

This presentation is from the



Learn more about WOMMA and how we can help you improve your word of mouth marketing program at <http://www.womma.org>.

(c) 2005 Word of Mouth Marketing Association.
You may share this presentation if it is not altered in any way.

Ethics In Word Of Mouth Marketing

Protecting Consumers & The WOMMA Code

WOMMA SUMMIT
March 29, 2005

Andy Sernovitz, CEO
Word of Mouth Marketing Association

Ethics define our future

- **Taking a strong stand is the right thing to do**
- **Without action, we will all be lumped in with the worst abusers**
 - Must not let them define business
 - Must provide a countervailing voice
- **The wrong vision of WOM scares people**

Why we started this process

- **We don't have all the answers yet -- but we know that it is time to start the discussion**
- **WOMMA's prime purpose: Create a highly trusted environment for consumers and marketers**
- **Must draw a line in the sand, and make it clear that ethics are vital to our future**
- **Must delineate those practices that are absolutely unacceptable**
- **Must help marketers understand what they should not be supporting**
- **Help the public separate the good guys from the bad guys**

This isn't easy – but it's the right thing to do

- **Highly controversial**
- **Uncomfortable issues and conversations**
- **The only way to ensure an ethical future and honest business is to get involved**
- **This is an open process – everyone is welcome**

The rules may not apply to you, but they need to be stated

- **The rules aren't written for the honest companies
– they are written for the abusers**
- **This is a diverse business, so we need to talk
about things that don't apply to you**
- **Need compromises to reach consensus**
- **It will take time to reach a comfortable set of
policies**

The Process

- **Open call for participation**
 - 2,000+ people emailed and invited to participate
 - Input from many groups
- **Core volunteer committee created this first draft**
- **Comment period extended until 4/15/05**
- **Revision will be an ongoing process**

The WOMMA code is a first draft

- **Put out for discussion and revision**
- **Everyone is invited to participate and contribute – including the critics**
- **This is a living document – it will get continually revised to accommodate a changing environment**
- **We make no claim to have all the answers and no plan to impose this on anyone else**



The WOMMA Code

Consumer protection and respect are paramount

- **We respect and promote practices that abide by an understanding that the consumer – not the marketer – is fundamentally in charge, in control, and dictates the terms of the consumer-marketer relationship**
- **We go above and beyond to ensure that consumers are protected at all times**

Core Concept: The Honesty ROI

Ethical word of mouth marketers always strive for transparency and honesty in all communications with consumers, with advocates, and with those people who advocates speak to on behalf of a product.

- **Honesty of Relationship**
 - You say who you're speaking for
- **Honesty of Opinion**
 - You say what you truly believe; you never shill
- **Honesty of Intity**
 - You say who you are; you never falsify your identity

Rules of the Venue

- **WOM exists in other media – we abide by their rules**
- **Issues:**
 - Covers many complicated situations
 - We don't need to rewrite the rules, they have been well established by existing media
 - WOM marketers never disrupt or invade

Downstream Communications

- **We promote the Honesty ROI in downstream communications**
- **Issues:**
 - Free speech and Honesty of Opinion
 - How can you have genuine consumer voice if you tell them what to say?

Minors, Spam, and Privacy

- **WOMMA included discussion of these issues, it became instantly controversial**
 - First-draft attempts became a lightning rod
- **Need to re-evaluate our role**
 - Where is our expertise? WOM, not kids marketing
 - What is our core issue? Honesty ROI
- **Many other organizations specialize in these topics, and have developed detailed regulations, and have much more expertise**
 - We're late to the game and not specialists
- **Should WOMMA focus on the Honesty ROI, and become an advocate to make sure WOM is included in these other issues by working with expert groups?**
- **We will never back away from these important issues**



Next Steps, Your Role

The criticisms so far

- **Tightening up the clauses applying to minors**
- **Openness of process**
- **Enforcement**

- **Will be many more revisions and drafts**
- **All critics should participate**
- **Some attacks were PR-motivated**
 - We appreciate their role and right to participate
 - It would be more constructive if it was a dialog instead of a press release

Enforcement and Impact

It's too early to talk about formal enforcement.

We're still understanding the rules.

Immediate Impact:

- **Lead by example**
- **Provide guideposts to prevent mistakes**
- **Market pressure against abusers**

The Four Horsemen of Consumer Deception

The Abusers:

- Deceptive marketers

The Accommodators:

- Agencies who hire abusers on a "don't ask, don't tell" basis

The Bystanders:

- Big WOM players who refuse to back ethics efforts or take a stand to stop abuse

The Enablers:

- Advertisers who pay for results and don't ask how they happened -- they funded spam, now they're funding this



**Please participate
in this important process**