

Assessment of Doctoral Thesis

Doctoral Thesis opponent: doc. Ing. Mikuláš Pichanič, CSc.,

Doctoral Thesis author: Ing. Přemysl Staroveský

Title: **Impact of Word –of-Mouth Marketing and Viral Marketing on Continuous and Discontinuous Technological Innovation**

Aims of the Doctoral Thesis:

- Describe existing mathematical models for discontinuous innovation diffusion and difference vs. continuous innovation
- Describe and analyze what the differences between WOM marketing and viral marketing
- Evaluate existing mathematical models for information spreading through viral marketing and analyze why successful viral marketing remains rare case
- Analyze which marketing messages do spread virally and depict major reasons why

Demand factors:		
Theoretical background		Above - average
Data used	Average	
Methodology used		Above - average

Criterion	Scale			
	Excellent	Very good	Satisfactory	Unsatisfactory
Overall objective achievement	X			
Self-reliance of author		X		
Logical structure	X			
Using of literature, citations	X			
Adequacy of methods used	X			
Depth of analysis	X			
Form of MT: text, graphs, tables			X	
Felicitousness	X			

Methods used:

The author of the thesis formulated following research hypothesis:

- H 1: Consumer goods categories differ substantially in its propensity to and efficiency of WOM and viral marketing
- H 2: WOM marketing of technological products in the stage of continuous innovation is more efficient than WOM marketing of other groups of consumer goods
- H 3: Successful viral marketing represent very difficult and complicated discipline because ingrained constraints and resulting little ability to influence final outcome
- H 4: Viral marketing spreads extremely fast; successful viral campaign reaches its peak within 1 months from launch
- H 5: Humorous messages do spread virally better than other types of messages

The analysis of the primary and secondary data, being used in the thesis have supported the author's formulated hypothesis in three cases as have been proved- H 1, H 3, and H 4. and H 2 and H 5 have been rejected. My question concerning conclusions could be formulated as follows - *what is the usefulness of results in practice and theory?*

H 1: ..Propensity of categories to WOM sharing is given both by volume of WOM sharing as well as by perceived persuasiveness. These two factors show positive correlation and so they reinforce each other, delivering positive as well as negative extremes.. please more explanation of this statement.

H 2: ..I would welcome more precise definition of continuous innovation.. and explanation of the statement: " At last, if the level of discontinuity rises in a particular category (like transition from normal mobile phones to smart-phones), importance of WOM and viral marketing grows"

H 3: ..This parameter (contact number) can be furthermore influenced by a marketing decision and the change of initial this parameter in SIR model causes substantial difference in the final outcome.. more explanation for – page 141.. "Average viral marketing delivers limited or no impact at all"

H 4: there are some controversial conclusions successful viral campaigns on average peaked in the first week, while the most successful of them on average in a second week ..

H 5: .Humor itself cannot deliver or ensure that messages are shared-though the combination of surprise and humor delivers very good results – based on which findings or data?

Discussion topics for defense:

- 1) The theoretical usefulness for differentiation between viral marketing and WOM marketing.
- 2) The implementation of different models of viral marketing, besides SIR Model i.e. Linear Threshold Model, Cascade model, Markov Random Fields.
- 3) Effectiveness of WOM communication- how larger impact WOM exerts vs. impact of traditional marketing promotion? How does it refer to brand awareness, relevance, preference, brand equity, and customer loyalty?
- 4) How to project it to the business metrics? Sales, profits, customer acquisition, and how does it add to the value chain?

Conclusion:

The author, Ing. Přemysl Staroveský, laid out master thesis dealing with actual practical problems of marketing communication. Its theoretical part was completed with review of broad spectrum of publications dealing with the selected topic. The methodology is in full compliance with the requirements on doctoral thesis. The practical part was worked out with high professionalism and expertise. Therefore I recommend the thesis "Impact of Word-of-Mouth Marketing and Viral Marketing on Continuous and Discontinuous Technological Innovation for the defence".

Prague, June 8th, 2010

Signature of opponent