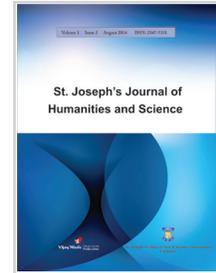




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Viral Marketing – An Overview

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Abstract

What is viral marketing and why is it important for marketers today to understand and utilize? This paper addresses how marketing has become viral due to technological advances and growth of social media sites on the Internet. As the use of the Internet expands exponentially, viral marketing has begun to replace what was traditionally referred to as word-of-mouth advertising. Specifically, this paper summarizes the brief history of viral marketing, examines a few successful and unsuccessful viral marketing cases and reflects on the advantages and disadvantages of this form of advertising. Furthermore, the ethical considerations that accompany viral marketing tactics are addressed as well as the implications for marketers who create viral marketing campaigns in the future.

Keywords: Viral Marketing, Word of Mouth Communication, Internet based Word of Mouth Communication.

Introduction

Marketers have been using electronic tools for many years, but the Internet and other new technologies created a flood of interesting and innovative ways to provide and enhance customer value. Not only did this challenge the fundamental basics of traditional marketing, but it also helped to shape the practice of modern marketing. Viral marketing is an advertisement that is in some way tied to an e-mail. It can be attached to the e-mail or placed in the body of the e-mail.

“Viral Marketing” is a technique whereby information related to products, services or companies are “seeded” strategically. Viral marketing is a form of advocacy or word-of-mouth endorsement marketing. One customer passes along the message to other potential buyers. The name “viral” is derived from the image of a person being infected with the marketing message, then spreading it to friends like a virus. The major difference, however, is that the customer voluntarily sends the message to others. It does not occur automatically; the paper first reveals the origins of viral marketing, followed by the

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six principles that create an effective viral marketing campaign. Next, the paper consists of the examples of companies that have succeeded and some that have failed in implementing viral marketing campaigns and expands upon the characteristics that are common in successful campaigns. At the end, the paper concludes with the future trends and lifeline of viral marketing.

The Origin of Viral Marketing

Initially, the term viral marketing was developed by Juvetson and Draper (1997) which used to describe free e-mail service that was provided by Hotmail. Welker (2002), saw an analogy between viral marketing and living biological virus. Knight (1999) suggests that viral marketing is similar to “digitalized sneeze”, one characterized by the release of “millions of tiny particles that can infect others who come into contact with them”. Wilson (2000) defines it as “any strategy that encourages individuals to pass on marketing message to others, creating the potential for exponential growth in message’s exposure and influence. Like viruses, such strategies take advantage of rapid multiplication to explode the message to thousands, to millions”. Viral marketing has become an increasingly popular promotional tool (Kirsner 2005). The research of Ferguson (2008) indicates that through the “proliferation of broadband access and its attendant social networks, video-sharing sites and blogs, word-of-mouth now spreads at the speed of thought”.

Shukla (2010) claims that the term viral marketing is coined by the Harvard Business School professor Rayport (1996). Among the first to write about the technique of viral marketing is media critic Douglas Rushkoff in his 1994 book *Media Virus: Hidden Agenda in Popular Culture*. Rushkoff (1994) creates the term and concept of media virus or viral media and describes that media like viruses is mobile, easily duplicated and spread as non-threatening. As to the technique of viral media, a message or image is presented to a susceptible audience in a way that it will essentially affect the recipient like a virus and the infected person will pass the message to others effectively like a virus (Rushkoff, 1996)



Source: i-DoThink.com

Viral is further marketing popularized as network-enhanced word-of-mouth advertising by the venture capitalist Steve Jurvetson and Tim Draper (Jurvetson, 1997) who describe Hotmail’s e-mail practice of attaching its own advertisements with outgoing mail from its users (Palka, Pousttchi & Wiedemann, 2009; Rayport & Jaworski, 2004; Shukla, 2010; Swanepoel et al., 2009). Hotmail has become one of the first to exploit online viral marketing since its e-mail service was launched in the late 1990s, when every outgoing e-mail contained a short message at the bottom with a link for people to click and sign up. In 1996, Steve and Tim also took advantage of viral marketing as a new phenomenon to promote the adoption of Hotmail, a free web-based e-mail service provider, and viral marketing launched this e-mail system from zero to 12 million subscribers in only 18 months at very little cost (Shukla, 2010).

1. **Word of Mouth Communication** Cruz and Fill (2008) identify word of mouth as person to person communication among consumers concerning their personal experience with a product or firm.
2. **Internet – based word of mouth marketing.** The advent of the Internet has brought new opportunities for both marketers and consumers to spread or receive messages about a product or service and has provided the new platform for the traditional word of communication (Datta et al, 2005)

Viral Marketing Concept

Viral marketing is successful because there are so many customers who are willing to pass along just about any message, as long as it is valuable or beneficial. Most people, who receive valuable viral messages, pass

them on to other interested people. Word-of-mouth communication increases sales, brand awareness, and market coverage. Word-of-mouth marketing provides you with benefits that you cannot get from any other form of online advertising. Through viral e-mail marketing you get the best way to

- i. Reach the most targeted audience
- ii. Increase sales and improve online awareness by many folds
- iii. Cost-effectively build brand recognition and interest in your offerings

Key Principles of Viral Marketing

Marketers attempting a viral marketing campaign must measure the effort of the campaign by setting targets for it and taking solid baseline reports before starting it. Rasmusson (2000:18) stresses the importance of making sure that any viral marketing campaign is integrated with other marketing efforts. According to Wilson (2000:2), an effective viral marketing strategy comprises six characteristics, namely:

1. It gives away products or services for free.
2. It provides for effortless transfer to others.
3. It scales easily from small to very large.
4. It exploits common motivations and behaviours.
5. It uses existing communication networks.
6. It takes advantage of other resources to get the word out.

Promotional Techniques

Viral marketing is a simple but powerful tool for promoting your products and resources to a wide majority of the audience. For successfully promoting your resources through viral advertising it is possible to make use of the existing social networks and other available resources. Through the information provided on these social networks, you are able to sort out your advertising requirements. The other viral advertising campaign tools and procedures that can be used to construct an effective promotion strategy for your online business include the following:

- a) Building easily, transferable and simple promotion messages
- b) Presenting affiliate programs

- c) Designing free e-books
- d) Offering free services and products
- e) Providing video clippings and images
- f) Offering suitable rewards for the referrals
- g) Developing effective and interesting blogs
- h) Submitting interesting articles
- i) Granting access to online contests and games
- j) Offering free software downloads
- k) Providing newsletters and fora

Successful Viral Campaigns

1. Hotmail and Indian pang league are classic examples of adopting viral marketing strategy.
2. Monster.com and Naukri.com are also the beneficiaries of this form of marketing.
3. Amway, Hindustan Lever and Tupperware have also implemented such marketing concept.
4. Angry Birds Space Video campaign was one of the most viewed viral videos.
5. Vodafone Zoo Zoo ads which were series of 30 ads have also added to the success list of Viral Marketing. After launching the campaign, Vodafone's subscription rates increased.
6. P&G's "Thank You Mom" global campaign was released in April, 2012 to hype the Olympics. The ad went viral, amassing over 2 million viewers on YouTube shortly after its release. It was successful because of its sincerity, timeliness and universal appeal.
7. It's not just the hard core industries who are its beneficiaries but entertainment industry is also in the list. The song named Kolaveri Di & Gangnam Style is a perfect case of viral marketing, which had created a huge difference in the world of publicity.
8. Films like Jaane Tu Ya Jaane Na, Ra-One, 3 idiots, Zindagi Na Milegi Dobara and many more have added to their income with help of their viral campaigns.

Unsuccessful Viral Campaigns

SONY Company Entertainment in 2006 tried to increase the sale of their PSP video game system by hiring a marketing agency to start a fake blog called

alliwantforxmasisapsp.com. The blog staged two guys trying to convince their friends and family on getting them PSP for Christmas. However, viewers caught on to the scheme and Sony took a negative backlash from the press and public for trying to trick their consumers with a fake market haven. Viral campaign ended soon with Sony pulling the blog altogether and posting an apology to everyone. The reason for failure was that Sony had failed to realize that consumers are smart and can figure out if message is authentic or not.

General Motors decided to have a contest on promoting their new Tahoe truck by having internet user create their own digital commercials for them. Entrants of contest could choose from range of clips and sound tracks provided on webpage and write their own text to create their own advertisement. The idea was to have the users generate buzz by sharing their own creations on channels such as YouTube. The campaign was successful in this aspect, but it was not what GM had hoped for. The user-generated advertisements that received the most buzz and views were the ones that slandered the brand and its gas guzzling truck, with many of contents being "offensive and inflammatory".

In May 2009, in case of KFC, Oprah Winfrey offered her viewers a free coupon for KFC's new grilled chicken. The promotion was successful & Oprah's KFC coupons were fifth most popular searched items on Google. The demand was too overwhelming to handle due to insufficient inventory. Then KFC CEO apologized to customers and gave discounts on future purchases. Mc Donald's created "I'd hit it" campaign to target youth in US. They created a banner ad and put in ESPN.COM website in 2007. They incorporated youth slang in it to go viral. They didn't understand correct meaning and context of usage. The meaning of phrase was "I would love to have sex with her". They failed to attract customers miserably. Many companies like General Motors, Nokia, and Starbucks have also added to the list of viral flops making the list endless.

Conclusion

The future of viral marketing is bright. As a rather modern form of advertising, the opportunities that surround the use of viral marketing are boundless. What originally began as a simple tag line at the bottom of

e-mail messages developed into a worldwide marketing phenomenon utilized by all the top brands around the globe. Similar to various other marketing campaigns, viral marketing can be designed effectively as well as ineffectively. Therefore, six universal principles were established as a guide to create successful viral marketing campaigns. Viral marketing is a powerful way to reach the customers as a marketing strategy, and when applied correctly, can boost sales for the right product and speed up the transition from the stage of early adoption to widespread use. In spite of various memorable unsuccessful campaigns, the best part is that it doesn't require a product with a wow factor in order to raise awareness and generate buzz. Viral campaigns, whether ultimately liked or disliked, are often welcomed by the receivers and with a successful technique, merged with loyalty marketing efforts, marketers can identify proper scenario and build support with high end segment.

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