

# Word of mouth marketing guide.

A guide by SimplyBusiness.com

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One of the biggest misconceptions about word-of-mouth marketing the method of generating business thanks to customer recommendations and referrals - is that it just kind of *happens*.

Here's how most people think it works: You get to the point where you've been in business long enough that you get repeat customers, and those customers tell other folks about you, and then it goes on and on.

While that can be true for a lot of businesses, the point here is that word-ofmouth marketing doesn't have to come down to chance. Generating business from referrals and recommendations basically boils down to these two key concepts:

- 1. Get that first job
- 2. Do that job well and for a reasonable price

Let's break down why these two concepts matter. First, in order to take advantage of word-of-mouth marketing, you need to start putting in work. And not just any work - *good* work.



## Think about it this way:

In an ideal world, your customers wouldn't have to spend a second trying to find a good handyman, photographer, or whatever service you might provide. After all, they've got busy lives, with lots of stuff they need to take care of. When you take on their project and deliver great results, they're going to be thrilled. You've not only exceeded their expectations, but you've also saved them loads of future trouble.

For example, instead of spending time combing through websites to find a good general contractor, they already know that they can count on you since you did their first project well. This can lead to repeat business, but it also makes it much more likely that they'll recommend you to their friends, family, and social networks.

And that's where word-of-mouth marketing starts kicking in?



If you're already doing projects, great! You'll only really need a couple of tweaks to take advantage of word-of-mouth marketing. But if you're still struggling to find those first few projects, check out our free guide on how to start a small business. There are a few chapters in there devoted to finding customers and pricing out projects, so you can get the info you need to start generating those first few jobs.

#### Now comes the second part: Do that job, and do that job well.

This strategy is a pivotal part of word-of-mouth marketing because it only works if you're bringing your A-game to every interaction you have with a client. If a customer feels as though you weren't that impressive or you just met expectations, they're probably not going to recommend you to their family members and friends.

#### Why is that, you ask?

It's because your customers risk their own reputation by making recommendations to their friends, family members, and coworkers. By recommending you to someone else, your customer is essentially vouching for you. And if you don't bring your A-game, that person is going to judge your customer poorly for recommending you.



Here's an example to help highlight this crucial point: Let's say you hired a landscaping business to help excavate and redesign your garden. You're *amazed* at how well they did - and when your cousin asks you for a landscaping recommendation, you don't hesitate to give her their name.

Needless to say, you're shocked when your cousin calls a week later to ask what the heck you were thinking by recommending that landscaping company. It turns out that while the landscaper is really good at general excavation, he is absolutely dismal at removing trees. He's so bad, in fact, that he accidentally ripped up part of your cousin's yard.

#### Not your fault, right?

But we're all judged based on our recommendations, whether they're services we've used before or even our favorite restaurants. That's why your customers are so protective about making business referrals. As soon as they recommend you, they're inextricably linked with your business. And if you end up providing subpar services, they're the ones who will get judged more by the people who are important to them.

If you understand this critical concept around word-of-mouth marketing, you've done half the battle. You won't go into every customer interaction expecting that they'll refer your business, because now you truly understand and appreciate what you're actually asking of them.



## So now that you know how much customers put on the line when they recommend you, what's the best way you can actually build word-of-mouth about your business?



**Brand everything and anything**. This is pretty basic advice, but you'd be amazed at how many people forget to slap their business name on everything they own. It's not just missed advertising opportunities - it's really hurting their word-of-mouth marketing.

Not all word-of-mouth marketing will come from past customers who are recommending your services. Some will come from folks who happen to remember your company's name because they saw it on a hoodie at the grocery store or on your truck while you were driving by.

**Deliver a great product or service**. This is the absolute bare minimum mustdo for word-of-mouth marketing. You could promise all the discounts, bonuses, and extra incentives in the world, but if you're providing a subpar product or service to your customers, they're not going to recommend you to their social networks.



## So how can you tell if you're delivering the kind of product or service that's keeping your customers happy?

- Are customers coming back for more? If you have repeat customers, there's a strong chance you're providing them with a good experience. Take a look at your acquisition rates (new customers) vs. retention rates (repeat customers). If you find that you're really not getting a ton of repeat clients, look into why that may be. It could be the nature of your industry, but you should be really sure before you come to that conclusion.
- Are you getting good reviews? Even if you're not actively seeking out reviews from customers, you should still double-check to see what's out there. Do a quick Google search of your name to see what comes up. Are customers leaving reviews for you on Google, Facebook, and Yelp? If they are, check out what they're saying. If you're seeing negative reviews, resist the urge to respond back and just take note of what they're saying. All customer reviews - even negative ones - should be seen as an opportunity to learn.

If you're not getting any reviews, don't worry - we'll address how you can start building up online buzz in just a bit.

Are your prices reasonable? If your pricing is out of line with the rest of your area, you might find that customers are reluctant to recommend you to their family members and friends. We're not saying you need to lower your prices to the point where you're dirt-cheap, but there is value in making sure you're not wildly expensive. Do regular assessments of how much your competition is charging for similar services or products. If you find that you're priced way too high than everyone else, it may be worth coming down a bit to encourage those word-of-mouth recommendations.

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Are customers genuinely happy with you? Your gut intuition can tell you a lot about how a customer feels about your work. If he or she doesn't seem super pleased with your product or service, don't hesitate to ask what you can do better. You'd be surprised at how much influence that simple action can have in turning an unhappy customer into someone who's genuinely impressed with you.

Mastering word-of-mouth marketing often comes down to just focusing on delivering a great customer experience. Be sure to keep the customer in mind with any project you're doing, even if it's something super simple.



## Going the extra mile for your customers.

Maybe there's a client who lives outside of your scope of work, but you make the extra trip. Or maybe your client hired you to powerwash his patio deck, and you throw in some free staining to bring out his deck's natural luster. The point here is that going the extra mile in an unexpected way will absolutely wow your customers - and that translates into some serious word-of-mouth recommendations.

So why is going the extra mile so effective? Well, think about the last time you had an experience where a service delighted you. It doesn't have to be related to working with another business - maybe you randomly got free dessert at your favorite restaurant.

As a personal example, I recently hired a power washing company to come clean the back porch for the summer season. It was a quick \$100 job, so I wasn't expecting too much from the whole experience. But when he came to clean the deck, he asked me if he could finish the project with a beautiful cedar wood stain - for absolutely free.

I was floored; I wasn't expecting this guy to really give me such great service, especially because I didn't have a large project. But by adding the cedar stain as an extra touch, he took my customer experience from "not expecting much" to "wow, I am definitely recommending him to everyone in my neighborhood."



## Think about what you can offer your customers to make their experience just a little bit better. Whether it's throwing in a free treatment or providing a free follow-up session, find a small extra that adds up to big wordof-mouth benefits.



## Specialize in a niche.

If you're a small business owner just starting out, you may feel an overwhelming temptation to specialize in as much as humanly possible. Not to get too personal, but I felt the same way when I started my copywriting business. I took on any writing project that came along, even if I wasn't very good at it (looking at you, brochure writing).

But because I was trying to do *everything*, I didn't specialize in *anything* - and my clients certainly noticed. It wasn't until I narrowed my focus that I started to really wow my customers, which led to an increase in my referrals.

Unless you're one of those wunderkind businesses that can literally do everything and anything really well, try to focus on a few specialties so you can get *really* good at them. When you blow people out of the water with your work, they won't be able to resist passing on your name to the rest of their social networks.

If you're doing a good job and continually delighting your customers, you should start seeing more business coming in from word-of-mouth. But what else can you do to encourage your customers to share your name with their family and friends?



## Get online.

While word-of-mouth is still largely done by customers making recommendations to family members and friends, you shouldn't ignore the power of getting people to recommend you online. These days, most folks turn to Google, Facebook, and even Yelp to get as much information about your business as possible. That means if you're not already online, your customers will probably interpret that lack of reviews as a bad thing.

Before you can start asking customers to leave you reviews, you need to make sure your business is present on the most important sites. Here's a checklist to make sure you're set up for as much word-of-mouth potential as possible:

#### **Google Business**

This free business listing service ensures that your company's name, address, and other important info show up whenever people do a Google search for your company. This listing is pivotal for building online recommendations, as it makes it possible for customers to leave you reviews right on your listing. Those reviews then show up whenever a potential customer searches for your business.

#### Facebook Business

If your company isn't already on Facebook, then you need to make a page right away. Your Facebook Business page makes it possible for your customers to not only leave reviews for you, but also to directly ask you questions about your product or service. Keep in mind that you shouldn't just set-and-forget your Facebook page. As a business owner, it looks bad if you're not answering customer questions in a timely and polite manner.

#### Continued...





#### Yelp Business

Lots of customers turn to Yelp to leave company reviews, especially for service-focused businesses. If you're not on Yelp, you're missing out on the chance to give your customers another platform to review your services. Like with Facebook, make sure you're ready to keep up with any reviews your customers are leaving for you.

This goes without saying, but make sure your business has a <u>website</u> that you can feature on all of these pages. It seems pretty straightforward, but you'd be surprised at how many smaller businesses put off having a website for as long as possible.



## Set up a review process.

Don't be shy about asking your customers for reviews, especially if you know you've done a good job. Make it a seamless part of finishing out a project. For example, you can provide your customers with a business card with all the links to the sites where they can leave you reviews. You may even want to provide your customers with a small discount on a future project if they leave you an online review.

The caveat here is that you need to be prepared for all types of reviews both good and bad. A lot of business owners make the mistake of reacting angrily to negative reviews - and that can produce the wrong kind of wordof-mouth marketing. Leave a quick note of thanks on positive reviews; if a customer leaves a negative review, leave a comment asking what you can do to make their experience better. Even a negative comment can provide you with an opportunity to demonstrate how customer-focused you can be.

And that can really impress anyone who might be on the fence about hiring you!



## Don't rely on paid rewards.

A lot of companies think that offering paid incentives, like gift cards or discounts, is a good way to build up word-of-mouth marketing. It might work in the short term, but it's really not going to build you a sustainable word-of-mouth flow. Discounts can help you get more new customers, but it might not get those customers so excited that they tell everyone they know about you.

Besides, what happens when one of your competitors decides to offer even better monetary rewards than you? Your only response is to hope that your customers don't ditch you for those better rewards, or to offer even steeper rewards. But that's not sustainable because you're eventually going to price yourself out of business. You need to offer something else that's unique and exactly what your customers are looking for.

Bottom line: Only use monetary rewards if you're looking to attract new customers. Don't use it as part of your word-of-mouth marketing plan.



## Share your work online.

Not all word-of-mouth marketing will come from one person directly sharing your business name with someone they know. Sometimes you can build serious word-of-mouth just by sharing photos of your best projects online. Post pics (with permission!) of past projects or jobs that represent the absolute best of what you can do. Whether it's a before-and-after album or a traditional portfolio, put examples of your work online and make it shareable.

Here's why this works: When potential customers search for your company on Facebook or Google, they'll be met with lots of photos that show all the good work you can do. Photos and portfolios are pretty powerful testimonials on their own, so make sure any online site you have features visual representation of your awesome work.



## Just ask!

Sure, this advice is obvious - but you'd be surprised at how many professionals feel uncomfortable with asking a happy customer to recommend their services to others. If you want to see significant benefits from word-of-mouth marketing, you need to push through any discomfort you feel about directly asking your customers to recommend your business. If you've done your project well enough, your customer shouldn't have a problem agreeing to spread the news about your business to friends and family members.

You don't have to make a big deal about asking, either. Whether you ask while collecting the project payment or when you're walking the client through what you've completed, just drop in a simple request like: "Hey, if you liked what I did, I'd really appreciate it if you could recommend me to others."

It's really as simple as that.



## Word-of-mouth marketing might feel like it's impossible to control and influence, but it's really not.

It's more about making sure you bring your A-game to every interaction with a customer, as well as making it as easy as possible for that customer to recommend you. When you're able to tie these two steps together, you'll be building word-of-mouth business at a lightning-fast pace.

## **About the Author**

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Got feedback about this book?

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