

CONVERSATIONAL CAPITAL

How to Create Stuff People Love to Talk About

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The Web site for this book is at www.conversationalcapital.com.

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MAIN IDEA



Conversational capital is the art of bringing together all the requisite elements to craft positive word-of-mouth endorsements from the ground up. It's about injecting intensity into ordinary products and services to turn them into experiences consumers love and rave about to others. In effect, conversational capital is the Holy Grail for any business which aspires to leadership.

Brands which have high degrees of conversational capital always outperform those which do not enjoy this competitive advantage. When consumers are so enamored of what you have to offer they make you an ongoing part of their own stories, tremendous things can happen. This is especially true in modern media markets where mass communication is losing its effectiveness. Consumers have become suspicious of the traditional "top down" style of communication. They respond far better to the horizontal (peer to peer) messages or those which bubble from the "bottom up". These messages are considered far more genuine and therefore more authoritative than paid advertising.

"Word-of-mouth is valuable currency. Like any currency, we believe that its value can be managed. Build it properly and you have an asset that increases the value of your brand. Ignore it or spend it unwisely and you have a liability – even if you've invested millions above the line. Because word-of-mouth advocacy is organic and democratic and because consumers control so much of its power, it can appear scary and unpredictable to marketers. It shouldn't be. What we've seen, time and again, is that positive word-of-mouth happens when a certain number of key factors are present in a brand story. We call these factors the engines of Conversational Capital. By becoming aware of and managing these engines properly, you can turn Conversational Capital into a toolbox that builds value into your product or service".

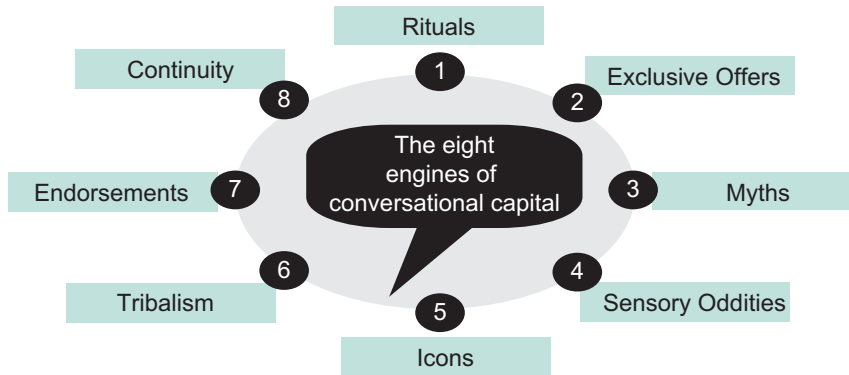
– Bertrand Cesvet, Tony Babinski and Eric Alper

1. Defining conversational capital Pages 2 - 3

Conversational capital has been happening for years, but very few people have ever paused to identify it, name it or even clearly articulate its benefits. In essence, conversational capital is created whenever firms provide customers with outstanding and meaningful experiences which help those customers do what they want to do. In return those customers talk positively about their experiences to others.

2. The eight engines of conversational capital Pages 3 - 5

Positive word-of-mouth generally happens whenever a number of key factors are present in a brand story. These key factors are called the engines of conversational capital. Another way to look at them is to consider them to be "experience amplifiers".



3. Implementing conversational capital Pages 6 - 8

Once you've generated conversational capital, you then want to make maximum possible use of it. This will enable you to reduce your marketing and promotional expenses while at the same time driving growth. Implementation of conversational capital generally involves four steps:

