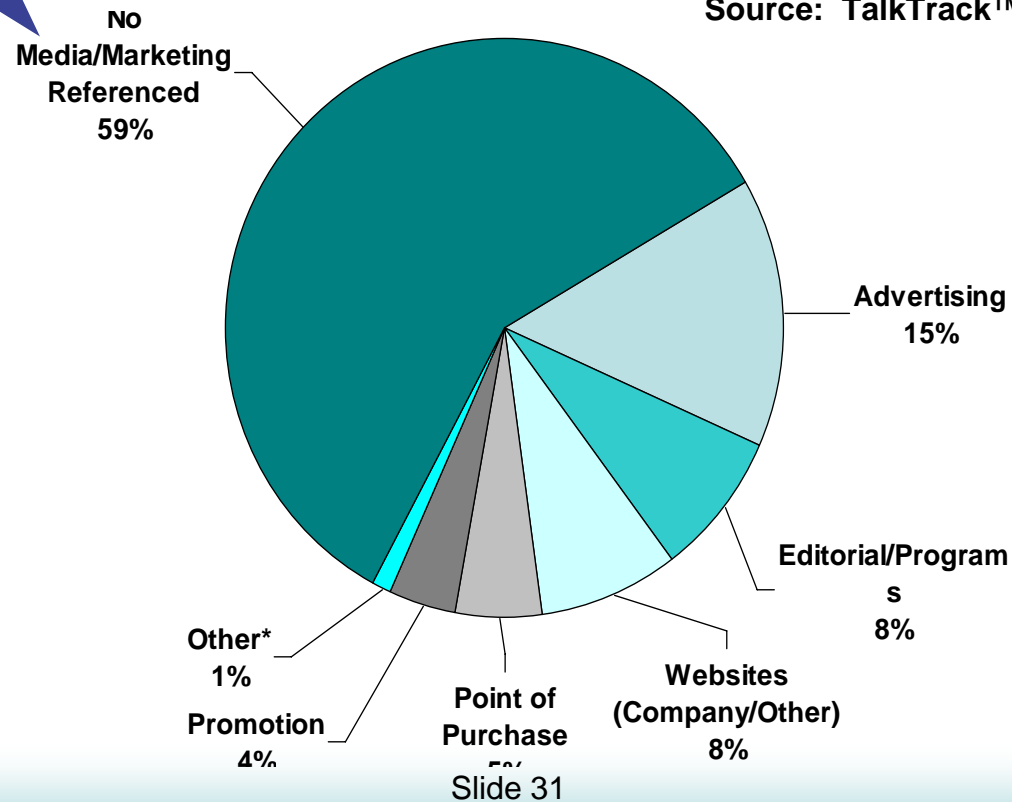


... And Can Be Stimulated By A Brand's Own Marketing And Media

40%

of brand conversations refer to brand marketing or media

Source: TalkTrack™, Keller Fay Group, 2006



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The Final Word

The Most Talked About Brands in America

(Brands with the most conversation mentions in TalkTrack™)

1. Ford
2. Verizon
3. Dell
4. Cingular
5. Wal-Mart
6. Chevrolet
7. Toyota
8. Coke
9. Honda
10. Apple/iPod



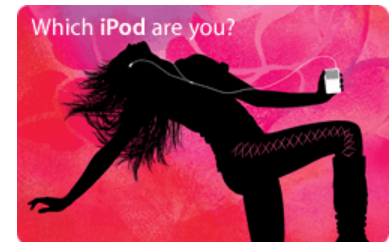
Every conversation is a marketing opportunity!

Source: TalkTrack™, Keller Fay Group, 2006

Word-of-Mouth “All-Stars”

(Brands with largest ‘net positive’ WOM mentions in TalkTrack™)

1. Toyota
2. Wal-Mart
3. Honda
4. Apple/iPod
5. Chevrolet
6. Target
7. Sony
8. Home Depot
9. BMW
10. Verizon



Source: TalkTrack™, Keller Fay Group, 2006

Thank You!

- Ann Green, Millward Brown
ann.green@us.millwardbrown.com
- Ed Keller, Keller Fay Group
ekeller@kellerfay.com
- Greg Wester, VoodooVox
greg@voodoovox.com