Employee-Based Brand Equity and Word-of-Mouth Product Referrals.

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**ABSTRACT**

While the benefits of employee-based brand equity (EBBE) drive value to an organization, employees are often an over-looked asset in the overall marketing mix. Word of mouth (WOM) communications is one of the oldest and most trustworthy sources of advertising, yet little is known about the factors that influence employees to share WOM product referrals with their social network. Through a Grounded Theory approach, data suggests that employees who exhibit higher levels of EBBE behavior share product referrals within their social circle. Also, employees explore their personal and social identity while evaluating a referral decision. Further, they consider relationship and firm factors. As EBBE has not been studied in the context of physical-goods, this research is conducted in the context of firms that manufacture consumer goods. The study provides a conceptual model that includes factors that influence employee product referral behavior and several propositions that will be tested in future research.

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