

# Online vs. Offline Word of Mouth

## A Special TalkTrack® Analysis

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# Background

- TalkTrack® is a continuous measurement service that tracks word of mouth regardless of medium – offline (face to face, phone) as well as online (e-mail, text, blogs, chatrooms, etc)
- TalkTrack® has consistently found that 90% of word of mouth occurs offline, while 10% occurs online
  - WOM is predominantly face to face across all age groups, although online WOM is higher for teens and 18-29s than those 30+
- This has spurred interest among clients and others involved in word of mouth marketing to better understand the dynamics of online vs. offline WOM
  - Is online a mirror image of offline WOM?
  - Or, are there important differences that call for marketers to make distinctions?
- This special analysis from TalkTrack® begins to answer these questions and lays out an agenda for future study



# Summary of Findings

- Online WOM is more prevalent among younger consumers, but even for teens (the most tech savvy segment) the majority of WOM takes place face to face
- The quality of offline and online WOM is very different
  - Offline WOM is more positive, more credible, and more likely to inspire purchase
    - The polarity of offline and online WOM varies considerably, with WOM that takes place via blogs containing the most negative comments about brands
- Do online and offline WOM mirror each other, or act independently?
  - Looking at trends for online and offline WOM for selected brands, we find instances in which the two move in tandem, but other cases where they move quite independently of each other
  - Often, the online WOM is more volatile while trend lines in offline WOM are often more consistent
- Taken as a whole, the data suggest that not only is there a difference in the volume of offline vs. online WOM, but that the quality of the two differ and they should not be seen as mirror images nor is one a surrogate for the other.
- Selected data follow

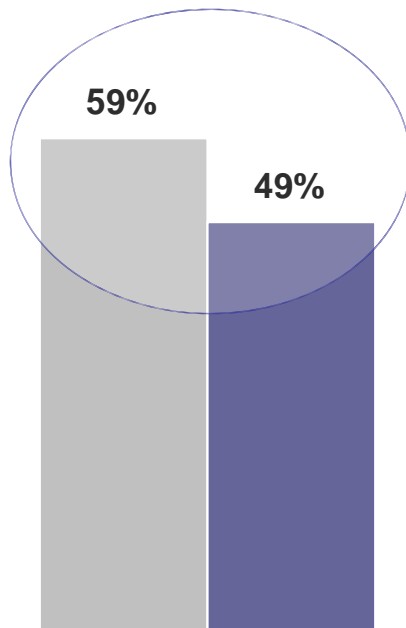


# Offline WOM More Credible, More Positive & More Likely to Inspire Purchase

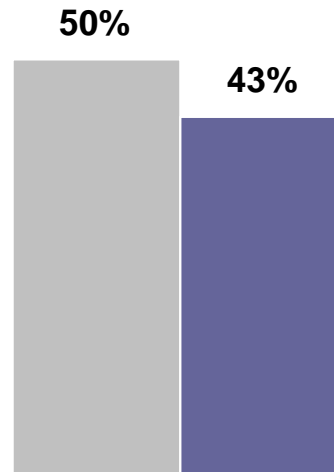
(% rating WOM highly credible/likely to inspire action, "9" or "10" on 0-10 scale)

**Figures Represent Those Scoring "9" or "10" on a 0-10 scale**  
(Among All Brand Mentions)

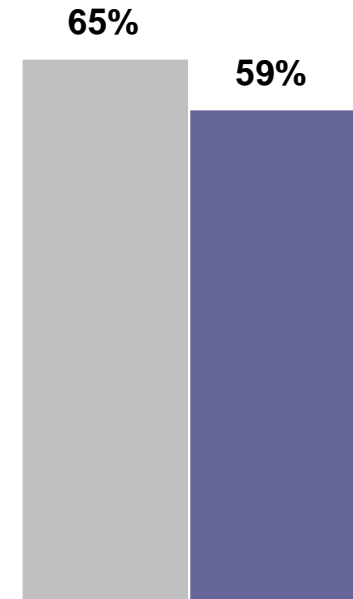
■ Offline ■ Online



**Credibility/Believability of What Was Heard**



**Likely to Purchase**



**Positive about Brand**

**Base Credibility & Purchase Intent:** Brand mentions where someone else provided advice (Total Public, Offline n=44,278; Total Public Online, n=2,576);

**Base Positive WOM:** Brand mentions (Total Public, Offline, n=70,155; Total Public, Online, n=4,142)

Source: TalkTrack®, July 30, 2007, through February 3, 2008

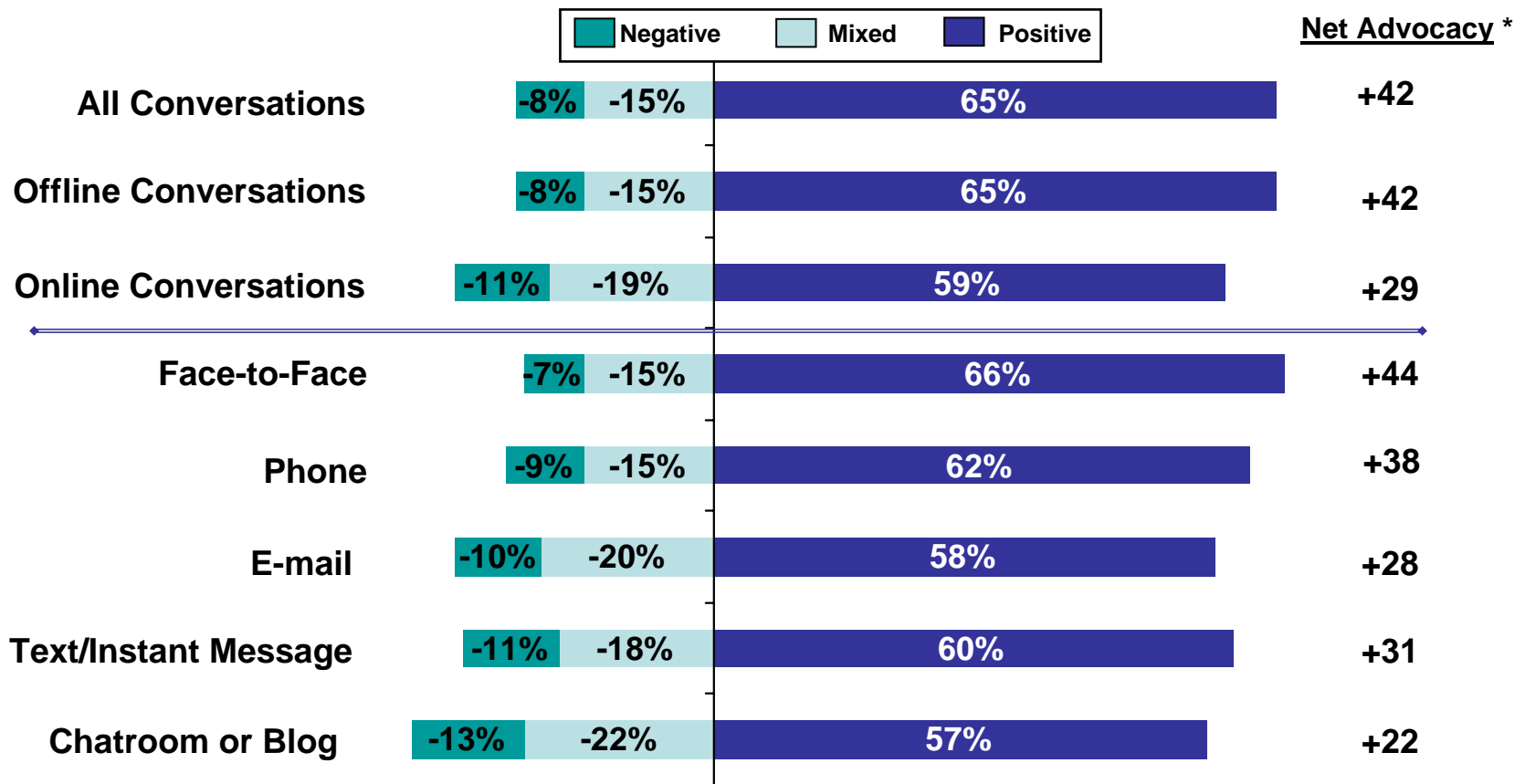
**Keller Fay GROUP**  
Word of Mouth Research & Consulting



## Polarity of the Conversation

# Offline Conversations Are More Positive; Blog WOM Contains the Most Negative

- Net Advocacy – positive less negative and mixed word of mouth – is higher for offline (+42) than online conversations (+29). Chatroom/Blog WOM is the least positive (+22 Net Advocacy).



Neutral WOM: 12% All, 12% Offline Total, 11% Online Total, 12% Face-to-Face, 14% Phone, 12% E-mail, 11% Text/IM, 9% Chatroom/Blog

\*Net Advocacy represents the percentage of positive WOM minus the mixed and negative WOM.

Base: Branded Conversations (Total Conversations, n=74,297)

Source: TalkTrack®, July 30, 2007, through February 3, 2008



# Trends in Online and Offline WOM

- One important area of discussion in word of mouth is the relationship of online and offline WOM. Does one lead the other, or do they act in tandem, or are they independent of each other?
- To test the question, we studied WOM trends for several brands across varying categories
  - The analysis looks at offline conversations about the test brands as a percentage of all offline conversations over time, compared to the trend line for online conversations about the brands as a proportion of all online conversations,
- In all cases, the brands get more offline WOM than online.
  - In some cases, it appears the online WOM and offline WOM move in tandem, with a high level of correlation.
  - But in other cases, the correlation between the two is very low -- they behave independently of each other.
  - Online WOM is more volatile, with sharp spikes and equally sharp drops, suggesting it is more sensitive to brand news and new marketing initiatives.
  - Supporting data not included here but available upon request

