HERDIFY

Regional planning that targets word-of-mouth

This guide will tell you all you need to know about selecting regions to run above and below the line campaigns that make the most of word-of-mouth activity.

The scores

On request your Customer Success Manager will be able to provide you a file that ranks UK regions by the amount of word-of-mouth activity in them.

Included in the list are all UK regions alongside their word-of-mouth index. The index reports the amount of word-of-mouth in that region, normalised for the average for the brand across the UK and the population of the region.

A region where the same amount of sales are driven by word-of-mouth activity as the national average will have an index of 100. A region where there is more than average word-of-mouth activity for the brand will have an index greater than 100. For example, a region with twice the average amount of word-of-mouth activity would have an index of 200. A region where there is less word-of-mouth activity than the average will have an index less than 100.

Selection process

The process outlined here is the one most followed by users but is not the only way to incorporate the word-of-mouth indexes provided by Herdify into a selection process. Some common alterations are discussed in the extensions section. If you would like further advice on incorporating the indexes into your specific process, then your Customer Success Manager will be happy to help.

The process

1. Remove any regions that you do not want to include. This could be for many reasons such as distribution constraints, previous campaign performance or restrictions form the creative. These regions should be excluded from the following steps.

2. Select any Regions you want to include. You may have regions you know always perform well for you, or where you have built performance over multiple campaigns which you do not want to interrupt.

3. Rank the remaining regions by the word-of-mouth index. Select the number of additional regions you want from the campaign from the top of the list. For example, if you want to target 3 regions in total but have already decided that London must be included you would select the top two regions from the list.

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Extensions

The processes covered so far are the basics of incorporating word-of-mouth targeting into your regional selection with Herdify. The process does not cover the details of every use case. Here we outline some common additional steps and variations that users have found beneficial when incorporating word-of-mouth into their regional selection.

- **Identifying areas for expansion.** Testing methods of combining word-of-mouth indexes with existing selection process to identify the combination which gives the best performance. Analysing the performance of campaigns with respect to existing data used in selection and word-of-mouth indexes at the same time can indicate groups to explore in future campaigns. For example, it could be that regions with word-of-mouth index above 100 perform well regardless of the other data available, suggesting that these regions are good targets for expansion.

- **Selecting the number of regions targeted based on the amount of word-of-mouth.** It's not possible to estimate what level of word-of-mouth index will give a particular campaign performance, without extensive analysis of previous campaigns. If you're trying to decide whether to include a particular region or not, we recommend comparing the indexes. If the region has a word-of-mouth index which is less than half the value of the lowest word-of-mouth index of the other regions in the campaign. For example, to determine whether to include the fourth highest indexed region, with an index of 125 in a campaign you would compare its word-of-mouth index to that of the third highest. If the third highest has an index of 250 or less you would include the fourth region, otherwise you would not.

- **Using targeted messaging in the creative.** You can see a demographic profile of word-of-mouth clusters in the portal. This information can be used to inform creative that resonates with the people being influenced by word-of-mouth.

- **Targeting word-of-mouth with specific channel selections.** Once you have decided the channels that will be used in the campaign you can see which can be more precisely targeted at word-of-mouth areas. Channels that can be more precisely targeted using Herdify include mail, digital and out-of-home.

Testing

Many users want to measure the benefit of adding word-of-mouth targeting to their media planning.

To do this we recommend selecting the metrics you are targeting with the campaign, for example brand awareness, sales or new customers and:

1. Comparing performance of the specific sectors within each campaign region where word-of-mouth has been detected to those where it has not.

2. Comparing the performance of regions based on their word-of-mouth index