

Foreword

Practically every marketing trade journal is buzzing “word of mouth” these days. Many practitioners consider peer-to-peer communication to be the new panacea for many, if not all of the problems that advertising is currently facing. The academic community has also rediscovered the subject as one that is highly relevant and crying out for scientific investigation and substantiation. However, four years ago, when Martin Oetting began his research project, this was not at all clear. He was intrigued by the early, weak signals he had picked up during his professional career in advertising, and he was motivated by a strong belief in the value of his overall ideas. He decided to embark on a research project that has become a most valuable contribution to the field of word-of-mouth marketing. In choosing a topic well before it would become of mainstream interest, Martin Oetting proved that he is sensitive to market discontinuities, and to the potential they provide for academic research.

In his dissertation, Oetting deftly applies the framework of the positivistic tradition. The introductory chapters provide an overview of current changes and their major consequences in the field of marketing. The importance of word of mouth is illustrated with reference to contemporary market developments and marketing practice. In focusing his approach, the author categorizes possible research questions and chooses one: “What makes people talk?” It’s a good choice because this question has too often been neglected in previous research efforts, even though it is of immediate relevance to most marketing decision makers. Simply put: marketing managers need to know how to make things happen.

Consequently, the author directs his attention to those consumers who are already engaged in spreading the word about companies, brands, products, or services among their peers, and he sets out to develop starting points for marketers to stimulate such behaviour. Referencing a range of articles and publications from word-of-mouth research, the author provides a solid academic foundation. To arrive at an explanation of how to stimulate word of mouth, two behavioural concepts are presented and then reconciled: situational consumer involvement and consumer empowerment. As a conclusion, the concept of Empowered Involvement (EmI) is presented. Despite its terminological proximity to the two underlying constructs, EmI adds new perspectives. First, involvement is externalized, in the sense that it can be subjected to external stimulation, both for better understanding and managing consumer behaviour. This deviates from a traditional understanding that considers involvement as internal to a subject, but is perfectly in line with core assumptions from behavioural research. Second, EmI can be operationalised, which facilitates research and later creates footholds for practical application. In Martin Oetting’s line of argument, EmI becomes the core component in a model that explains how to activate word-of-mouth behaviour.

In order to comply with today’s research standards and to substantiate his argument, the author then submits his model and hypotheses to empirical examination.

The empirical part is conducted in two stages. The initial study, primarily observatory in nature, provides evidence that word-of-mouth communication can indeed be stimulated and is not restricted to happenstance. The second study is based on a much more thoroughly developed experimental design and conducted with great rigour. Based on its confirmatory character, it sets out to provide explanations. Beyond its direct application to the given project, the design that is presented here can also serve as a model for others who want to conduct experimental research. The data collection was conducted in close cooperation with TRND AG, a marketing communications company in Germany with a unique focus on word of mouth. TRND added a real-life field setting to the study and enabled access to a large population of consumers. The data collected in the study was analysed by means of structural equations modelling and supported the hypotheses that make up the Eml model of word-of-mouth behaviour.

In the concluding chapters, readers receive what they have been promised: useful managerial implications for stimulating word-of-mouth communication. Oetting gives more space to this than is typically done in a dissertation, which enhances the applicability of the insight developed. As one example, he illustrates the findings of his research in a practical marketing context by relating them to a case study about the Harley-Davidson Owners Group, which was documented in the 1990s. He later shows how the measurement approach he developed for his second study can help managers conduct a strength-and-weakness analysis of their word-of-mouth management.

My conclusion is that Martin Oetting has not only found a wonderfully relevant topic, but he has also proven his great ability in treating this subject with the highest level of academic rigour. I am convinced that practitioners and academics alike will both learn from the book and enjoy it. I wish this publication all the success it deserves.

Berlin, July 2009

Prof. Dr. Frank Jacob

Acknowledgements

In 2003, I decided that I wanted to leave advertising and completely focus on word of mouth. So I summoned up my courage and flew to London to meet Dr. Paul Marsden. Back then, Paul was already a pioneer in the fledgling word-of-mouth marketing scene. He found time in his full schedule for a dinner, answered all my questions, and left me with a powerful piece of advice: if you really want to understand this phenomenon and make an impact, think about being both an academic and a practitioner. This way, you can teach practitioners the value of thorough examination, and you can show academics what the world really wants to know.

If it weren't for Paul, I probably wouldn't have started this project. I am very grateful for the advice and inspiration he gave me then and ever since – both as a mentor and as a friend. He continues to push my thinking further in our every conversation and e-mail exchange.

Once the rocket is launched, you need someone who helps to guide it on its way. I couldn't have asked for a better *Doktorvater* than Prof. Dr. Frank Jacob. It's not easy to tutor someone who does his research while travelling, speaking, consulting, blogging, and building a company. Yet Frank Jacob managed to keep me headed in the right direction, always highlighting the pitfalls at the right time, and providing solutions for problems that otherwise would have seemed insurmountable.

He not only helped me to focus on what was important, he also taught me to look at the big picture. Word-of-mouth marketing is moderately interesting when it's just another element in the toolbox. It can, however, become a fascinating cornerstone of marketing thinking if it is understood as a real-life manifestation of a service-dominant logic in consumer marketing. Looking at it this way gives it strategic significance and wonderful new avenues worth exploring.

I am very grateful for all the support and guidance that I received from Prof. Jacob over these past four years.

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Martin Oetting