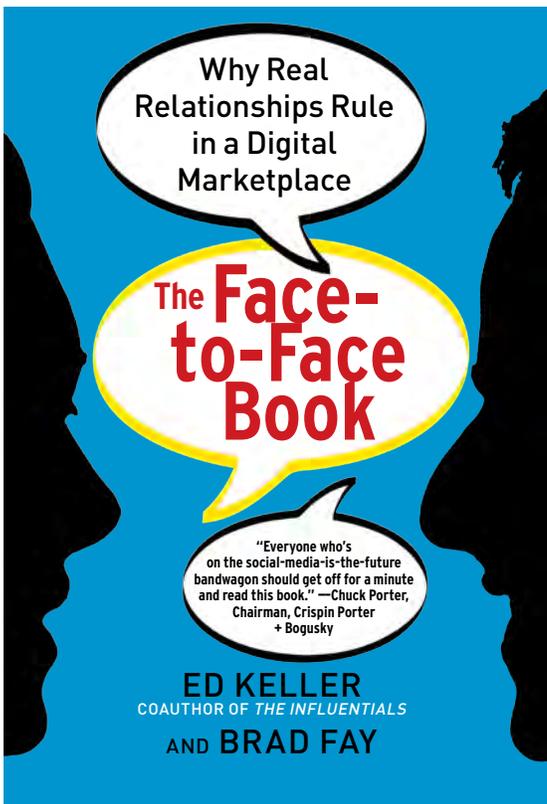




BOOK EXCERPT



The Face-to-Face Book

WHY REAL RELATIONSHIPS RULE
IN A DIGITAL MARKETPLACE

Ed Keller

Ed is the CEO of the Keller Fay Group. He is a past president of the Word of Mouth Marketing Association and of the Market Research Council, and is on the Board of Directors of Bazaarvoice. Ed speaks frequently about word of mouth marketing and lectures at leading business schools like Wharton, Columbia, NYU, and Yale. He blogs regularly for MediaBizBloggers.com and ShelleyPalmer.com, and is quoted frequently in the business press.

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Learn more about their book:

www.kellerfay.com/facetofacebook

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Why Real
Relationships Rule
in a Digital
Marketplace

The **Face-
to-Face
Book**

"Everyone who's
on the social-media-is-the-future
bandwagon should get off for a minute
and read this book." —Chuck Porter,
Chairman, Crispin Porter
+ Bogusky

ED KELLER
COAUTHOR OF *THE INFLUENTIALS*
AND **BRAD FAY**

Praise for *The Face-to-Face Book*

“A timely reminder from two of the most influential minds in business that creating real relationships requires more than counting likes and shares. For brands that want to avoid chasing the latest social media trend and harness the power of a face-to-face relationship, this book will give you the inspiration and tools to do it!”

—Rohit Bhargava, SVP of Social@Ogilvy and author of *Likeonomics*

“Ed Keller and Brad Fay are at the very front edge of the industry conversation about how to get consumers talking, and they are creating new wisdom on the subject every day. *The Face-to-Face Book* is a must-read for anyone looking for inspiration to drive buzz in new ways, as we have been doing at NBCUniversal.”

—Tony Cardinale, EVP Brand Planning and Strategic Insights
at NBCUniversal

“*The Face-to-Face Book* presents cutting-edge thinking in a great book. With the explosion of digital marketing and the increasing hype of social media we tend to forget that a table and several chairs is still a favorite way for word of mouth to spread. If you want to understand the true impact of your marketing, pick up this book. You are in for a great ride!”

—Ekaterina Walter, social media strategist, Intel

“*The Face-to-Face Book* is incredibly useful for anyone in marketing. Keller and Fay’s research covers the broadest spectrum of brand-relevant conversations, which then lays the groundwork for communication strategies that are ‘social by design’ instead of simply social as a channel. At SMG we have found that more meaningful conversations about brands will lead to the more meaningful human experiences that truly drive long-term marketplace success.”

—Kate Sirkin, EVP, Global Research, Starcom MediaVest Group

“Charles Handy once said, ‘measuring more is easy, measuring better is hard’—that’s what this book is about. Keller and Fay have cracked the code on providing a complete assessment of the origins and impact of word of mouth, its multiplier effect, and the ultimate in earned media.”

—Artie Bulgrin, SVP Research and Analytics, ESPN, Inc.

*f***P**

The Face-to-Face Book

**WHY REAL RELATIONSHIPS RULE
IN A DIGITAL MARKETPLACE**

Ed Keller *and* Brad Fay

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To Bud Roper, for bringing us
together and starting us talking about word of mouth
before it was in vogue.

And to Jay Wilson,
for helping us to keep the conversation going.

Contents

<i>Introduction: The Social Media Gold Rush</i>	xi
1: The Science of Social	1
2: Conversation Starters: What Makes a Brand Talkworthy?	27
3: Influencers: The People at the Center of the Conversation	52
4: Word of Mouth Meets Madison Avenue	80
5: Rethinking Media: Planning for Word of Mouth	107
6: All Things in Moderation: Where Social Media Fits	139
7: Word of Mouth as a Channel	164
8: Negative Word of Mouth: A Cause for Alarm or a Customer's Greatest Gift?	186
9: Imagining a New Social Marketing	212
<i>Acknowledgments</i>	245
<i>Notes</i>	249
<i>Index</i>	273

Introduction

THE SOCIAL MEDIA GOLD RUSH

When the history of the early twenty-first century is written, will textbooks observe that Internet users spent billions of dollars on “virtual” animated online farm creatures during the worst economic slump since the Great Depression?

Much of history has been built on a series of gold rushes, not only for precious metals, but also for stocks, real estate, even tulips during the Dutch “tulip mania” of 1637. Could social media be the next big bubble? Is the rush to do business with Facebook, Twitter, and Zynga—the creators of the online farm game FarmVille—overheated?

During the American Gold Rush of 1848–1853, more than a quarter-million people flocked to California to exploit the new state’s golden bounty. That migration built proud cities like San Francisco and Sacramento and helped to fuel the great westward expansion of a young nation, with enormously important consequences for America. In today’s dollars, tens of billions’ worth of gold were discovered. But the vast majority of those Forty-niners, as they were called, became no richer for their journey and hard work.

We believe that social media today represents the latest gold rush, with too many businesses and marketers in search of Facebook and

Twitter gold dust that they hope will rub off on them, chasing an immense social wave that is not yet fully understood. Missed in the frenzy is a far bigger opportunity with much greater impact to connect with people—consumers, voters, supporters—in important new ways. While the growth of social networking sites is impressive, the largest social gold mine is literally right beneath our noses: in the word-of-mouth conversations that happen in our kitchens and living rooms, in our churches and synagogues, next to the office water cooler, on the sidelines of youth soccer and baseball games, powered by the intimacy of face-to-face communications.

More than 90 percent of the conversations about products, services, and brands that take place every day in America happen offline, according to research that will be revealed in the chapters of this book.¹ This adds up to billions of brand-related conversations and recommendations each and every week in America that take place face-to-face, or in real life (IRL), as it is known in Internet circles. Only a small percentage takes place online, whether through the multitude of social networking sites that we think of as social media, or through other online channels such as texting or email. Social media is big and growing, but it is still dwarfed by the analog world in which people live and interact.

That's why this is *The Face-to-Face Book*. It is the story of how the decisions we make are based on true interpersonal influence: social influence, which happens most often, and most powerfully, face-to-face.

Make no mistake: there is a hugely important social wave rolling

1. Throughout this book, statistics from the Keller Fay Group's TalkTrack® research service are quoted. This research program began in 2006 and involves continuous tracking of the word-of-mouth conversations of the American people, including those that take place offline as well as online. Unless otherwise mentioned, those statistics will be based on survey data collected during the twelve months ending June 2011, during which time more than 37,000 interviews were conducted online among a nationally representative sample of Americans age 13 to 69. For more information about TalkTrack and its methodology, see the notes.

across the world of business today, based on the very belated insight that we humans are fundamentally social beings, for whom social influence determines nearly every decision we make. It's an insight that was first observed and discussed decades ago, in the 1950s and 1960s. But with the rise of the golden age of television, it was largely ignored in favor of the glitz of that era's revolutionary new medium. The opportunity was there, though almost entirely missed by the world's marketers and entrepreneurs, until Mark Zuckerberg, the founder of Facebook, proved to everyone that there's gold in them thar hills. Yet too many people are attempting to mine only one vein of social opportunity, following the path blazed most successfully by Zuckerberg. It's as if those gold-seeking Forty-niners were crowding together in pursuit of gold only at the original site of Sutter's Mill in Coloma, California, where James W. Marshall found those first nuggets of gold in 1848.

The opportunities of the Gold Rush were not limited to the Sutter's Mill property, but spread across much of the Sierra Nevada mountain range. And the opportunity, ultimately, was not just to find gold. California turned out to be a place of many other bounties—agriculture, trade and commerce, tourism, and invention—all of which were helped by the explosion of population and discovery induced by the gold rush. It was that same spirit of invention and discovery that brought Zuckerberg to the Golden State from the ivory towers of Cambridge, Massachusetts, in the famous early days of Facebook.

This is neither a book against Facebook nor against social media in general. In certain respects, Mark Zuckerberg is the James W. Marshall of today's social wave. The man and his company tapped into a mother lode that was there all along but ignored by many. He proved the power of social connections to the world. As of this writing, Facebook is approaching one billion users, one in seven of the world's population, and the largest audience for a single media platform in the history of humanity. It is an awesome achievement, but the successes of Facebook—and its social media kin—are the *result* of a tremendous social opportunity, and not its cause or source. People flock to Face-

book because it meets a social need that was previously underserved online. But people's desire to be social manifests itself in many other places as well, creating multiple opportunities for businesses that wish to participate.

We believe in a marketplace that is highly social, but not because of particular platforms or technologies. The most successful businesses in the future will be the ones that embrace a model that puts people—rather than technology—at the center of products, campaigns, and market strategies. They will recognize that people have a far greater impact on each other than we previously realized, and that consumers are not just a collection of individuals. It's an insight that applies as well to politics, which is increasingly impacted by socially driven movements such as the Tea Party, the "Occupy" protests, and peer-to-peer movements that are reshaping politics across the Middle East. New communications opportunities are being revealed by a rapidly growing "science of social" that is gathering momentum. Those who achieve the greatest success will recognize that there are many ways to tap into the power of today's social consumer. Social media sites are just one way, and still a relatively limited one at that.

In the chapters of this book we will share with you our perspective on how you can think holistically about social influence in business, marketing, and politics. We rely heavily on insights from research about social influence by our firm, the Keller Fay Group, and others. So there is a solid, research-based foundation for everything we describe. But while the foundation is built on research, this is not a book that is dominated by numbers. We have interviewed top executives of companies that are going about things in smart, new ways—ways that are consistent with the facts and not just the hype—and we have endeavored to let their stories take the lead role, with the data in a largely supporting role. These companies include Audi, Best Buy, Dell, Domino's, General Mills, Kimberly-Clark, Kraft, MillerCoors, Procter & Gamble, Toyota, and Zappos, among others.

But social marketing is not only the domain of large companies, so we feature the stories of some small companies that are thinking

creatively about how best to create social businesses offline and online. And outside of business altogether, we look at how recent presidential campaigns have tapped into social marketing strategies. We hope we have been able to strike the right balance for those readers who understand things best through stories, and those who take comfort in the facts that come from research.

As we describe the history, present, and future of social marketing, you'll learn what motivates people to talk about brands and companies and about the influencers who are at the center of the conversation. We write about the important role of advertising and other forms of traditional marketing in sparking conversations, and how media can be planned more effectively to maximize consumer advocacy and word of mouth. We also recommend how to use social media in smart and meaningful ways, and give examples where brands have taken the bait and have been misled. We will share examples of how word of mouth can be not only a goal and a strategy that drives business forward, but also how it can be used as a primary channel unto itself. And we look at the mix of positive and negative word of mouth with some facts that will surprise you and help you to realize the good that can come from negative word of mouth when it's properly managed. We conclude with a discussion of companies that have changed the way their organizations operate to deal successfully with the social era in which they operate today, and that will continue to define the marketplace in the decades ahead.

There are many pathways to tap the power of people's social connections and their desire to share and learn from each other. Some businesses recognize this and are responding appropriately. We applaud and celebrate them. But those marketers who are mining only one vein—namely, social networking tools and technologies—are not seeing the full scope of an enormous social opportunity. And if history and research prove true, they will ultimately lose business because of it. The great social wave is an opportunity that no business can afford to ignore or look at myopically. It's happening all around us, mostly in the real world, face-to-face.

Praise for
***THE FACE-TO-
FACE BOOK***

"Ed Keller and Brad Fay have tapped into the secret of becoming a must-have brand: It's the word you spread in the real, rather than virtual, world that matters."

—**Jean Chatzky, financial editor of NBC's Today show and bestselling author of *Make Money, Not Excuses***

"See why despite the hype, social media is not always so shiny and definitely not so new. *The Face-to-Face Book* is the real word-of-mouth book."

—**Jon Bond, CEO of Big Fuel and cofounder of Kirshenbaum Bond + Partners**

"Word-of-mouth is a topic all businesses should understand, and no one has better data on consumers' face-to-face conversations than Ed Keller and Brad Fay. Before you jump on the social media bandwagon, be sure to read this book." —**Jonah Berger, Marketing Professor, The Wharton School**

"This book is approachable and immediately applicable for the marketer who wants to understand the new consumer landscape. Keller and Fay shine a well-documented light on a new marketing model that reimagines social media and word-of-mouth at the center of a marketing mix. The book is filled with examples that inspire and demonstrate the link to business results."

—**Mark Addicks, SVP / Chief Marketing Officer, General Mills**

"In a world being reshaped by technology, customers crave a sense of humanity—companies that exude a sense of values, brands that engage emotionally. In this important and timely book, Ed Keller and Brad Fay remind marketers, executives, and innovators of all kinds that the best way to get people talking about what you offer is to offer them something worth talking about. Yes, the Internet is changing everything. But if you want to make your organization more memorable, make it more human." —**William C. Taylor, cofounder of Fast Company and author of *Practically Radical***

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