

# WATER COOLER REPORT

The Impact of Word-of-Mouth  
Among Workplace Talkers



Prepared for WorkPlace Impact by the Keller Fay Group LLC  
[www.workplaceimpact.com](http://www.workplaceimpact.com)



# Executive Summary

Word-of-mouth (WOM) is a huge driver of consumer decision making. Indeed, a new study from the Word of Mouth Marketing Association found that 13% of all consumer purchasing – or \$6 trillion – is driven by word-of-mouth. The study, conducted by the independent firm Analytic Partners, also found that two-thirds of the sales impact of word-of-mouth is based on offline conversations, mostly face to face.

One key location of face-to-face conversations is the workplace, a “venue” for word-of-mouth that has rarely been studied. This “Water Cooler Report,” prepared by the Keller Fay Group for Workplace Impact, is the first to shed a bright light on social influence that occurs in the workplace, around the proverbial water cooler.

Research from Keller Fay Group’s TalkTrack®, the only continuous study of WOM in all channels (online and offline), finds that people who talk about brands

“...nearly a **billion instances** in which people are being exposed to word-of-mouth about brands at work, Monday to Friday.”

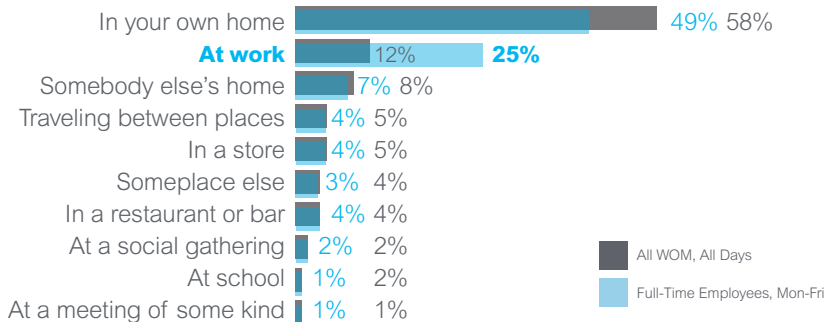
at work are more influential, and they are more prolific talkers than other people. Their conversations are also highly positive and highly likely to lead to purchase.

So how much WOM is happening at the workplace, exactly? Among all consumers 18-60, 12% of all brand conversations occur “at work,” across all product and service categories. When you focus on full-time employees, however, and on conversations that happen Monday to Friday, the workplace share of brand conversations doubles to 25%. That translates into nearly a billion instances in which people are being exposed to word-of-mouth about brands at work, Monday to Friday. These workplace word-of-mouth “impressions” represent a huge opportunity for marketers.

## Key Findings about Workplace Talkers

1. One out of every four conversations among full-time employees (Monday to Friday) occurs at work.
2. Workplace Talkers’ recommendations have four times as much impact as advice from average consumers.
3. Workplace Talkers are nearly 20% more likely to be Conversation Catalysts® for restaurants and food-related consumer packaged goods brands.
4. Eighty-seven percent of Workplace Talkers’ WOM about brands occurs offline.
5. Sixty-nine percent of WOM among Workplace Talkers is “mostly positive,” and 40% of these conversations contain a strong recommendation to “buy” or “try.”

### Location of WOM (CY 2014, All Categories)



Base: Conversations among adults 18-60 (All WOM, n=137,842; FT Employees, n=43,497)  
Results may not equal 100 due to rounding.

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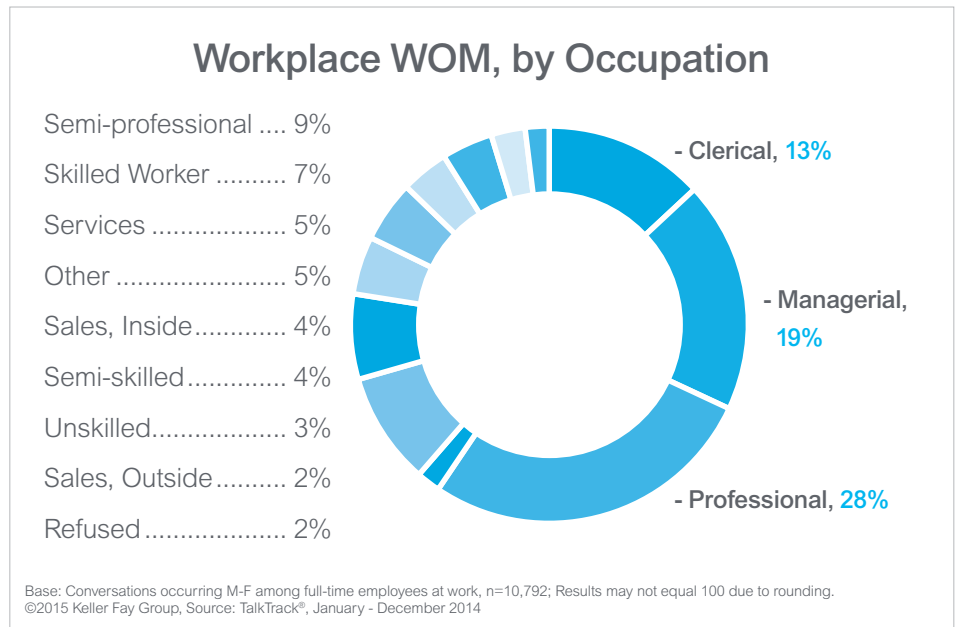
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# Water Cooler Talkers: Demographics

## Who are these Workplace Talkers?

Who is having these water cooler conversations? Nearly half are either professional (28%) or managerial (19%) employees with highly responsible positions and the ability to influence others. The rest fall into categories such as clerical, semi-professional, and skilled and unskilled workers of various types.

Compared to total adults 18-60, Workplace Talkers skew slightly more male (56% vs. 48%), more middle aged, and they tend to be parents with children at home. They are also more affluent, more educated, and somewhat more likely to be Hispanic.



## Demographics of Segments (CY 2014)

	Total Adults 18-69	Workplace Talkers
Male	48%	56%
Female	52%	44%
18-29 Years	24%	19%
30-39 Years	26%	31%
40-60 Years	50%	50%
Hispanic	15%	17%
African American	14%	14%
Asian	4%	4%
College/Post Grad	30%	45%
HHI \$75k+	23%	36%
HHI \$100k+	12%	19%
Married/Living with Partner	55%	62%
Have Children in Home	38%	44%

Base: Respondents (Total Adults 18-60, n=27,000; Workplace Talkers, n=8,370)  
Workplace Talkers are defined as adults 18-60 who are employed full time and track their conversations for TalkTrack® during weekdays (Monday through Friday).  
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# Water Cooler Talkers: Why They Matter

## Why do Workplace Talkers matter?

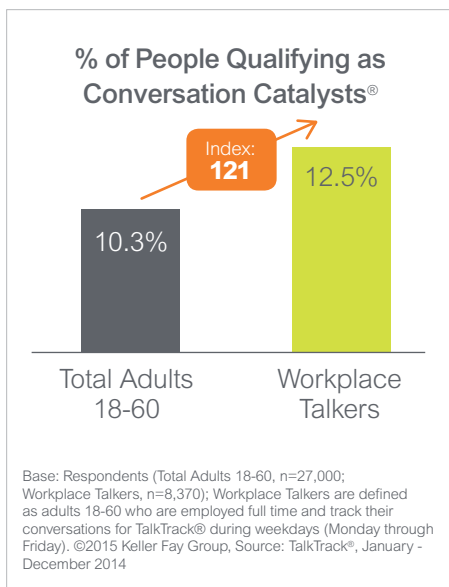
Workplace Talkers are more likely to be classified as Conversation Catalysts®, Keller Fay Group’s consumer influencer segment. These influencers are everyday consumers who stand out because they have larger than average peer networks, they regularly keep up with what’s new and emerging, and they are sought out by friends, family, and neighbors for advice and recommendations. Their advice and recommendations have four times as much impact as advice from average consumers. While 10.3% of

Workplace Talkers’ recommendations have **4 TIMES AS MUCH IMPACT** as average consumers.

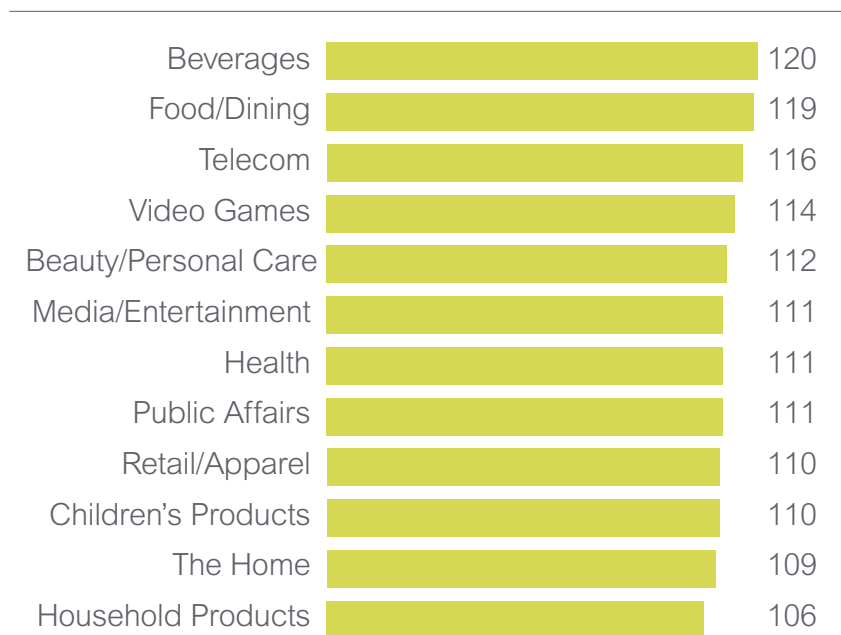
adults 18-60 qualify as these consumer influencers, 12.5% of workplace talkers are Conversation Catalysts® – that’s an index of 121!

These Workplace Talkers are also far more likely than the general population to

be identified as Conversation Catalysts® in nearly every product and service category measured in TalkTrack®. For example, they are nearly 20% more likely to be Conversation Catalysts® for food/dining, meaning they’re heavily engaged in the food/dining category and regularly give advice to others about restaurant and food-related consumer packaged goods brands, products, and services. Workplace Talkers are also more likely than average to qualify as influencers in categories like beverages, beauty/personal care, health, and retail/apparel.



## % of Workplace Talkers Qualifying as Conversation Catalysts® for... (Indexed to Total Adults 18-60)

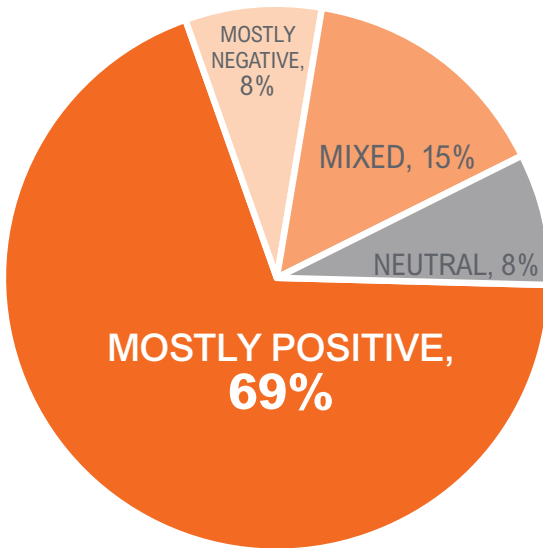


Base: Respondents (Workplace Talkers, n=8,370); Workplace Talkers are defined as adults 18-60 who are employed full time and track their conversations for TalkTrack® during weekdays (Monday through Friday). Note: This is a partial list of categories/industries covered in TalkTrack®. ©2015 Keller Fay Group, Source: TalkTrack®, January - December 2014

# The Influence & Impact of Workplace WOM

We have established that consumers identified as Workplace Talkers engage in WOM at a much higher rate than average,

and that they're more influential than the average consumer. TalkTrack® research establishes that not only is workplace WOM impressive in terms of its quantity, but also in terms of its quality.



### Sentiment of WOM

(Workplace Talkers, CY 2014, All Categories)

Base: Brand Mentions, All Categories (Among Workplace Talkers, n=84,884); Workplace Talkers are defined as adults 18-60 who are employed full time and track their conversations for TalkTrack® during weekdays (Monday through Friday). Note: "No specific recommendation made" (28%) is not shown in the chart, so the results do not total 100. ©2015 Keller Fay Group, Source: TalkTrack®, January - December 2014

Fully 69% of WOM among Workplace Talkers is categorized as "mostly positive" vs. 8% "mostly negative."

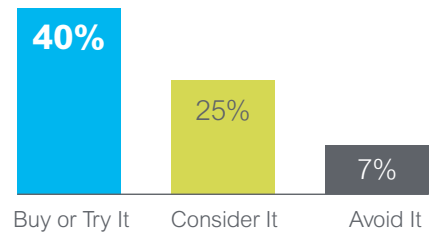
Additionally, over one-third of these conversations (40%) contains a strong recommendation to "buy" or "try" the brand or product discussed.

WOM among these Workplace Talkers is also highly likely to be passed along to others (45%, "9" or "10" on a 0-10 scale) and highly likely to lead to purchase (48%). It's clear that this so-called "water cooler" talk is not only an integral part of the WOM landscape, but it's incredibly influential and impactful.

It's also important to note that when these Workplace Talkers discuss brands, the vast majority of that talk occurs offline,

### Recommendations in WOM

(Workplace Talkers, CY 2014, All Categories)



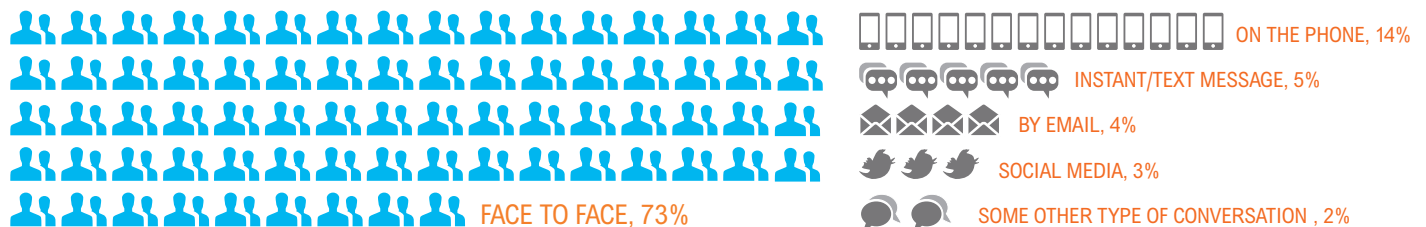
Base: Brand conversations where someone else provided advice, All Categories (Among Workplace Talkers, n=24,357); Workplace Talkers are defined as adults 18-60 who are employed full time and track their conversations for TalkTrack® during weekdays (Monday through Friday). Note: "No specific recommendation made" (28%) is not shown in the chart, so the results do not total 100. ©2015 Keller Fay Group, Source: TalkTrack®, January - December 2014

whether face to face or via phone, and only a small portion occurs online. As the chart below details, fully 87% of conversations among Workplace Talkers occur offline vs. 12% online (instant/text message, email, or social media).

In the following sections of this paper, we'll examine the impact and dynamics of workplace WOM in key categories of interest for WorkPlace Impact: Retail, CPG and Dining.

### Mode of WOM Among Workplace Talkers

(CY 2014, All Categories)



Base: Conversations among adult Workplace Talkers (All Categories, n=43,497); Workplace Talkers are defined as adults 18-60 who are employed full time and track their conversations for TalkTrack® during weekdays (Monday through Friday). Results may not equal 100 due to rounding. ©2015 Keller Fay Group, Source: TalkTrack®, January - December 2014



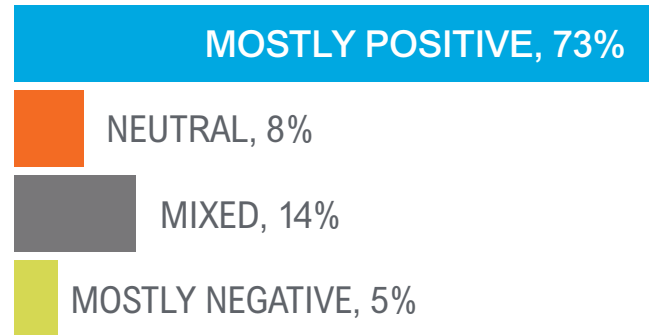
# Workplace WOM & Retail

Among consumers identified as Workplace Talkers, fully 34% engage in WOM about retail brands on any given day. And, when these consumers talk about retail brands, the conversations are highly positive – 73% positive vs. just 5% negative. That’s over 14 times as much positive vs. negative WOM about retail brands!

Workplace Talkers’ retail WOM is also highly likely to be passed along to others (48%), and highly likely to lead to purchase (61%). It’s also highly likely to include a strong recommendation to “buy” or “try” the retail brand being discussed (48%).

Consumers who talk at work are also likely to discuss a wide variety of retail brands. Topping the list in terms of daily WOM engagement are Walmart, Target, Amazon.com, Nike, and Macy’s. When you index Workplace Talkers vs. the total public, however, a different list emerges – the brands that these workplace talkers are even more likely to talk about than consumers on average. Nordstrom tops the list with an index of 157, followed by Levi’s, GAP, Macy’s, and Best Buy.

## Sentiment of Retail WOM Among Workplace Talkers



Base: Brand mentions among Workplace Talkers (Retail Brands, n=8,217)  
 Workplace Talkers are defined as adults 18-60 who are employed full time and track their conversations for TalkTrack® during weekdays (Monday through Friday).  
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**48%**

Likelihood to Pass the Message Along

**61%**

Likelihood to Purchase

**48%**

Contains a Strong Recommendation to “Buy” or “Try”

### Top 10 Retail Brands

Among Workplace Talkers (% Talking Shown)

Walmart	10.9%
Target	6.1%
Amazon.com	4.6%
Nike	4.5%
Macy’s	4.1%
Home Depot	3.7%
Kohl’s	2.9%
Lowe’s	2.6%
JCPenney	2.4%
Best Buy	1.8%

Base: Respondents (Total Public, n=27,000; Workplace Talkers, n=8,370)  
 Workplace Talkers are defined as adults 18-60 who are employed full time and track their conversations for TalkTrack® during weekdays (Monday through Friday).  
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### Top 10 Retail Brands that Over-Index

Among Workplace Talkers vs. Total Public

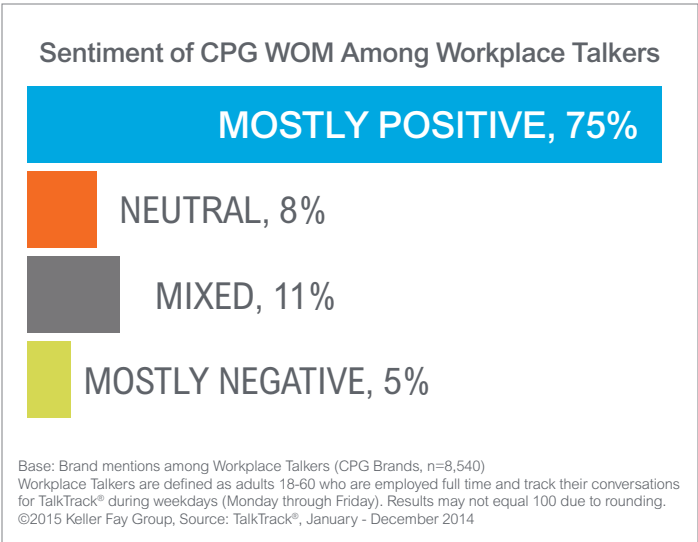
Nordstrom	157
Levi’s	141
GAP	140
Macy’s	135
Best Buy	134
Publix	129
Costco	126
Home Depot	122
Nike	122
Whole Foods Market	122

Base: Respondents (Total Public, n=27,000; Workplace Talkers, n=8,370)  
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# Workplace WOM & CPG

Consumer packaged goods (CPG) brands are a key point of discussion for Workplace Talkers, with fully 36% of these consumers mentioning CPG brands on a daily basis. And, when these workplace talkers mention CPG brands, they're also 15 times more likely to do so positively than negatively: 75% positive vs. just 5% negative WOM. Not only is workplace WOM about CPG brands highly positive, but it's also impactful – 45% is highly likely to be passed along to others, and 62% leads to purchase. Moreover, 57% of CPG WOM among Workplace Talkers contains a strong recommendation to “buy” or “try” the brand discussed.

We also see a wide variety of brands in terms of those that are most frequently discussed in the workplace, as well as those that over-index on workplace WOM. Beverages including Coca-Cola, Pepsi, Mountain Dew, Sprite, and Dr Pepper top the list of brands in terms of daily WOM engagement among Workplace Talkers. Meanwhile, DASANI rises to the top of the list when you index WOM against the total public – so Workplace Talkers are nearly 25% more likely than average to discuss DASANI on a daily basis!



### Top 10 CPG Brands Among Workplace Talkers (% Talking Shown)

Coca-Cola	12.3%
Pepsi	9.1%
Mountain Dew	2.6%
Sprite	2.6%
Dr Pepper	2.4%
Clorox	2.0%
Diet Coke	1.9%
Kraft	1.8%
Tide	1.8%
Lysol	1.5%

Base: Respondents (Total Public, n=27,000; Workplace Talkers, n=8,370)  
Workplace Talkers are defined as adults 18-60 who are employed full time and track their conversations for TalkTrack® during weekdays (Monday through Friday).  
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### Top 10 CPG Brands that Over-Index Among Workplace Talkers vs. Total Public

DASANI	124
Gain	124
Campbell's	122
Diet Coke	117
Red Bull	117
Tyson	114
Ajax	111
Kraft	108
7UP	108
Nestlé	107

Base: Respondents (Total Public, n=27,000; Workplace Talkers, n=8,370)  
Workplace Talkers are defined as adults 18-60 who are employed full time and track their conversations for TalkTrack® during weekdays (Monday through Friday).  
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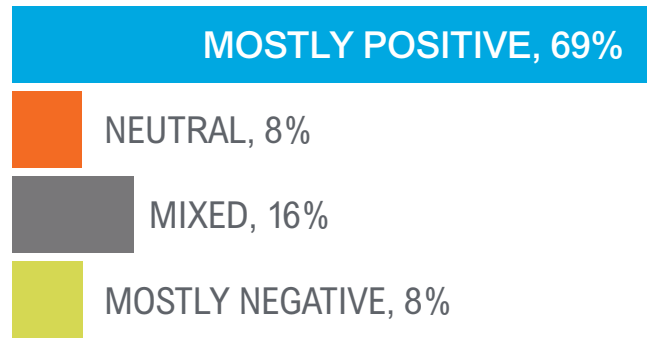
## Workplace WOM & Dining

Workplace Talkers are enthusiastic in their WOM about dining brands. On average, 24% of workplace talkers engage in dining brand WOM each day vs. 22.5% among total adults 18-60.

Not only are these Workplace Talkers more likely to discuss dining brands, but they're also far more likely to do so positively than negative. Fully 69% of dining WOM among workplace talkers is positive vs. just 8% negative. Additionally, that dining brand WOM is also highly likely to be passed along to others (43%) and even more likely to lead to purchase (58%).

Consumers who discuss dining brands in the workplace are apt to mention a wide variety of quick service restaurants and casual dining chains, with McDonald's topping this list at 7.0% talking about the brand on a daily basis. In contrast, when you examine the highest-indexing brands among Workplace Talkers, Subway tops that list with an index of 125 vs. the total public.

### Sentiment of Dining WOM Among Workplace Talkers



Base: Brand mentions among Workplace Talkers (Restaurant Brands, n=3,958)  
Workplace Talkers are defined as adults 18-60 who are employed full time and track their conversations for TalkTrack® during weekdays (Monday through Friday). Results may not equal 100 due to rounding.  
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**43%**

Likelihood to  
Pass the  
Message Along

**58%**

Likelihood  
to  
Purchase

**54%**

Contains a Strong  
Recommendation  
to "Buy" or "Try"

### Top 10 Dining Brands

Among Workplace Talkers (% Talking Shown)

McDonald's	7.0%
Burger King	2.7%
Subway	2.7%
Starbucks	2.6%
Wendy's	2.5%
Taco Bell	2.3%
Pizza Hut	1.9%
Applebee's	1.7%
Olive Garden	1.6%
KFC	1.5%

Base: Respondents (Total Public, n=27,000; Workplace Talkers, n=8,370)  
Workplace Talkers are defined as adults 18-60 who are employed full time and track their conversations for TalkTrack® during weekdays (Monday through Friday).  
©2015 Keller Fay Group, Source: TalkTrack®, January - December 2014

### Top 10 Dining Brands that Over-Index

Among Workplace Talkers vs. Total Public

Subway	125
Outback Steakhouse	121
Chipotle	120
Chili's	119
Starbucks	117
Panera	117
Red Lobster	113
Wendy's	112
KFC	112
Buffalo Wild Wings	111

Base: Respondents (Total Public, n=27,000; Workplace Talkers, n=8,370)  
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# WORKPLACE WOM MATTERS

We at Keller Fay Group believe this report is the first to quantify and shine a light on the consumer word-of-mouth that happens in the workplace. In order to understand the dynamics of workplace WOM, it is necessary to look both at the WOM that occurs face to face as well as online. People spend a large share of their lives in the workplace, and with co-workers, making it a natural place for people to share their opinions and recommendations about brands.



## About WorkPlace Impact

WorkPlace Impact, the leader in workplace marketing, has been helping brands insert their marketing messages into workday conversations for over 25 years. WorkPlace Impact does this through its proprietary network of one million employers across the country who represent 71 million employees. The company is unmatched in generating brand engagement and word-of-mouth within the social environment of the workplace through various types of programs including experiential events, product sampling programs, traditional print advertisements, and digital media integration.

**For more information about WorkPlace Impact, please contact:**

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## About Keller Fay Group

The Keller Fay Group is the first full-service market research company focused exclusively on word-of-mouth (WOM). Its TalkTrack® service is the first continuous study of consumer word-of-mouth, both offline and online.

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