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## **Internet-induced marketing techniques: Critical factors in viral marketing campaigns**

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### ***Abstract***

The rapid diffusion of the Internet and the emergence of various social constructs facilitated by Internet technologies are changing the drivers that define how marketing techniques are developed and refined. This paper identifies critical factors for viral marketing, an Internet-based 'word-of-mouth' marketing technique. Based on existing knowledge, five types of viral marketing factors that may critically influence the success of viral marketing campaigns are identified. These factors are the overall structure of the campaign, the characteristics of the product or service, the content of the message, the characteristics of the diffusion and, the peer-to-peer information conduit. The paper discusses three examples of viral marketing campaigns and identifies the specific factors in each case that influence its success. The paper concludes with a viral marketing typology differentiating between viral marketing communications, unintended viral marketing and commercial viral marketing. This is still a rapidly evolving area and further research is clearly needed to monitor new developments and make sense of the radical changes these developments bring to the market.

**Keywords:** viral marketing, marketing campaigns, internet word-of-mouth, social networking

## **1 INTRODUCTION**

While the underlying principle of word-of-mouth marketing is well-established and acknowledged (Richins, 1983; Wilson, 1991), the Internet fosters new marketing strategies (Achrol and Kotler, 1999; Arnott and Bridgewater, 2002), one of which is viral marketing. At the core of this emerging form of marketing is the transmission of marketing messages through various Internet-based channels by peers. During these transmissions, information passes between individuals without the involvement of the original message source, propagating like a virus would have done, infecting the hosts.

This paper synthesises the emerging literature on viral marketing and identifies important factors that need to be considered when organising a viral marketing campaign. The paper first defines viral marketing and reviews emerging research streams. It then identifies the benefits and challenges associated with viral marketing and presents the critical factors that need to be considered when organising viral marketing campaigns. The paper then explores these factors in the context of three case studies. The paper concludes with the development of a viral marketing campaign typology before outlining future research possibilities and practical implications.

## **2 VIRAL MARKETING**

The short history of viral marketing is generally agreed to have been launched by Hotmail's tag line "Get your private, free e-mail from Hotmail at <http://www.hotmail.com>" (Helm, 2000, Porter & Golan, 2006) and the resulting successful widespread diffusion of Hotmail. This tag line, added automatically to every email sent from a Hotmail account, was passed on from existing Hotmail users to the recipients of their email messages in the way that viruses spread, hence the term viral marketing. While for Welker (2002, p.7) viral marketing is nothing more than "a new interpretation of the good old word-of-mouth-paradigm", the use of the Internet for spreading the message clearly is a new concept that would not have been possible without the widespread diffusion of information and communication technologies. For the purposes of this study we will consider viral marketing as a technique which utilises the Internet to transmit and spread messages among individuals who will filter and forward the messages to their peers, who may be potentially interested in the message's content.

The communication style used for transmission is usually informal. Messages are spread through different channels such as email, chat rooms and discussion forums. They may contain various types of content ranging from text and images, to MS PowerPoint files, Adobe's Flash animations and so on. Recently, users found an additional channel to distribute and share their video clips online via services like YouTube. The value of such services and their potential impact as viral marketing tools were vividly demonstrated by Google's acquisition of YouTube in 2006 for 1.65 billion US dollars (BBC, 2006a). One significant benefit of web-based viral channels when compared to other informal channels is that they often provide mechanisms for measuring the popularity and success of a campaign. For example, YouTube measures the number of times a clip was viewed and the viewers' ratings, while it allows qualitative feedback through the viewers' comments. This information is publicly available and will be used later in this paper when benchmarking the critical factors in two of the case studies presented.

### **2.1 Traditional 'word of mouth' marketing and viral marketing**

Word of mouth implies that informal, *ad hoc* communication between individuals concerning products and services (Bayus, 1985) is taking place. This communication can be positive as well as negative, depending on the satisfaction levels of the individuals (Evans et al, 2006). In comparison to other forms of marketing communications, information dissemination and sharing among individuals is rapid when word-of-mouth occurs. The behaviour and views of individuals are significantly influenced by negative word of mouth communication, which tends to be weighted more heavily by consumers than positive communication (Solomon, 2004). Research has found that 90% of dissatisfied consumers do not purchase products or services of the company involved in the negative word-of-mouth communication (Solomon, 2003). Equally importantly, these consumers will communicate their dissatisfaction to at least nine other people and 13% of these dissatisfied consumers will communicate their negative view to more than thirty people.

The Internet 'word of mouth' communication, i.e. viral marketing, is a far more effective, penetrating and faster medium compared to the traditional word of mouth communication (Helm, 2000). It is also a far more focused medium as consumers communicate their views in their social sphere (friends, colleagues etc) where their influence is more critical. This kind of communication can reach a wider audience gradually and can maximise its reach not only in their locality (as was the case

with traditional word of mouth) but even on a national and global scale. The content of the message remains the same whilst it could be biased and filtered during traditional word of mouth communication (Helm, 2000).

## **2.2 Viral marketing positioning and emerging research streams**

Viral marketing spans a number of marketing domains. Kaikati and Kaikati (2004), for example, categorise viral marketing as a stealth marketing technique. While stealth marketing is a recent proposition within marketing, viral marketing relates to the advertising (Phelps, et al., 2004, Porter & Golan, 2006) and brand (Dobele, et al., 2005, Moore, 2003) elements of traditional marketing. Of the emerging new marketing streams, viral marketing is firmly positioned in the e-marketing domain. The other major domain that viral marketing fits into is marketing communications. This approach puts emphasis on the spread of the message and its viral characteristics (Welker, 2002). While conventional communication in marketing directly addresses the consumer, viral marketing communication aims to create an environment where customers and consumers transmit messages without the involvement of the original source. Therefore, viral marketing can also impact on consumer behaviour by influencing consumer perceptions, attitudes and views and has the potential to emerge as a key element of a company's promotional mix (Kirby and Marsden, 2006). The underlying principle of viral communication, however, remains the 'traditional' word-of-mouth paradigm that is now facilitated by the Internet.

The existing literature on viral marketing indicates four emerging research streams making both theoretical/conceptual and empirical contributions: viral marketing comparisons, consumer-to-consumer (C2C) viral marketing, studies of communications media and viral marketing positioning. Comparisons investigate different viral marketing variables in light of other marketing techniques such as television advertising (Porter & Golan, 2006). C2C viral marketing examines specific issues within the consumer context, such as impact on customer value and loyalty (Gruen, et al., 2006). Communications media studies may examine specific transmission modes like e-mail (Phelps, et al., 2004) and include communication domain studies (Welker, 2002). The final stream is viral marketing positioning, where research is concerned with identifying the positioning characteristics of viral marketing and drawing conclusions about the viral marketing domain (Dobele, et al., 2005, Helm, 2000). This research fits into the positioning stream as it investigates critical success factors of viral marketing, by developing, mapping and testing a model of critical factors for viral campaigns. The review of the literature, presented in the following sections focuses on the benefits and risks associated with viral marketing and constructs the basis for a model that could be used for viral campaigns.

## **2.3 Benefits and risks of viral marketing**

The heightened attention paid to viral marketing in the computer and management literature is a sign that there can be significant benefits to be gained from viral marketing. One important benefit is that viral marketing is relatively inexpensive in comparison to many other forms of advertising and marketing campaigns (Dobele, et al., 2005, Kaikati & Kaikati, 2004, Welker, 2002). The other major benefits relate to the positive diffusion characteristics: viral marketing can, for example, reach audiences within a short period of time (Kaikati & Kaikati, 2004) as messages spread exponentially at a fast speed (Helm, 2000, Welker, 2002). This rapid diffusion can significantly boost the speed of the adoption of the marketed product or service (Dobele, et al., 2005). Yet, besides positive financial and diffusion implications, viral marketing makes use of peer-to-peer transmission (Dobele, et al., 2005), which is one of the most influential marketing methods available to marketers and it overcomes legal and privacy concerns as messages are not unsolicited anymore and hence may avoid being considered as 'spam'. In addition, viral marketing can help achieve substantial audience reach as marketers get access to diverse audiences through social contacts (Helm, 2000) and can profit from effective targeting (Dobele, et al., 2005). The above points can be grouped into four categories as shown in Table 1: financial, diffusion speed, peer-to-peer transmission and audience reach.

**Table 1: Potential benefits of viral marketing**

Category	Benefit	References
<b>Financial</b>	Inexpensive	(Dobele, et al., 2005, Kaikati & Kaikati, 2004, Welker, 2002)
<b>Diffusion speed</b>	Reaches audiences within a short period of time	(Kaikati & Kaikati, 2004)
	Rapid, fast diffusion	(Helm, 2000, Welker, 2002)
	Boosts adoption speed	(Dobele, et al., 2005)
	Exponential	(Helm, 2000)
<b>Peer-to-peer transmission</b>	Voluntary transmission by sender	(Dobele, et al., 2005)
<b>Audience reach</b>	More effective targeting	(Dobele, et al., 2005)
	Access to diverse audience through social contacts	(Helm, 2000)

Yet, besides these significant benefits, there are risks and challenges that marketers have to face when engaging in viral marketing campaigns. Probably the biggest risk is the lack of control associated with viral marketing campaigns: organisations have no means of controlling the spread of the message and the content of the transmission (Dobele, et al., 2005, Helm, 2000, Kaikati & Kaikati, 2004, Welker, 2002). The receivers of a message may even consider the transmission as ‘spam’. With this lack of control comes the potential of a negative impact from a viral campaign. Negativity can occur through backlash and unfavourable word-of-mouth, and may result in a negative brand image, product or service boycott, unfavourable attributes associated with the organisation and its products and services, hate sites etc. (Dobele, et al., 2005, Helm, 2000, Kaikati & Kaikati, 2004, Phelps, et al., 2004). A lack of legal standards in terms of viral marketing is another potentially risky issue (Kaikati & Kaikati, 2004). The dependency on the consumer for message transmission is a further risk as consumers, for example, may want a return from the organisation for passing on a viral message (Helm, 2000). The final risk to be considered when engaging in viral marketing campaigns is the lack of ethical standards (Kaikati & Kaikati, 2004): consumers may feel exploited, cheated, and used (Dobele, et al., 2005), and may view viral messages as an invasion of their privacy (Phelps, et al., 2004). Table 2 provides an overview of the risks associated with viral marketing.

**Table 2: Risks associated with viral marketing**

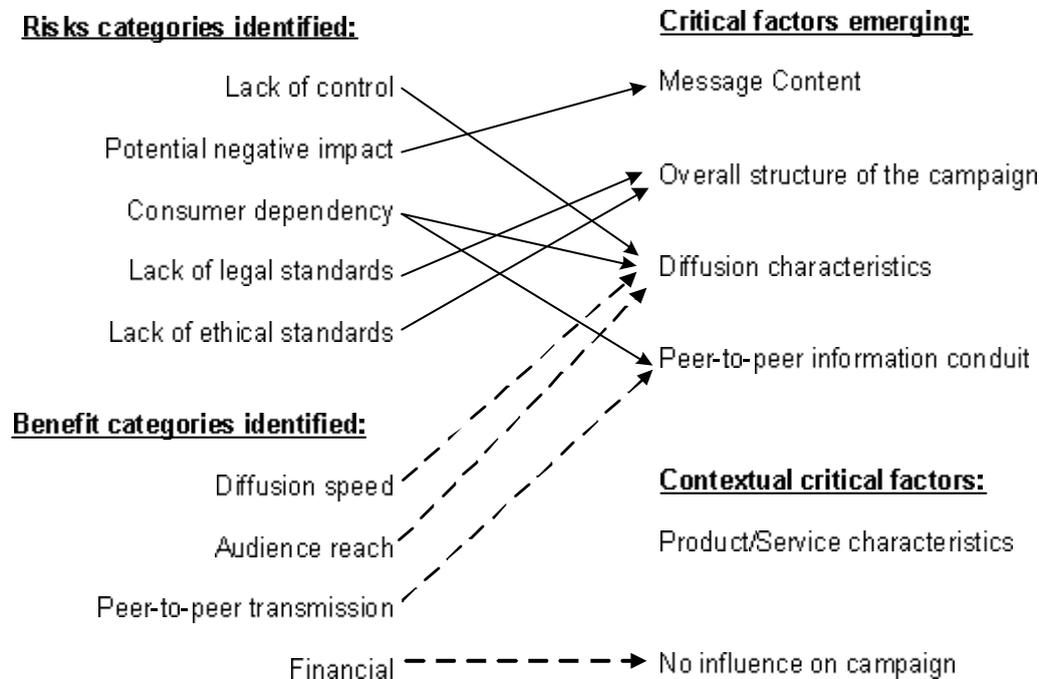
Category	Potential risk	Reference
<b>Lack of control</b>	<ul style="list-style-type: none"> <li>Uncontrollable nature, in particular loss over content and audience reach and few possibilities to measure success</li> </ul>	(Kaikati & Kaikati, 2004)
	<ul style="list-style-type: none"> <li>Total loss of control in particular content and timing</li> </ul>	(Welker, 2002)
	<ul style="list-style-type: none"> <li>Spam</li> </ul>	(Dobele, et al., 2005)
	<ul style="list-style-type: none"> <li>Lack of control mechanisms:                             <ul style="list-style-type: none"> <li>No control over distortion processes e.g. information passed by consumers might be filtered, incomplete, and biased</li> <li>Adverse selection of customers</li> </ul> </li> </ul>	(Helm, 2000)
<b>Potential negative impact</b>	<ul style="list-style-type: none"> <li>Risk of backlash and negative brand impact</li> </ul>	(Kaikati & Kaikati, 2004)
	<ul style="list-style-type: none"> <li>Negative word-of-mouth can happen</li> </ul>	(Dobele, et al., 2005)
	<ul style="list-style-type: none"> <li>Negative WOM leading to boycott, ruin, unfavourable attitudes</li> </ul>	(Helm, 2000)
	<ul style="list-style-type: none"> <li>Hate sites</li> </ul>	
<b>Consumer dependency</b>	<ul style="list-style-type: none"> <li>May lead to negative perceptions of brands</li> </ul>	(Phelps, et al., 2004)
	<ul style="list-style-type: none"> <li>Consumers unwilling to provide referrals unless there is some return</li> </ul>	(Helm, 2000)

<b>Lack of legal standards</b>	<ul style="list-style-type: none"> <li>Emerging legal issues have to be considered</li> </ul>	(Kaikati & Kaikati, 2004)
<b>Lack of ethical standards</b>	<ul style="list-style-type: none"> <li>Consumers may feel exploited, cheated, used</li> </ul>	(Dobele, et al., 2005)
	<ul style="list-style-type: none"> <li>Emerging ethical issues have to be considered</li> </ul>	(Kaikati & Kaikati, 2004)
	<ul style="list-style-type: none"> <li>Consumer privacy invasion</li> </ul>	(Phelps, et al., 2004)

#### 2.4 Critical factors for viral marketing campaigns

From the previous discussion on benefits and risks, a number of critical factors applicable to viral marketing campaigns are emerging whilst the relevant literature acknowledges five key issues that critically influence viral marketing campaigns: the overall structure of the campaign, the characteristics of the product or service, the content of the message, the characteristics of the diffusion and, the peer-to-peer information conduit (Figure 1).

Figure 1: Emerging critical factors for viral marketing campaigns



The overall structure of the campaign needs to encourage viral activity and address ethical and legal issues. In cases where, for example, ethical issues are not considered, the viral campaign may end up in a negative outcome for the organisation launching it. The second critical factor is related to the characteristics of the product or service that is to be marketed. Whereas some products and services are suitable for viral marketing campaigns, others are less suitable. Another crucial element is the content of the message transmitted. Messages that foster imagination and provide entertainment to the receiver or even intrigue the receiver are more likely to be sent voluntarily. Overall, a message should be actively engaging the receiver in order to convert him or her to a transmitter. The fourth critical factor is related to the characteristics of the diffusion: at what speed is the message transmitted? What audience does the message reach? What is the nature of the exponential spread? The remaining critical success factor for viral marketing is the peer-to-peer information conduit: the transmission of a message depends on the communication channels and technologies available to the sender and used by the individual; and the combination of technologies leveraged. Another critical element is the credibility of the sending source. Table 3 illustrates these five critical factors for viral marketing campaigns, including specific aspects and example questions. These are placed in context in the next section using three cases of viral marketing campaigns.

**Table 3: Critical factors for viral marketing campaigns**

<b>Critical factor</b>	<b>Specific aspects</b>	<b>Example questions</b>
<b>Diffusion characteristics</b>	• Exponential	Does the message spread exponentially among audiences?
	• Speed	Does the message spread at a very rapid pace among audiences?
	• Audience reach	Does the message reach a wide and the right audience?
<b>Peer-to-peer information conduit</b>	• Channels available & used	What communication channels are available to message transmitters and receivers? What channels do transmitters use to transmit the message?
	• Technology available, used	What technology is available to message transmitters and receivers? What technologies do transmitters use to transmit the message? What technologies do receivers employ to get messages?
	• Combinations of technologies leveraged	What technologies do transmitter and receiver combine to send and receive messages?
	• Source credibility	How credible is the message transmitter to the message receiver?
<b>Message content</b>	• Imagination	Is the message imaginative?
	• Fun & intrigue	Does the message offer fun & intrigue to transmitter and receiver?
	• Ease of use	Is the message easy to use? Does it have a high visibility?
	• Engaging	Does the message engage both the transmitter and receiver?
<b>Product/Service characteristics</b>	• Suitability	Is the product and/or service marketed suitable for a viral marketing campaign?
<b>Overall campaign structure</b>	• Encourages viral activity	Does the campaign encourage viral marketing activities?
	• Ethical & legal issues	Does the campaign adhere to ethical standards? Does the campaign follow legal requirements?

### **3 VIRAL MARKETING CASESTUDIES**

This paper is exploratory in nature as there is scant theory and literature about the phenomenon of interest, i.e. viral marketing. As the objects of enquiry are the campaigns a case study approach is appropriate and has been applied, combined with extant secondary data analysis (Yin, 1984). Such an approach limits our analysis and discussions to the content of each campaign and does not take into consideration the aims and goals of the campaigns designers and initiators, neither does it take into consideration the opinions and perceptions of the recipients of each message.

The three cases illustrated in the following pages are prime examples of viral marketing campaigns and, as will be fully illustrated in the next section, they represent very distinctive types of viral marketing campaigns. The number of cases is sufficient considering the scarcity of previous empirical research in this scientific field. The three cases are studied and are subjected to comparative analysis where underlying similarities, differences and systematic associations are sought out (Ragin, 1987) and subsequently, further insightful findings are generated.

### **Case 1: Social viral communication in practice: A 'news-game'**

In the final game of the 2006 FIFA Football World Cup, Zinedine Zidane, the captain of the French team, head butted an opponent on the pitch in front of millions of football enthusiasts. The referee instantly sent Zidane off the pitch for his violent act against the Italian player in the 110<sup>th</sup> minute of the game. Famously, Italy went on to win the World Cup in a penalty shoot-out.

#### **Viral marketing campaign characteristics**

The world cup final took place in Berlin, Germany on the evening of July 9<sup>th</sup>, 2006. It started at 8:00pm Central European Summer Time (CEST) and ended after 120 minutes excluding half time, extra time and penalty shoot out time. The Zidane head butt happened at approximately 10:00pm CEST. In a matter of a few hours the Internet was taken by storm by the 'Zinedine Zidane Game', developed by Alberto Zanot, an Italian graphic designer from Milan. The game encourages the computer user to head-butt the Italian player by way of mouse movements and mouse clicks. Zanot took less than an hour to develop the game using Macromedia flash, Action Script language, and TV shots of the football players (Heffernan, 2006). He initially emailed the game to friends, effectively initiating the viral marketing campaign. On July 11<sup>th</sup>, in a matter of one single day, the game had been viewed more than 1.5 million times (Heffernan, 2006). The game was spreading at an exponential rate around the globe, corresponding to the first critical factor, an exponential, fast, and wide reaching diffusion.

The two identifiable core channels used for peer-to-peer transmission in the Zidane case were e-mail and online communities. The source of the game, Alberto Zanot, initially emailed his friends a copy of the game. These friends then sent it on to their friends and posted it in online communities. Even three months later, in October 2006, a Google search on the keywords 'Zinedine Zidane game' discovered many online resources for the same game. The Zidane game therefore satisfies the second success criteria, as it employs the peer-to-peer information conduit.

The message transmitted in the Zidane case was an interactive online game. The game itself is very simple, based on Adobe's Flash, basic graphics and minimal game-play. From the web game developer's perspective, the purpose of the game is twofold: it aims to entertain and it seeks to comment on a news event, hence it is categorised as a 'newsgame' (Frasca, 2006). The original game was enhanced with a timer and score at a later time. The game further provoked different spin-offs such as FootyMax ([www.footymax.com/zidane.htm](http://www.footymax.com/zidane.htm)), where the various views of stakeholders are interpreted and pictured in a funny fashion. The French, for example, would have seen the Italian player running against a lamppost. The game scores on source imagination and contemporariness, for the fact that making a game about a topical, controversial action on the football pitch is engaging. The Zidane game therefore addresses the third critical factor, message content.

The Zidane game is in a format that is suitable for viral communication as it is a computer game that can easily be transmitted over the Internet. A particular feature of the game is that it stimulates recipient action: the receiver of the game is encouraged to play the game. The game is easy to use and understand, and it is funny. The game is about a topical event that reached a wide coverage in the news and promotes transmission through its characteristics including this association with the recent news event. The Zidane game therefore satisfies the fourth critical requirement, appropriate product characteristics.

When it comes to the overall campaign structure, there is no information available regarding legal issues raised in regards to the game. Potential legal concerns can arise from using images of the two players, therefore infringing image and personal rights. Another possible question is whether FIFA World Cup copyright laws have been breached and whether FIFA will take legal action against the game developer. The violent action displayed by Zidane during the game is a negative feature of football over which FIFA has only limited control: during the game, the referee did send Zidane off the pitch and FIFA did carry out an official investigation following the game. A specific feature of the Zidane game campaign structure is that it is short-lived, being based on a news event (Frasca, 2006). In terms of ethical issues, there are no indications that FIFA had any involvement in the message development and transmission process. A specific ethical aspect regarding the game is the fact that it displays violence, which message recipients and victim support groups may find disturbing.

Social viral communication as evident in the online game case contains messages about certain brands, organisations, events, etc. These parties and product/services involved can benefit from this type of communication. Still, the lack of control over message content can be an issue. Another important thing to note is that as news-games are topical they may end up having a shorter life-time span, which wears off as the related news and events buzz decreases. Still, this case clearly illustrates the potential of viral marketing as an information transmission mechanism that could be used for commercial purposes too, as show in the following two cases.

### **Case 2: Unintentional viral marketing: The pancake video**

On August 25<sup>th</sup>, 2006 the BBC published an article about a pancake video on its news website (BBC, 2006b). This video, documenting the making of pancakes, was produced by a 1<sup>st</sup> year computer science student at Aberdeen University and uploaded onto YouTube.com on August 13<sup>th</sup>, 2006. The video has not only been shown to about six million viewers of ABC's Good Morning America, but it has also been featured on Fox news in America, Sky News, and Five News in Britain and in Australia by the Australian Broadcasting Company. By October 23<sup>rd</sup>, 2006 the pancake video had been viewed more than 1.2 million times on YouTube ([www.youtube.com/watch?v=PnCVZozHTG8](http://www.youtube.com/watch?v=PnCVZozHTG8)).

#### **Viral marketing campaign characteristics**

The hundreds of thousands of viewers who watched and continue to watch the pancake video are testimony to the suitability of this kind of video clips for viral purposes. The pancake video incorporates the first critical success factor, an exponential and fast diffusion that is reaching a wide range of audiences. It took only three days for the video to become the week's hottest video on the YouTube Website and another nine days to appear on the BBC news website. By the time the BBC published the story the video had received more than 700,000 hits. With the number of hits the video was getting and the 'buzz' about the video spreading around the world, the diffusion is characterised as being exponential. Following the initial hype about the video in the first two weeks after the upload, the diffusion process slowed down slightly, but nevertheless it remained popular, managing to exceed 1.4 million viewings by early January 2007.

The second critical factor, i.e. peer-to-peer information conduit, incorporates communication channels and technology available, used and leveraged by the message senders. In the pancake case the exact message channels available, used and leveraged for information transmission, are not known. What is known is that the uploading of the video onto YouTube ignited the diffusion process. 'Buzz' about the video was generated by a large number of people viewing it measured by way of hits. This initial exponential diffusion of the pancake video also captured the interest of ABC's Good Morning America and resulted in an article on the BBC website, which further fuelled the success of the video.

When it comes to the content, the pancake video is based on both vision and sound. The video shows the process of making pancakes while the viewer is exposed to a pancake song specifically composed for the video. This song was very well-accepted among viewers and it even climbed to number one in the Israeli single charts. The message of making pancakes is engaging, imaginative fun to watch and intrigues through its simplicity.

Interestingly, although the video is primarily about the process of making pancakes, it features the following products indirectly promoting their use: BeRo Plain Flour, milk and eggs (no brand visible), Sainsbury's raspberry jam, Sainsbury's pure Canadian maple syrup, Nutella chocolate spread and Tate and Lyle sugar. Various unidentified items of crockery and cutlery are used in the process of making the pancakes. The video also shows one individual making and eating the pancakes, but it does not show the face of this person, nor does it disclose the identity of the person. It is evident then that a range of companies have been the recipients of a free promotion notwithstanding the stimuli given to viewers to engage in making a new activity, i.e. pancakes. It can be argued, although this needs to be empirically tested, that the pancake video could result in increased sales of specific products and could influence consumer behaviour towards novel uses of products. It also increases awareness and loyalty for the products and services involved and, at least in this example, it transmits positive marketing connotations for them.

When it comes to the last success factor, i.e. the overall campaign structure, the pancake video has been produced by an individual out of pure enjoyment for making videos. There was no identifiable commercial reason for making the video. There are no obvious ethical issues associated with the video either which encourages spread by sheer enjoyment of watching the video. This is not the case, though, when it comes to legal issues. It is unlikely that the owners of these brands shown in the video were aware that their products were being used in a video production. With the widespread diffusion and attention the pancake video was getting in the press, these brands receive free marketing, associated with enjoyment, without their involvement. Whether the organisations would have chosen to get involved in the first place remains open to question and shows the lack of control that organisations have over viral marketing. In this case the buzz that the clip generated could be perceived positively by the above mentioned companies, but there is no guarantee that this will always be the case.

### **Case 3: Commercial viral marketing in practice: An Internet video ad**

Fat Wallet Inc. provides shopping discounts and pricing information for online shoppers. The American company, based in Illinois, commissioned the Scottish student who produced the pancake video to develop a promotional video. In this video FatWallet.com advertises its services using the slogan 'Pocket the difference' to the online audience. The video has a similar look and sound to the pancake video and was also well-received by the YouTube audience as indicated by the comments the viewers made.

#### **Viral marketing campaign characteristics**

The diffusion process commenced when the video was placed on YouTube ([www.youtube.com/watch?v=5iC4K71yF5E](http://www.youtube.com/watch?v=5iC4K71yF5E)) and a link was made from the FatWallet website to this video on October 19<sup>th</sup>, 2006. By early January 2007, the video clip had been viewed more than 25,000 times. Although the diffusion is not as fast as the pancake video, for a commercial ad it is considerable exposure. Hence, the commercial Fat Wallet campaign is satisfying the first characteristic of speedy diffusion and reaching the audiences. Source credibility was high as the producer could capitalise on the earlier success of the pancake video too. While it is clear that people interested in the producer's videos and FatWallet.com will spread the message, it remains unclear what attributes of the message foster its non-commercially related diffusion among peers. Fat Wallet, however, makes clever use of the producer's peer-to-peer network.

The content of the Fat Wallet video message is clearly commercial. Both, the producer as well as the organisation paying for the video promotion are open about this issue. In the comments left on the producer's section in YouTube as well as on the Fat Wallet forum, the viewers express a positive flair towards this openness. The majority of viewers considered the content of the message, the commercial ad, to be entertaining and particularly like the music. The FatWallet video therefore fulfils the second characteristic: a fun message that is worthwhile transmitting.

With the buzz surrounding YouTube, online videos are increasingly proving to be a well-received method of communication. Online videos are easily transmitted by electronic means; this ease of electronic transmission is a key advantage in terms of viral marketing. Hence, the product characteristics make videos a suitable product for spreading viral marketing messages.

The FatWallet campaign's clever use of the peer-to-peer network of the producer ensures that the video reaches a target audience, giving the organisation some degree of control over transmission. As FatWallet paid for this ad, the company was in total control of the message content. The content produced was original (for example the song was specifically composed for this advertisement) avoiding legal issues, such as copyright issues.

## **4 ANALYSIS OF THE DIFFERENT TYPES OF VIRAL MARKETING CAMPAIGNS**

The three viral marketing campaigns discussed above illustrate the various aspects that contribute to a successful campaign. The first case is an example of how personal desire for social interaction can attract the users' interest and spread very quickly. In the second one although the prime aim is to produce an entertaining clip, the video unintentionally acts as a marketing conduit for the featured products. Finally, in the third case a company with clear commercial motivations aims to capitalise on viral mechanisms in order to promote its services.

Table 4 is derived from a literature synthesis and cases of viral marketing campaigns. The three aspects of diffusion characteristics are all fulfilled in the social interaction (SI) and unintentional viral marketing (UI). For the commercial campaign (C), it is unclear whether it spreads exponentially and at high speed. It is, however, reaching the audience targeted by the organisation because the video was commissioned and placed on the web space of the producer of a successful UI campaign. If the organisation had not intended to target the followers of this producer, it would not have commissioned the clip and had it placed on this person's YouTube web space. While email and online communities were the key channels and technology used in the SI campaign, a YouTube clip snowballed into various news coverage and email notifications in the UI case. The peer-to-peer information conduit in the commercial campaign uses the producer's peer-to-peer network on YouTube; emails; forums and the organisation's own website for spreading the message. All three originating sources are credible as none of the sources appears to be hiding their origin and intentions. For message content, SI and UI fulfil all the criteria identified (e.g. imagination). The commercial campaign is imaginative, fun, and easy to use. All three types feature suitable products and services. Equally, all three campaigns encourage viral activity although the activity at the commercial level is by no means as strong as in the other two. While there is no information available regarding legal issues that have arisen, there are potential legal grey areas in the SI campaign. UI campaigns remain to be studied in terms of ethical

issues, while there may also be legal issues caused when using referring to brands that are protected, e.g. by using trademarks. There are no legal and ethical issues emerging from the commercial campaign.

Finally, in terms of controlling the viral marketing campaign, it is evident from the previous analysis that we are dealing with a rapidly evolving phenomenon that operates within a very short timeframe and its power of online influence via the ‘word of mouse’ is critical during message dissemination (Skrob, 2005). This unique on-line channel puts the internet user at the centre of its operations and its strength lies within internet users’ willingness to share the message with friends, relatives and other interested persons (Skrob, 2005). Firms need to be aware that, upon the release of a message during traditional word of mouth marketing, consumer behaviour is influenced either positively or negatively by conditions such as awareness, expectations, perceptions, attitudes, behavioural intentions (Buttle, 1998). Day (1971) stressed that the impact of that medium is bigger compared to advertising in raising awareness during his examination of a product innovation. Firms face similar issues during viral marketing, an area where further research is highly recommended.

**Table 4: Viral marketing aspects for social interaction (SI), unintentional interaction (UI) and commercial (C) campaigns**

Factors	Aspects	SI	UI	C
<b>Diffusion characteristics</b>	• Exponential	v	v	Unclear
	• Speed	v	v	Unclear
	• Audience reach	v	v	Potentially
<b>Peer-to-peer information conduit</b>	• Channels and technology available, used and combined	Email Forums	YouTube News coverage Email	YouTube Email Forums Org. Website
	• Source credibility	Original source credible (designer)	Original source credible (student)	Original source credible (openly commercial)
<b>Message content</b>	• Imagination	v	v	v
	• Fun & intrigue	v	v	Fun
	• Ease of use	v	v	v
	• Engaging	v	v	N/A
<b>Product service characteristics</b>	• Suitability	v	v	v
<b>Overall campaign structure</b>	• Encourages viral activity	v	v	v
	• Ethical & legal issues	Potential legal concerns Potential ethical issues	None	None

## 5 A VIRAL MARKETING TYPOLOGY

The cases presented in the previous section illustrate that there are different types of viral marketing. In the first case there is viral communication, which is interaction between message sender and receiver about a worthwhile issue. In this case, products, services and organisations are not a feature of the message; knowledge about these is intangible and intrinsic. In the second case, the transmission contains the actual product, service or organisation marketed, but the aim of the message is not to market these. Therefore, it is unintentional viral marketing. In the third case, the message contains the product, service and/or organisation being actively promoted. This type of viral marketing is commercial, as the aim is to promote a product, service or organisation. Table 5 tabulates these three types. Message content in terms of product, service and organisation visibility determines this viral marketing typology.

**Table 5: Viral marketing typology**

<b>Type</b>	<b>Social Interaction</b>	<b>Unintentional</b>	<b>Commercial</b>
<b>Motive</b>	Communication	Communication	Create interest
<b>Visibility</b>	Intangible	Identifiable	Intention driven
<b>Intention</b>	Not viral	Not viral or concealed viral	Open viral vs. concealed viral
<b>Basis</b>	Social	Social and/or commercial	Commercial

The viral marketing typology presented in Table 5 differentiates between social interaction, unintentional and commercial viral marketing. The key factors that determine this differentiation are the underlying motive for the action, the visibility of the product, service and organisation, the intention of the originating source and the communication basis. The motive in both social interaction and unintentional is communication. In the commercial group it is to create interest in something such as a specific product, brand, service, or organisation. Visibility is different in all three categories: in social interaction it is intangible, with the message not containing any obvious marketing messages. In the unintentional type, products and services are included in the content. In the commercial group, visibility is driven by the intention, which can be openly viral or concealed viral. Openly viral is where it is clear who the organisation is or what product or service is being marketed. In concealed viral the intention is unclear. In this sub-type, ethical issues are likely to arise. Users may, for example, be tricked into believing a message originates from an un-biased, un-related source when this is not the case. The intention of social interaction is purely not viral marketing. In unintentional it can be not viral, concealed viral or a combination of both. As is the case in the commercial group, concealed viral raises concerns regarding ethical issues. The communication basis in social interaction is purely social. In unintentional it is social and/or commercial and in commercial it is commercially driven.

## 6 CONCLUSIONS

This paper has synthesised the emerging body of literature on viral marketing and in doing so, developed and tested five critical factors for viral marketing campaigns. The validity of the synthesis is underlined by a viral marketing typology which differentiates between social communication with viral elements, unintentional viral marketing and commercial viral marketing. For each form of viral marketing critical aspects emerge which are tested by way of using the three cases presented. In terms of the model and the typology developed, future research could test the validity of the model in different contexts and settings. The typology needs refinement and testing, which is another avenue for further research. Researchers may find it interesting to develop their own typologies and future research can then compare these typologies.

As with any emerging field of study, empirical evidence will bring in-depth understanding fostering knowledge creation about viral marketing. Scholars may be interested in empirically investigating diffusion patterns. Questions that may be of interest include: what are the diffusion patterns of different viral marketing campaigns and what are the differences between regions, countries and continents? In addition, what boundaries do messages cross and what are the transmission barriers? Moreover, at what speed do different messages spread, what factors increase/decrease message diffusions? In terms of peer-to-peer information conduit, researchers may be interested in studying what communication channels message transmitters use frequently/infrequently, what technologies are

used and to what extent, and whether the lack of certain technologies inhibits message transmission. What makes a source credible is another interesting question as is what characteristics do frequent message transmitters have? Another question might be how to foster viral activity among individuals. In terms of message content, interesting questions are: what are common characteristics of successfully diffusing viral marketing messages and what are the differences between highly successful versus mildly successful campaigns? Also, what are the key characteristics and attributes that make a message viral? For product and service characteristics, future research could investigate what products are specifically suitable and unsuitable for viral marketing and the underlying reasons for this suitability or unsuitability; and one could study what makes a product suitable for a viral marketing campaign and the underlying reasons. Researchers may also find it interesting to study differences between product and service campaigns. In terms of overall campaign structure, a potential line of inquiry is how organisations can ensure ethical issues are addressed and develop ethical standards for viral marketing campaigns. At this point in time, legal issues applicable to viral marketing campaigns are unknown and further exploratory research is needed. The emerging literature treats viral marketing as a purely individual centred phenomenon, yet it would be interesting to study the role of organisations and organisational networks in the diffusion process.

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