

VIRAL MARKETING AS UNCONVENTIONAL FORM OF ADDRESSING CONSUMERS

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Abstract

Nowadays classic forms of propagation, including television and printed advertising, are being replaced by new marketing tools. Presentation of products and services on the Internet has become one of the most significant trends. Moreover, the form of presenting advert to consumers has changed as well. Companies are not only trying to expose consumers to their adverts, but they also make a great effort and spend a lot of money on creating campaigns which are interesting enough for consumers to share them with their friends and family. Consumers, who were only passive recipients of advertising in the past, have become active in sharing campaigns, thereby a new form of marketing called viral marketing has been invented. The main aim of this paper is to evaluate whether consumers perceive viral marketing as a form of promotion of products and services and whether they spread viral messages on the Internet. Primary information was obtained by questionnaire survey and processed by Chi-square test for independence and Cramer's V. Based on the results almost 30% of respondents actively share viral advertisement on social media (especially Facebook) or by e-mail and 74% had never heard of viral marketing or have heard about it but do not know its meaning.

Keywords: viral marketing, viral message, viral advertisement, consumer

JEL Classification: M31, M37, M39

1 Introduction

The free movement of goods in the process of globalization and a significant expansion of the Internet have caused the escalation of competition for consumers. Therefore, entrepreneurs are trying to get many innovations to their consumers (Kubelaková, Nagyová and Košičiarová, 2015). Everyday consumer purchase decisions are made influenced by marketing stimuli. (Kubicová, Kádeková and Rovný, 2012). Currently, is the competitiveness of enterprises increasingly based on ability to adapt to customer requirements. (Ubrežiová, Kapsdorferová and Košičiarová, 2012). Customers are gradually getting more demanding for processing of non-typical marketing campaigns and they are much more negative to the classical form of advertising. Marketers draw their attention to new alternative forms of promotion. Their benefits lie mainly in the fact that they are original, offbeat, funny or shocking, and based on the element of surprise. (Holienčinová, 2013). Modern marketing tools are in comparison with traditional more effective and relatively cheaper (Nagyová et al., 2014). The effective use of alternative marketing practices can be especially advantageous for smaller to medium sized firms in the consumer products and services industry, which oftentimes lack the resources that are necessary for employing traditional forms of advertising. Cost-effective promotional options that can also deliver measurable business results can be achieved through a social media platform, guerilla, events-based marketing and moreover viral marketing (Castronovo and Huang, 2012).

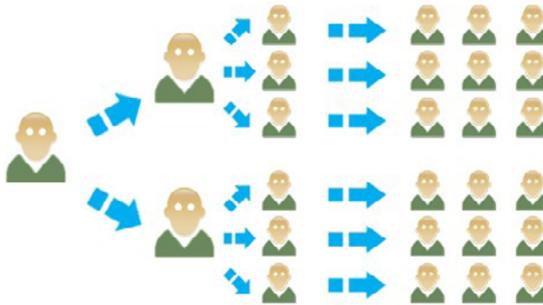
The term viral marketing is credited to venture capitalists Juverton and Draper, 1997 who used viral to describe the marketing techniques behind The Hotmail adoption pattern as a virus- with spatial and network locality. People typically send e-mails to their associates and friends; many of them are geographically close, and others are scattered around with clusters in areas of high Internet connectivity. The beauty of it is that none of this required any marketing dollars. Customers do the selling. The catalyst for success was the promotional tag on each outgoing email, which turned subscribers into company salespeople who took the message to their own word-of-mouth networks. Thus, the viral message spread organically with spatial and network locality, much like a virus, and garnered 12 million subscribers in 18 months for less than \$500 000. Since then, viral campaigns have become increasingly popular (Ivanov, 2012).

1.1 Viral marketing

Through a set of reasonable and effective points viral marketing system guide and encourage customers to initiate publicity (Jianliang, 2012), so we can define it as 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 (Wilson, 2005). Information proliferates across a million people rapidly (Figure 1) within a short period of time. Marketers are now increasingly looking forward to tap this opportunity to deliver any type of a marketing message because of its ability to make the message contagious (Haryani and Motwani, 2016).

Figure 1 **Spreading of viral message**



Source: Triad, 2010.

By creating their own online social networks, social media marketers can influence a brand community and potentially influence consumer behaviour (Miller and Lammas, 2010). The main functions of all these platforms are to interact with each other and to share the information (Ahmad, Musa and Harun, 2016). Viral marketing uses social networks to promote goods or services through spreading texts, videos, images. Existing social networks in which people share information on products or services are used for this purpose (Šramová, 2014). Using of viral marketing can integrate any social networking sites like Facebook, Twitter or Instagram into one operation system (Fadil, 2014). We can not forget that the viral spread of information through social media has a much greater ability to reach audiences that other media such as TV advertising, radio and print (Keller, 2009). There are three main reasons why marketers include viral marketing in the company's marketing mix.

- It incurs very little expense since the individual passing on the referral carries the cost of forwarding the brand message.
- Those forwarding the message will be more likely to know which of their friends, family members and work colleagues have similar interests and are thus more likely to read the message.

- Unlike traditional advertising viral is not an interruptive technique. Instead, viral campaigns work the Internet to deliver exposure via peer-to-peer endorsement (Hollensen, 2008). Many consumers perceive traditional forms of advertising as an undesirable part of everyday life, which often does not respect the moment intimacy (Ábelová, Kádeková, 2011).

The main disadvantage is that this is a high-risk marketing communications technique, since it requires significant investment in the viral agent and seeding. However, there is no guarantee that the campaign will „go viral“ in which case the investment will be wasted (Chaffey, 2009) Although this technique entails insubstantial media costs, there are other costs in the initial set up of e-viral campaigns. One of these costs is in the research needed to identify suitable „seeds“ or opinion leaders, to understand their preferences and contacts and to gain their permission to send them the viral message (Masterman and Wood, 2007). Once a message spreads as a virus over the Web, it is impossible to further control this process. In addition, because consumer is free to forward any message, it is difficult to control what message consumers are writing on their peers (Wuyts et al., 2011).

2 Material and methodology

The main aim of this paper was to evaluate whether consumers perceive viral marketing as a form of promotion of products and services and whether they spread viral messages on the Internet.

Firstly, the secondary information, including the literature of domestic and foreign authors, Internet resources and publicly available information, served as a foundation for the theoretical part of this paper. Additionally, primary information obtained from a conducted survey was used to compare the theoretical knowledge with information from consumers.

All respondents answered 19 questions, which were divided into two main parts. The first part consisted of 3 questions about gender, age group and highest level of education completed by the respondent. In the second part, there were 16 questions with closed or semi-closed character for easier processing of primary information and quicker filling in the questionnaire form by respondents. The main purpose of the questionnaire survey was to find out if people know the term “viral marketing”, how often they use Internet and to assess whether they share viral messages with their friends and family members. This paper provide evaluation of key questions of this survey.

To preserve the representativeness of the survey, subjects of questionnaire were inhabitants of Slovak Republic of all age categories respecting the last consensus

of population. The questionnaire survey was completed by 427 respondents, out of whom 232 were women and 195 were men (Figure 2). The questionnaire was sent by e-mail and Facebook to respondents during the month of December 2017. Google Forms, an online survey tool, was used to sort data into an Excel sheet. Older people received the same questionnaire in papier form which were eventually transformed into digital form.

Figure 2 **Gender and age group of respondents**

	Men	Women	Total
To 19 years old	36	43	79
From 20 to 39 years old	63	95	158
From 40 to 59 years old	53	51	104
Over 60 years old	43	43	86
Total	195	232	427

Source: Own processing according to the questionnaire survey.

First of all, questionnaires with incorrectly answered or unfilled questions were discarded. Then, all questions were evaluated graphically and verbally by using deduction. Moreover, we used methods of qualitative statistics. We tested representativeness of the sample by Chi-square goodness of fit test and used Chi-square test for independence to support or reject the null and alternative hypothesis formulated based on the following assumptions:

Assumption 1: Younger respondents (up to 39 years old) prefer new forms of advertising products and services and people older than 40 years of age prefer traditional forms of advertisement.

Assumption 2: Respondents younger than 40 years old share viral campaigns with their friends and family members and older ones do not.

Assumption 3: More women than men think that viral marketing is suitable for promotion of food.

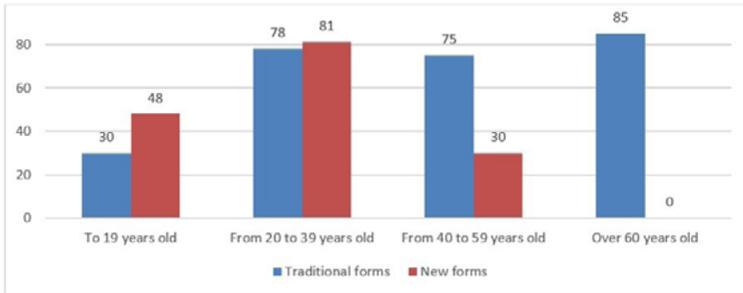
Assumption 4: Especially the age category from 20 to 39 years old would welcome using viral marketing by Slovak entrepreneurs.

3 Results and discussion

The first question was focused on the preferred form of advertisement (Figure 3). Majority (62.76%) filled in the option traditional forms of advertisement. These traditional forms, such as TV spots or radio spots, are being slowly replaced by new forms of advertising, which were preferred by 37.24 %. This indicates that

mostly young people realize that companies are trying to innovate and reach potential customers in new, more original and interactive ways.

Figure 3 Preferred form of advertisement by respondent



Source: Own processing according to the questionnaire survey.

For this question of the questionnaire the first set of hypotheses was developed. They studied whether the respondent's age influences preferred form of advertisement. Determined hypotheses were tested by Chi-square test for independence. At significance level of 5% we rejected hypotheses H_0 . The assumption that there could be a dependency between age categories and preferred form of advertisement had been confirmed because the critical value (7.81) was smaller than the test statistics (84.77). Since an alternative hypothesis was confirmed, we also calculated the Cramer's V, which showed the force of dependence. Value of this coefficient was 0.46, so association between variables was quite significant.

The term "viral marketing" was the object of the second question. Up to 52% answered the question that they had never heard of viral marketing, and 22% of respondents had heard the term but did not know what it means. The fact that majority did not know that such a concept exists or did not recognize its meaning can be explained by the fact that viral marketing is a relatively new concept. The first Slovak viral campaign appeared in the Slovak Republic in 2007 when people sent more than 1 million Christmas wishes in the form of video provided by beverage brand Kofola (2018). Only 26% of the respondents answered they knew the term and its meaning.

The third question was open. Respondents could use their own words to describe what they think that the term "viral marketing" meant. The most accurate answers described "viral marketing" as follows:

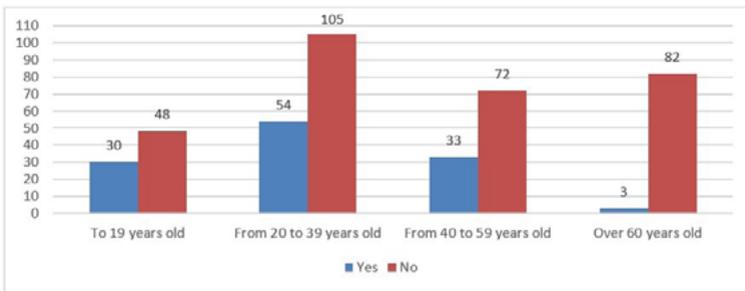
- marketing that is based on the fact that the consumer spreads the advertisement further because he wants,
- the activity in which the recipient becomes the message distributor,

- a modern method that uses traditional online advertising formats and emphasizes fun and eye-catching content which increases consumers' willingness to distribute it among themselves,
- the advertisement that customers spread among themselves.

The largest number of people had mistaken the word "viral" with the word "virtual", so they described viral marketing as promotion of goods on the Internet. Partly they were right, but they did not fully describe the character of viral marketing. One respondent thought that viral marketing is a marketing that deceives and interrupts consumers. Some of the respondents did not know what the word "marketing" means.

More than 70% of respondents said that they do not spread viral advertisement campaigns (Figure 4). The other 28% of respondents (120) admitted to spread them. Similarly, in research of Poorvika and Kavtha (2014) 33% of the total respondents spread the messages to share interesting and fun contents. Interestingly, in our research, 36 of these respondents were older than 40 years. Thus, we can claim that the trend of changing consumers from passive recipients to active spreaders is gradually starting to reflect on older generation, too.

Figure 4 **The fact whether the respondent share viral campaigns**



Source: Own processing according to the questionnaire survey.

Chi-square test for independence was also used to test answers of this question. Based on the results, there was dependence between the age and whether the respondent spread viral campaigns. The value of the test statistics (30.99) was more than the critical value (7.81). This means that companies should use viral marketing especially when they target the young people segment. The coefficient of the association with value 0.27 had also confirmed existing dependence.

It does not matter if company publishes video or picture because consumers voted equally in favour of both. So, the form of message is not as important as its content.

In the next question, we tried to find out which advertisements are interesting to respondent so he decides to send them to another person. 51.67% of those who spread viral campaigns were most likely to share campaigns with original content and 16.66% shared emotional campaigns. This fact was confirmed by Wharton professor Jonah Berger because findings from his earlier paper show that people tend to share unique content that evokes a strong emotional reaction (Ciotti, 2013). Perhaps the main reason why companies are trying to come to the market with the most unpredictable advertisement. All other options (campaigns with sexual content, that show famous celebrities, promote discounts and category “other”) were marked by approximately 10 people.

In regards to the previous question questionnaire also asked about media which is being used by consumers to share viral campaigns. 74.19% has chosen Facebook. This can be explained by the fact that Facebook is the ideal tool for spreading images, videos, written text and links to the specific web sites just by clicking the “share” button. In Chu’s (2011) research youth have favourable attitudes toward advertising delivered through social media especially Facebook. Thus, social media are a potentially rich avenue for viral advertising campaigns. E-mail was chosen by 20.82% respondents. Majority of them were between 40 to 59 years old. This age category does not use social networks daily, so the advertisements that interest them are being spread in such an outdated way. The options “other” was marked by 4 respondents and the option Twitter by 2 people.

44.96% of respondents identified low costs for spreading the message as the biggest advantage of viral marketing. Consumers understand that it is beneficial for companies to release a message that is interesting enough that their recipients decide to spread it further. Almost 30% of the respondents thought that a viral campaign can get to the target group easier because people tend to share the campaign to individuals who have similar interests. This fact was confirmed by research where 71% of respondents said they would prefer ads that are tailored to their personalized interests and shopping habits (Pauzer, 2016). 27% of respondents, who were particularly in a higher age category, indicated the benefit of not using interruptive technique which would be disturbing.

According to 63.47% respondents, the biggest disadvantage of viral marketing was the fact that the message does not have to be interesting enough. Consumers know that when a campaign is unattractive, people do not decide to share it and the message does not become viral. 21.07% identified uncontrollability of the message as the major disadvantage. Some people (15.46%) were aware that a large budget is often needed to create pompous advertisement.

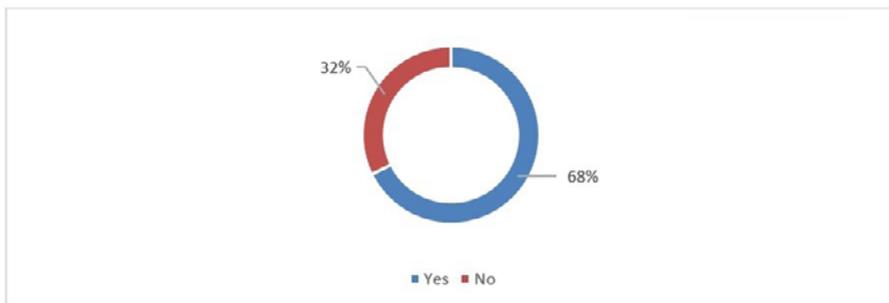
Moreover, when it comes to assortment groups, this research pointed out that viral marketing is also suitable for propagation of food products. Although

originally viral marketing was used for promoting music releases and fashion, now, it is commonly used with food products. 74.00% of respondents thought that promotion in television or printed media is not enough and even food producers should adapt to the newest trends.

We were interested in whether women thought that viral campaigns are suitable for advertising food products as well as men. To support or reject H_0 hypotheses we used Chi-square test for independence. In this case, the zero hypothesis was also rejected, because the critical value (3.84) was less than the test statistics (4.89). From the results of Cramer's V (0.11) we can claim that at significance level of 5% the dependence between variable was low.

We also asked whether respondents would prefer Slovak companies using viral marketing as a form of promotion of their products and services. A minority with 32.08% answered this question negatively. There are still some customers (especially elders) who prefer simple advertisements which show them just how the product looks and works. Larger group (67.92%) would welcome using viral marketing by Slovak entrepreneurs because they are more imaginative, funny and catch their attention quickly. Almost the same percentage of respondents saw the future of advertisement in viral marketing (Figure 5).

Figure 5 **The fact, whether the respondent see the future of advertisement in viral marketing**



Source: Own processing according to the questionnaire survey.

For the purpose of seeing future of Slovak advertisement in viral marketing, additional hypothesis were established. The main goal was to determine whether there was a difference between age groups. Our calculations showed that the test statistics (23.41) was higher than the critical value (7.81), so we accepted an alternative H_1 hypothesis. Existing difference between respondents of different age was confirmed by Cramer's V (0.23).

4 Conclusion

The research confirmed that, nowadays, particularly younger generation spends lots of time online. They use social media on daily basis which is the reason why entrepreneurs try to attract potential consumers by using new form of advertising called viral marketing- when consumers find viral campaigns attractive enough to share them with other people.

Interestingly, more than a half of respondents in our research had never heard of viral marketing and, moreover, another 22% had heard about it but did not know its meaning. We can conclude that many respondents do not know that viral marketing is a form of promotion of products and services, even though some of them (28.10% of the sample) actively support spreading viral messages, when they share them on social media (especially Facebook) or send them by e-mail.

Respondents share content in the form of video as often as in the form of picture. Therefore, the unique content and emotional stimuli are more important. When it comes to the promoted product, 74.00% of consumers would like to see viral campaigns of food products not only for electronics, clothing or cosmetics.

44.96% of respondents identified low costs of spreading the message as the biggest benefit of viral marketing. But it has other advantages like targeting chosen segment faster or not using interrupting technique as well. Even though viral marketing has some disadvantages, too. 67.92% of respondents would prefer Slovak entrepreneurs using viral marketing to promote their products. 67.68% see the future of advertising in more unconventional forms such as viral marketing.

Based on the survey, we recommend using promotion on the Internet and social media by companies because it positively influences consumer behavior, it creates an illusion of company that uses new technologies and follows the newest trends. Furthermore, when a campaign is interesting enough it can become viral and target masses with relatively low distribution costs.

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