Viral Marketing: The Rise of Marketing Virus

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Abstract

Viral Marketing has generated a lot of excitement in recent years because it seems like the ultimate free hot cake: Pick some small number of people to "seed" your ideas, product, or message and let it "go viral" and then watch while it spreads ceaselessly to reach millions of others. That is the power of Viral Marketing. It has attracted advertisers in recent years, yet little is known about how exactly it works from an information processing perspective. Viral Marketing has evolved into a major marketing branch for many existing companies. Many new enterprises see the effectiveness and advantages of electronic business not being limited by time and distance when engaging in business activity. The opportunities to do business worldwide with the click of mouse are enormous and enticing. The aim of this research paper is to present many diverse facets of the Viral Marketing concept, understand the relationship between word of mouth marketing and Viral Marketing and why Viral Marketing through social media formats has been effective. This paper fully addresses the rationale of the need for corporate presence in social media and the value that can be derived from a well-developed Viral Marketing campaign.

Keywords: Word of Mouth, e-Business, Viral Marketing, e-Branding, Social Media.

Introduction

The future of traditional mass media advertising is uncertain in the modern environment of increasingly prevalent digital video recorders and spam filters. Marketers must realize that 65% of consumers consider themselves overwhelmed by too many advertising messages and nearly 60% believe advertising is not relevant to them. Such information overload can cause consumers to defer their purchase altogether and strong evidence indicates consumers actively avoid traditional marketing instruments. Consumers are exposed to hundreds of messages each day through broadcast and print media, outdoor promotions, Internet and more. Innovation in marketing and its techniques is what makes or breaks a brand. Marketers need to break the clutter and give

the audience something they would want to watch, interact with and share. 'Viral' campaign helps to do the same, create an impact and reach out to a wider audience in the shortest possible time and all of this at a fraction of cost as compared to traditional advertising.

Viral Marketing is one such option and a potentially effective way to bypass growing consumer apathy. The main goal is to create infectious, viral messages

*Nitin Singh Strategist - Marketing & Operations Ultra Lofts Noida, India that appeal to their target market with high social networking potential that can easily spread through individuals. But why are they so effective? It is because the internet has enabled companies to reach out to the consumers at a more personal and interactive level. 75% of the internet's total population go to a social networking site like Facebook, Twitter and YouTube, where time spent in social media is a lot more than time spent on email. The sharing effect is fast and rapid, like the Pyramid scheme.

Empowered by online social technologies such as blogs, social networking sites like MySpace, usergenerated content sites like You Tube and countless communities across the Web, customers are now connecting with and drawing power from one another. They're defining their own perspective on companies and brands, a view that's often at odds with the image a company wants to project. Viral Marketing exploits existing social networks by encouraging customers to share product information with their friends. Social networks have become a cultural phenomenon. For example Facebook, one of the largest social networking sites in the U.S. was founded in 2004. By February 2009, it boasts more than 175 million active users and continues to grow rapidly. Worldwide these users spend 3.0 billion minutes each day on Facebook. More than 850 million photos and 5 million videos are uploaded on the site each month. There are hundreds of other similar sites including MySpace, orkut, twitter and LinkedIn.

MySpace has already launched its international sites in Britain, Australia and France. And plans to expand its services to nine other countries in Europe and Asia in the near future. More than 70% of Facebook users are outside the U.S. and more than 35 translations are available on the site. Other countries have their own versions of Facebook and MySpace. For example, Cyworld which started before MySpace and Facebook were conceived in the US, had over 21 million registered users in South Korea by mid-2007, or approximately 40% of the South Korean population. It has over 90% penetration in the 20-29 year old market. Cyworld users upload about 50,000 videos and 5 million photos every day.

Firms are now structuring their businesses in a way that allows them to grow like a virus and lock out the

existing brick and mortar competitors through innovative pricing and exploitation of competitors' distribution channels. The beauty of this marketing technique is that none of it requires any effort. Customers, who have caught the virus, do the selling. What does a virus have to do with marketing?

As discussed, Viral Marketing describes any strategy that encourages individuals to pass on a marketing message to others, creating the potential for exponential growth in the message's exposure and influence. Like viruses, such strategies take advantage of rapid multiplication to explode the message to thousands, to millions. The consumer now demands a higher, more personal interaction with the company which leads to the development of an experience. "The new demands created by changed consumer needs, societal changes and technological developments, mean that organizations would have to keep up with these changes and start to rethink their ways of operation."

The consumer's demands for a personal, interactive and relational experience have arisen from the opportunity to demand and experience this type of interaction made possible through improved technology. Companies are responding to the changing trends of obtaining consumer information and desire for relational and personal experiences through social media technologies.

History of Viral Marketing

The term Viral Marketing is credited to venture capitalists Steve Jurvetson and Tim Draper who used viral to describe the marketing technique behind Hotmail's growth. In 1996, Sabeer Bhatia and Jack Smith pioneered a great new product category free web-based email. "The special catalyst for Hotmail's rapid growth is what we at Draper Fisher Jurvetson have come to call "Viral Marketing" not because any traditional viruses are involved but because of the pattern of rapid adoption through word-of-mouth networks".

When Hotmail first began, they decided that the best way to entice new customers would be to reach friends, family and colleagues of each user they had. So, in the footer of each and every email that was sent from a Hotmail account, the Hotmail team placed

a link that read something like this: "Want a free email account? Sign-up for Hotmail today!" And yes, believe it or not, this strategy worked and this is called viral. Hundreds of thousands of users hurriedly signed up for their free email accounts and the rest is history. That Hotmail model is the foundation for the Viral Marketing we are familiar with today. From Facebook, to Twitter, YouTube to LinkedIn, Viral Marketing takes many shapes and forms.

It can vary in approach and evolve within each format, but the bottom line is to share information and do so on a large scale for free. In its first 1.5 years, Hotmail signed up over 12 million subscribers. The Factsheet (albeit September 2010) from Microsoft noted that "Windows Live Hotmail is one of the world's largest e-mail providers with more than 355 million active accounts". A July 2011 post on the official Microsoft blog claimed Hotmail served 360 million unique users a month. According to August 2011 statistics cited by Yahoo!, Hotmail is the biggest webmail provider with over 330 million unique users.

Why it Works

Viral Marketing works because we are humans, strange but true. It's the human nature that they are curious and like to share information, especially when the information is relevant to their interest, need or sense of humor. Viral Marketing to be successful, the strategy must include a viral element from the beginning. Not only must the technical aspects be developed and ready to implement, but the marketer must also have a sense of how to seed the concept of the product or service within its target audience. Uniqueness in Viral Marketing is its focus on the message, not the product. Thus, the brand is often secondary in viral videos, as they aim to look more like entertainment pieces and less like branded commercials.

The success of a viral campaign can be attributed to its emotional or entertainment value rather than information about the brand or product. Appeals related to humor, sexuality, nudity, and violence are more common as compared to television ads. More extreme appeals are often needed in Viral Marketing because viral ads must prompt "forwarding" behavior not just awareness or liking, as with traditional advertising.

For an idea to spread, it needs to be sent and received.

No one "sends" an idea unless:

- They understand it
- They want it to spread
- They believe that spreading it will enhance their power (reputation, income, friendships) or their peace of mind
- The effort necessary to send the idea is less than the benefits

No one "gets" an idea unless:

- The first impression demands further investigation
- They already understand the foundation ideas necessary to get the new idea
- They trust or respect the sender enough to invest the time

Once an idea is shared it gains momentum. Ultimately, businesses and marketers interested in pursuing Viral Marketing efforts, need to understand not only what makes Viral Marketing work but what it is that their audiences are interested in, what sparks their curiosity and are willing to share.

The 3 C's of Viral Marketing

After getting to know the importance of a Viral Marketing strategy it is important to implement a viable strategy to create something that is going to be viral. However, it is not easy as it sounds. Before creating a viral campaign there are three important C's that you should remember.

Content

One reason people may share stories, news, and information is because they contain useful information. Having strong content is crucial for success of any Viral Marketing campaign. If you create worthy content, content that other people feel they can use and that touches them in some way that they need, they will respond positively to you. The social media channels are successful and popular because of content. Content has to be valuable and beneficial for target persons.

Community

As with anything, knowing your audience is crucial. What's your target market? What are their interests and what do they do look at online? The second part of community is having a firm online network of people to share your content with. Social media is saturated with links, posts, tweets and updates. If you don't have a core network of people to get your posts rolling, it's going to be hard to get your campaign off the ground.

Catch

How do you make your content stand out? What's the title? How do you keep someone from scrolling past your content? How do you get them to follow your links and engage with your content and brand? No one knows what the next big thing will be online but anyone can make a sizable dent in their target market if they utilize the right methods.

Developing a Viral Marketing Strategy

A viral marketing strategy should be approached much like any other marketing strategy. After conducting research and pinpointing a target audience, it's time to develop the game plan. Keep in mind that viral marketing is about spreading your ideas. One of the most important aspects of developing a viral marketing campaign is to step back for a moment and consider your goals.

Among the goals that work well with viral are:

- Increasing brand exposure Branded viral messages will boost brand recognition and recall, can lead to media coverage and help audiences associate with the company's brand, viral message and products or services.
- Reinforcing other marketing efforts -Viral marketing campaigns can become somewhat sustainable if they are used as a
 - Growing opt-in e-mail list Viral messages sent or shared via e-mail can inspire new opt-ins to the list of e-mails that have been forwarded from friends.

- O Designing loyalty programs -Businesses can use measurement data to seek out individuals who share the most content most frequently and reward them with discounts, coupons or other offers to thank them and build relationships.
- o **Driving website or social media traffic** The company should link
 viral message to their website in
 some way to push people there for
 more information and also
 incorporate the use of social media
 in the sharing and engagement in
 viral messages.
- o Generating revenue Viral e-mails with links to the storefront of the company's website, advertising opportunities on viral websites and other revenue opportunities though not significant are also available.

Few key pieces of advice to anyone planning to launch a viral marketing venture:

- 1. Keep it simple. In nature, viruses depend on fast, easy replication to spread and it's exactly the same with a viral marketing strategy. The project whether it's a video or website launch is essentially just a container for the message. That's why it's important to keep the idea simple and unique. People innately share things that they perceive to have value; it is essential to make the project worthy of being shared.
- 2. Have an idea list. Write down your project ideas and add to them every day. When an idea makes sense to you, build it! Use whatever tool you can to create it as quickly as possible. At this point, delaying your project should not be an option. Work fast and launch fast. If your project is valuable and you do a good job of optimizing it through sharing, it will take off.
- Make it relevant. Whether your project draws on a current event, an issue in your industry or a

popular trend, it's imperative that it relates to your audience in a meaningful way. A good supplementary tool can be humor. For example, the day Marissa Mayer became Yahoo's CEO, Sean Bonner made DearMarissaMayer.com. It probably took him just a few hours, but it was relevant, funny, and had a clear message – and in no time, it was all over Twitter, Facebook and Reddit with thousands of shares. In response, Flickr created DearInternet, which also received much attention, was funny and probably sent them a few good leads to work at Flickr as well.

- 4. Just execute it. A good idea can be ruined by poor execution. Make sure the design and written elements of your project are fresh, flawless and aesthetically appealing. If the content and design are "blog-worthy," and there is an interesting story to share, bloggers will write about it and link back. Also, one should be sure after a certain point to upload the logos of blogs that have covered the project. People find them very appealing, and they're a great way to build the brand. It can also tie a series of projects together to develop reputation as a social media force.
- 5. Optimize, optimize, optimize. The replication of your message should be absolutely effortless. By including the right sharing buttons, with the perfect text, customized hashtag, etc., you make it even easier for your audience to use social media to post and comment on your project with just a click. This is the heart of viral marketing; as your audience shares your project, your business gains more Facebook subscribers, Twitter followers and brand promotion. The more your audience shares, the more publicity you gain.

When a business is looking to see a spike in online traffic, social media engagement or media impressions, a one-and-done approach often is sufficient. But when business is looking to use a viral marketing campaign to launch conversations and build relationships, it will need to be tied into other marketing efforts in order to be sustainable.

World Famous Examples of Viral Marketing: Vodafone ZooZoo ads

If you're an Indian, surely you'll never miss a laugh at the Vodafone ZooZoo ads which mainly appear during the IPL season. The advertisements are really attractive; it would capture the attention of every individual. Initially everyone thought that advertisements were pure animation, but it was later known that kids enacted the whole thing wearing a mask. It successfully triggered a viral chain. After launching the campaign Vodafone's subscription rates increased by almost 30% each quarter and moreover they made good amount of money selling their ZooZoo goodies.

The Dark Knight (Hollywood Movie)

One of the first promotional stunts involved a fake website for Harvey Dent's (one of the main characters in the film) fictional campaign for District Attorney. Posters stating, "I Believe in Harvey Dent" were shareable and able to be emailed to friends. Once the other person received the email, the poster would slowly change to reveal the image of the Joker. Once the image was revealed, The Joker's face was quickly replaced by the text, "See you in December." Other websites attached to the film allowed for users to vote for various public offices throughout Gotham. More viral elements included a website devoted to the fictional newspaper "The Gotham Times" (which led to numerous other website that revealed info about the film) and the launching of WhySoSerious.com which revealed more images of The Joker as well as the first teaser trailer. Such elements combined with the stellar reviews of the film and breathtaking performance of the late Heath Ledger helped the film to gross more than \$1 billion dollars worldwide.

Why This Kolaveri Di

In case of Kolaveri Di, the song was released at the youtube portal from which it spread across other social networking internet sites like Facebook, Twitter etc. Ultimately, the news channels and print media started advertising the song and thus the movie 'Three'. This was the viral effect which did the trick for Kolaveri Di. Other factors that acted as catalysts for such an achievement for the song were congruency, emotive strength, network-involvement ratio and paired meme synergy which were all present in the song. The song has an emotional appeal because of which it relates to the common human experience and thus targets

the mass audience that includes the young of the nation which constitutes about 35% of the total population. Anything which caters to the young tastes is bound to go viral. Moreover, because of its easy to sing lyrics, it was heard with rapt attention and became the seasonal song to cover up the tensions of a busy day. Kolaveri Di, thus, came with its user friendly lyrics and became viral.

Obama's Viral Marketing Campaign

Reason behind the success of Barack Obama's 2008 presidential election, wasn't his Harvard degree alone; the online campaign did that miracle when he became the first African American President. It made people

feel as if they know him personally. Obama's strong presence on Youtube made him accessible to everyone as he spoke directly to You Tubers about his plans to uplift US. It clicked, especially among the American youth and resulted in a high voter turnout among them, a task that was once considered impossible. Obama has given politics a new face and a new platform for Presidential campaigns.

Leads and Flaws of Viral Marketing

Viral Marketing usually gives an intrinsic incentive for spreading the message. In India, it's still in nutshell. In spite of the fact that Viral Marketing is an efficient way of marketing and promoting the products, it does have its positive and negative aspects as well

Leads	Flaws
Low cost to reach client	Does not work on every product
Spreading of virus is free of cost	Once the virus is sent, it is very difficult to control
To create a message, it does not require professional tools (can shoot with a handycam also)	Spam threats, If made badly
Socialization and networking helps to reach higher number of people	Diluting your brand by letting others be your mouthpiece
Reach is high	Association with unknown groups
More effective than traditional form of marketing	Effectiveness remains for a shorter period of times
Driving website traffic	If executed through an email attachment, then software like firewalls and anti-virus may put-off you from viewing the message.

Key Issues of Viral Marketing

Obviously, one of the biggest issues with viral marketing is spam. "A highly-charged anti-spam sentiment has emerged over the past 12 months, forcing several companies to pull viral marketing efforts" according to a recent article in Adweek.

Companies wishing to use viral marketing campaigns need to make that sure the motivation they offer to persons for spreading the buzz is not so great that it encourages spamming. "If you are under motivated, you don't get much interest. If you are over motivated, you'll be cheating and create all kinds of problems," says Kim Brooks of Bardo International.

Privacy is a related issue. Some persons referred to companies by friends do not appreciate companies keeping their personal information, such as their email address. In 1999, the Swedish furniture chain IKEA canceled a viral marketing campaign that offered coupons in exchange for passing on an e-mail postcard after persons who were referred, expressed concern that their e-mail addresses were being added to IKEA's database for future spamming. Companies should make clear about their policy of not retaining the personal information of persons who are referred, and instead should allow those persons to "opt-in" for the service.

Viral marketing overkill is another major problem. Consumers "are getting wise to the technique as the volume of viral marketing increases." Companies face risk annoying or alienating their target audience if their viral marketing campaign is contrived or executed poorly. "There's a viral traffic jam just a few clicks down the Information Highway. Even good friends can be as annoying as marketers if they bombard me too much," said Ellen Neuborne in a March 2001 article in Business Week. Research by Lowe Live and BMRB in January 2001 suggests a significant fall in the number of persons who will forward viral e-mails, according to Marketing Week Magazine. Of course, bad news can travel just as fast as good news. "Part of the problem lies in the very quality of the Net which makes viral marketing possible - the speed with which information spreads. The information may be positive, deliberately generated by a company or brand. Or it may just as easily be negative and damaging."

Finally, there are technological issues to consider. Viral marketing can involve substantial programming. It also assumes that the target audience will have the technology and skills to participate.

The Future of Viral Marketing

Privacy issues on the Internet will almost certainly be legislated in the future. Such legislation is likely to impact viral marketing since it may affect the sharing of the personal information of others. Part of the future of viral marketing may be new and creative permutations of "affiliate programs," in which persons explicitly include promotional materials for and links to a product in their e-mail messages or on their Web sites in exchange for something of value, usually

financial incentives. "Stores pay out only for actual sales, but get their logos emblazoned on thousands of sites for free. By tossing in viral marketing, stores hope to have their names inscribed on millions of email messages, too." Also, future viral marketers may hone their efforts to target e-fluentials, those influential persons who help shape the opinions and attitudes of the majority of persons. "As viral campaigns build ever larger communities, those influencers will become more prominent and a more critical part of success." The newest "buzzword" within word of mouth and viral marketing literature is "idea viruses," according to Seth Godin, author of Unleashing the Idea Virus. Idea viruses are a type of a marketing plan that incorporates traditional word of mouth with viral marketing and establishes strategies that create, encourage and feed ongoing customer conversations about a product. Most idea viruses are communication based and force the customer to promote the product simply by using the product (evite.com, for example).

Conclusion

Every now and then a company comes along something that seems to simply ooze viral potential. Someone comes up with a really unique idea (Twitter) or a new way of doing something (Google) or a better version of something we already know and love (iPods) and word of mouth takes off without much nudging. Viral marketing is a powerful way to enlist customers in a marketing strategy and when applied correctly, can boost sales for the right product into the stratosphere and speed the transition from the stage of early adoption to widespread use. They may not profit today, or tomorrow, but if they can generate a upsurge of interest from something free, they know they will profit soon and for the rest of their lives. Since 'Free' happens to be the most powerful word in a marketer's vocabulary, most viral marketing programs have attached themselves to it. The idea is to give away valuable products or services to attract attention. And, more importantly, someone else's resources are depleted.

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