Online Reputation Management: How to reduce reputational damage in social media

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ABSTRACT
This academic paper provides an overview of strategies how companies can deal with reputation threats in social media. Thereby the author focusses especially on shitstorms that cause reputational damage. Different online reputation management practices are discussed and compared. Furthermore several examples from practice give deeper insights into shitstorms and present what businesses did wrong within their online reputation management strategies and how they repaired their reputations thereafter again. A shitstorm rescue plan is developed, which combines the findings of the literature with the actions taken by the companies in order to provide a helpful tool for businesses how to deal with unpredictable reputation threats in social media. The model is able to shorten the duration of a shitstorm and therefore can reduce the damage on an organization’s reputation.

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Keywords
Social Media, reputation, eWOM, shitstorm, reputation management, online reputation management
1. INTRODUCTION

1.1 Reputation threats in social media

An increasing number of businesses run social media profiles. Today there are approximately 15 million organizations that have Facebook pages (Koetsier, 2013). When businesses use social media in an appropriate way, this can improve its positioning in the market (Rawat & Divekar, 2014). Furthermore, social media enables firms to manage corporate reputation and enhance relationships with stakeholders (Floreddu et al, 2014). A good corporate reputation is one of the most valuable assets (Tischer & Hildebrandt, 2014). An increasing number of consumers depend on online opinions when making purchasing decisions and a good online reputation is one of the most important components of effective marketing (Hung et al, 2012). Nowadays the online WOM is having an important impact on reputations. It can influence the purchase decision, when the quality of the product or service is unknown (Babic-Hodovic et al, 2011). An online reputation is the publicly kept social evaluation of an entity based on the entities previous behavior, what was posted by the entity, and that third parties share about the entity on the Internet (Portmann et al, 2014). A positive reputation is necessary, because it can increase corporate worth, provide sustainable competitive advantage, and improve firm performance (Floreddu et al, 2014). In addition it is important for cultivating stakeholder relationships and for retrieving public trust (Hung et al, 2012). However, the online environment in social media is unpredictable and spontaneous. Hence, companies are not able to control everything what is being said about them online. Consequently managements often do not know how they should deal with user-generated content and how they should react on critical issues and negative criticism. Golgeli (2014) identified that “one of the main problems encountered by modern organizations is how they are perceived by the society” (p. 312). According to a study done by The Retail Consumer Report in 2011, 68% of consumers that posted a complaint or a negative comment on social networking sites, about their negative experiences, got a response from the retailer. From that 18% of them turned into loyal customers and bought even more. 33% of them turned around and posted a positive review after that, and 34% of them deleted their negative review that they had left earlier (Lee, 2014). So communication between company and customer in social media is important. Kumar and Devi (2014) found out that “posting wrong information, revealing unauthorized information, or even using social media in an unethical and manipulative way for one’s own benefit, can lead to consequences like regulatory penalties or reputational damage (p. 311). Nevertheless, until now there is not much knowledge about the link between firm’s social media communication strategies and the formation of firm’s reputations in an online environment (Floreddu et al, 2014). Several examples from the past have shown that electronic word-of-mouth is a dangerous factor for the reputation of organizations. In 2013, when the chairman of the Italian pasta maker Barilla said he would not feature gay families in his ads and critics can eat another brand of pasta, negative comments spread very fast around the worldwide web by electronic word-of-mouth (eWOM). The consequences were financial losses for Barilla and the chairman had to recognize that he has to apologize on social media (Brydum, 2013). A similar example was from the CEO of Abercrombie & Fitch who said that he does not want fat people to wear his clothes. He as well had to fight with financial losses and bad criticism that spread by electronic word-of-mouth (eWOM) in social media (Maske, 2013). As mentioned in the two examples before, angry comments in an online environment can quickly escalate to a shitstorm where many of thousands of users get drawn in (Gross, 2013). There is still not much known organizations should deal with such shitstorms in social media. The word is only used in German language until now, but since English language does not have a word for this phenomenon yet I make use of this “German” term. Businesses require an appropriate online reputation management strategy in order to protect and improve its reputation in social media and to reduce the damage arising from an unpredictable shitstorm. Online reputation management is becoming a more critical issue and has been utilized to reduce the risk of negative interactive outcomes in this internationalized world (Merlo et al, 2012). Today businesses cannot afford to stay away from online reputation management (Floreddu et al, 2014). It was investigated that two dimensions of reputation management and online reputation have impacts on it (Hung et al, 2012). Engaging in online reputation management allows you to take a pro-active step towards your business goals by allowing your business the opportunity to tell the world who you are first, before someone else tries to do it for you (Sharma, 2012). However, there is not much known about a kind of rescue online reputation management strategy. Therefore this paper will provide an overview of what strategies exist in order to protect and improve corporate reputations in social media. The primary goal is to propose guidelines on how businesses should behave when an unpredictable shitstorm against their organization arises in order to reduce the damage on its corporate reputation. The paper proceeds as follows. Chapter 2 reviews online reputation management strategies and recommendations how to optimize and protect a corporate reputation in social media. Chapter 3 presents the findings of different real cases from companies that had to fight with shitstorms in the past. Then chapter 4 demonstrates a shitstorm rescue plan based on the combination of the findings in chapter 2 and chapter 3. Chapter 5 discusses the findings and chapter 6 provides a conclusion. Finally chapter 7 proposes suggestions for future research.

1.2 Definition of key terms

In this section the author briefly defines the key terms of this paper, namely: social media, reputation, electronic word-of-mouth, shitstorm, reputation management, and online reputation management.

1.2.1 Social Media

According to Kietzmann et al (2011) social media employs “mobile and web-based technologies to create highly interactive platforms via which individuals and communities share, discuss and modify user-generated content” (p. 241).

1.2.2 Reputation

According to Olmedo-Cifuentes and Martínez-León (2012) “reputation develops over time, reflects the evaluations of different stakeholders, both internal and external, and is defined as a perceptual representation of a company’s past actions and future prospects that describe the firm’s overall appeal to all its key constituents when compared to other leading rivals” (p. 2).

1.2.3 Electronic word-of-mouth

Electronic word-of-mouth (eWOM) is the increasing consumer’s usage of Web 2.0 tools (e.g. online discussion forums, consumer review sites, weblogs, social network sites, etc.) to communicate their opinions and exchange product information and this new form of word-of-mouth (WOM) communication can contain positive or negative statements made by potential, actual and former customers about a product or a company via the Internet (Cheung & Thadani, 2012). This type of communication is becoming increasingly transparent and enables to gain richer insight into how customers’ feelings
and experiences about a service are represented to others (Yap et al, 2013).

1.2.4 Shitstorm
According to Wikipedia a shitstorm is “any clamor of outrage on the Internet, especially by posting and writing in social media and the term has come into inflationary use by German-speaking media since 2010”. A shitstorm is nearly unpredictable and can have serious consequences for a person or company. It includes at least four groups taking a role, which are the victims, the internet users, opinion leaders or organizations with higher interests and media that can lift the topic onto another level. Shitstorms happen most often deliberately, because organizations like Greenpeace make use of this phenomenon in order to spread their message (Kasten, 2013).

1.2.5 Reputation Management
Reputation management is the process of tracking an entity’s actions and other entities’ opinions about those actions; reporting on those actions and opinions; and reacting to that report creating a feedback loop (Remondino & Boella, 2010).

1.2.6 Online Reputation Management
Online reputation management is the task of monitoring, addressing, or rectifying undesirable or negative mentions on the Web (Portmann et al, 2014). Hung et al (2012) define online reputation management as “the process of analysis and management for people and organizations’ reputation represented by content among all kinds of online media” (p. 88).

2. LITERATURE REVIEW
This chapter presents several online reputation management strategies. The author makes use of information from published articles with more emphasis on the most recent ones. Furthermore the author identifies practices that are the subject of academic research, but are popular in blogs, or discussed in top magazines like Forbes.

Reputation management can create trust between stakeholders and organizations (Yang et al, 2011). It is used in order to influence people’s perceptions from a company (Waerass & Sataoen, 2014). The concept exists longer than social media. However, nowadays reputations are made online (Portmann et al, 2014). So the concept of reputation management focusses more and more on social media activities and therefore can be seen as online reputation management. According to Dijkmans et al (2015) the tasks of online reputation management involve “interacting with people online, creating shareable content, monitoring what stakeholders are saying, keeping track of their dialogue, addressing negative content found online, and allowing up on ideas that are shared through social media” (p. 59).

Portmann et al (2014) present a framework called FORA for online reputation analysis and management. By this a company is able to “independently follow the online conversation going on around its brand, competitor’s brand or discover and monitor real-time reputation of a given business sector” (p. 2). The key requirements for online reputation analysis are “react to mentions, put them in context, and edit them” (p. 6). The FORA framework consists of three key layers. The first one is called ‘Reputation Search Engine Layer’. It is designed to search for Web data and consist of two components. The first one collects tags and converts them. The second is a metasearch engine that sends a search query and aggregates the search results into a hit list. The second key layer is called ‘Knowledge Base Layer’. This component specifies the findings in terms of relationships and properties. The third layer is the ‘Dashboard Layer’. The dashboard hosts the knowledge representation and the context-based hit list. The authors say that in the process of online reputation management, at first the reputation of an organization has to be analyzed. Thereafter the organization “should enter an appropriate online conversation with its stakeholders” (p. 19). By this a company is able to respond on comments and answer customers’ questions.

Florededu et al (2014) determine how social media communication strategies impact the formation of firm reputation. In order to protect a firm’s reputation the authors recommend the follow things you can do:

At first a company has to identify its current level of reputation. Furthermore its reputation should be compared with competitors in the market. Communication with customers and social media strategies should get analyzed. Then an organization needs to calculate whether expanding its communication strategy is profitable. Additionally a business has to realize and monitor online communication. Therefore a company can buy feeds mentioning a given topic and/or company from the most common social media sites. Thereby businesses are able to quicker response on comments and complaints. Third establishing online communities enables customer engagement. Positive online reputation results into positive word-of-mouth behavior of customers. In addition Florededu et al (2014) suggest that “successful online corporate reputation management requires integration of the corporate communication function with strong alignment and coordination of the business management function” (p. 8).

Amigó et al (2010) identify that “online reputation management is an increasingly important area of corporate communication” (p. 1). They say that it is problematic for companies to monitor what is being said about them, since there are quite often hundreds of comments, posts, Tweets, and so on per day. Consequently it is essential to “filter out spurious name matches to keep the task manageable” (p.1). The WePS-3 ORM task filters the Tweets out that do not refer to a certain company. This is a special method for Twitter.

Wei and Mirkovic (2007) discuss “a client reputation system, which aids service providers in deciding to accept or decline interaction with a given client” (p. 17). This could reduce unwanted traffic in the Internet. It is divided into a reporter model and a monitor model. The reporter model consists of a server that “submits a report after an interaction with a client” (p. 22). The monitor model “collects observations about the clients from the traffic they relay” (p. 23). Thereby the company can learn more about its customers.

Van Norel et al (2014) take into consideration a corporate reputation that is already damaged. They propose that Tweets of celebrities might be able to repair a damaged corporate reputation, if used correctly. The authors found out that “in general, celebrities’ Tweets have a significant influence on people’s perceptions of corporations” (p. 313). Organizations can make use of this in order to convince stakeholders to think more positive about them. Thereby a damaged corporate reputation could get repaired. Van Norel et al specify their findings by saying that “the Tweet from the intelligent celebrity could better repair the reputational damage than the Tweet from the attractive celebrity” (p. 313).

Conner (2014) published top online reputation management tips for brand marketers. She found out that “you should never underestimate the cost of a poor reputation”. Companies should first find out how to make best use of online platforms. They should not run social media profiles, because all organizations
do, but they should recognize and see their own profits related to social media. Furthermore businesses need to constantly monitor online brand mentions and sentiment and strong threat detection and protection. Responses have to be fast, since social media is real time. The key reputation management tactics Conner recommends are:

1. Own Your Search Engine Results Page (SERP): “Don’t be content with only a handful of links at the top of a search engine results page for your brand. Take full advantage of your SERP by working to control as much of it as you can from top to bottom.”

2. Be Social: Run online profiles in the major social media channels in order to prevent hijacking and increasing your presence online. All profiles need to be linked with each other.

3. Blog: By blogging you gain more attention than by usual websites.

4. Have an Active PR Strategy: “Don’t simply rely on “company news” for your press releases. Look for unique ways your products are being used. Publicize partners you’re working with. Sponsor events that may get press.”

Billingsley (2012) suggests that “there is truly only one proper response when managing complaints on your brand’s social networks”. A company has to offer an apology and a solution. She says that most often it would be impossible to answer to all complaints each, but companies can publish one post for everyone that contains that “they were aware of the issues and they were working to fix them”.

Welford (2014) presents three examples of reputation crisis response and seven steps for defending your own reputation online. He says that the response should be timely, appropriate, open, honest and rapid. The seven steps are identified as follows:

1. Act quickly: Response before someone else does
2. Take charge: “Move as far as possible, rather than waiting for more information to come in before you act”
3. Handle reality: Deal with the real facts.
4. Engage the nay-sayers: Deal with criticism as it arises.
5. Spread the Word: Make use of all relevant media to publish your information.
6. Encourage Dialogue: “Provide your supporters with an online space where they can express their views on what the company means to them and how they see the company’s response.”
7. Deliver on your word: “Don’t wait until the threat to your reputation becomes visible.” Ensure that there are appropriate responses.

Coombs (2007) identified how Situational Crisis Communication Theory (SCCT) can be used to protect reputational damage during a crisis. He divided the strategies into primary and secondary crisis response strategies. The primary crisis response strategies involve denying the crisis. A company can confront the accuser, deny by saying that there is no crisis or blame some person or group outside of the organization for the crisis. Furthermore a manager can excuse, justify or apologize for the mistake. In addition a company can offer money to victims. The secondary crisis response strategies involve reminding the stakeholders about the past good works of the organization, and making clear that the crisis hurts the business as well.

Haarlov (2014) divides the actions that have to be taken into three phases. The first one is before the shitstorm arises. She suggests that a business has to listen and prepare. At first a business has to make sure that they are making appropriate use of their social media channels. The second phase during the shitstorm includes responding as fast as possible. An organization should never ignore complaints. Then after the shitstorm an organization should restore the process. It is necessary to document how the crisis broke out and how it spread to prevent future hazards.

The findings differ in terms of when the strategies are placed. Table 1 illustrates which practices from the literature and the Web are applicable in order to build up a positive reputation and prevent a crisis, the methods that respond within a crisis and what businesses can do after such a crisis.

<table>
<thead>
<tr>
<th>Point in time</th>
<th>Action</th>
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<tbody>
<tr>
<td><strong>Prevention</strong></td>
<td>Analyze level of reputation (Portmann et al, 2014; Floreddu et al, 2014)</td>
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<tr>
<td></td>
<td>Join online conversations (Portmann et al, 2014; Floreddu et al, 2014; Conner, 2014)</td>
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<tr>
<td></td>
<td>Start and/or expand social media presence (Floreddu et al, 2014; Conner, 2014; Haarlov 2014)</td>
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<tr>
<td></td>
<td>Monitoring (Floreddu et al, 2014; Amigó et al, 2010; Wei &amp; Mirkovic, 2007; Conner, 2014)</td>
</tr>
<tr>
<td><strong>Reaction</strong></td>
<td>Denying the crisis (Coombs, 2007)</td>
</tr>
<tr>
<td></td>
<td>Respond as fast as possible (Haarlov, 2014)</td>
</tr>
<tr>
<td></td>
<td>Apologize (Coombs, 2007)</td>
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<tr>
<td></td>
<td>Offer an apology and solution (Billingsley, 2012)</td>
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<tr>
<td></td>
<td>Reminding about past good works and inform about the consequences for the business (Coombs, 2007)</td>
</tr>
<tr>
<td><strong>Aftercare</strong></td>
<td>Celebrities’ Tweets (Van Norel et al, 2014)</td>
</tr>
<tr>
<td></td>
<td>Evaluate the whole process and learn from the experiences for future hazards (Haarlov, 2014)</td>
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### Table 1. Online reputation management practices from literature

#### 3. SHITSTORMS AGAINST BUSINESSES

This section demonstrates four examples of shitstorms against businesses during the last 9 years and how the companies responded to the crisis. The cases of Nestlé, Dell and Mattel are chosen, because they are one of the most famous ones. The shitstorm against Burger King Germany provides the most recent example. The examples are segmented into ‘rounds’ in order to illustrate how long it took to find the right actions.
3.1 Nestlé: Greenpeace vs. Kitkat

The Swiss organization Nestlé is the world’s leading nutrition, health and wellness company. They state by themselves that “Good Food, Good Life, is the promise we commit to everyday, everywhere – to enhance lives, throughout life, with good food and beverages” (Source: www.nestle.com). In 2010 Nestlé had to fight against a shitstorm, because the non-governmental organization Greenpeace launched a social media attack on Nestlé’s Kitkat brand.

Round 1:
Greenpeace found out that Nestlé makes use of palm oil for its chocolate bars. They argued that this would destroy the rain forest and consequently the life of the critically endangered orangutans. Furthermore Greenpeace created a video in that people could see Nestlé’s disastrous consequences on nature. After only 60 days, offices of Greenpeace have been active in 24 countries in order to enlighten Nestlé’s consumers. Around 1.5 million people saw the video.

Nestlé’s response was forcing the withdrawal of the video from YouTube by citing copyright.

Round 2:
The criticism on social media against Nestlé became a viral outbreak. Greenpeace deleted the video on YouTube, but posted it on Vimeo, so that everybody still could see it. Short time later the video reappeared on YouTube. Greenpeace also started a petition and more than 250,000 people participated.

Nestlé had to recognize that the challenge was twofold: they needed to limit the immediate damage, but also address the palm oil sourcing issue and turn the reputational risk into an opportunity. So what Nestlé did was adapting its strategy. The company divided the issues into short-term and long-term damage. In order to deal with the short-term damage, Nestlé suspended sourcing palm oil from the affected region and held meetings with Greenpeace in which the company provided details of its palm oil supply chains. With a focus on the long term, Nestlé sought a credible external partner to certify the sustainability of its palm oil suppliers.

Round 3:
Greenpeace won the fight, but Nestlé still had to fight with the issue. The company recognized that an appropriate online reputation management strategy is needed in order to prevent such a crisis in future. One year later the new head of digital and social media set up a ‘digital acceleration team’ to monitor social media sentiment 24 hours a day. When the team sees problems, the communications unit co-ordinates the company’s engagement with the relevant parties, such as suppliers, campaigns, governments and consumers. In addition, Nestlé’s executives from across the globe visit the digital acceleration team center at the headquarters in Switzerland, to learn about managing social media communications and digital marketing. Nestlé discovered that engaging with its critics and addressing some of their concerns was more effective than trying to shut down discussion on social media (Shreeves, 2010; Ionescu-Somers & Enders 2012).

3.2 Burger King Germany

Burger King is a global fast food chain. They say that their food is real good and their offers are fresh (Source: www.bk.com). However in 2014, the subsidiary in Germany had to fight with a shitstorm, since the food was neither good nor fresh.

Round 1:
A German show on TV exposed the poor conditions in some of the Burger King restaurants. The kitchens were dirty, the food was not fresh, and the working conditions were inhumanly. Consequently many consumers criticized the company on social media and the reputation of Burger King Germany was totally damaged.

Burger King Germany responded one day later on Facebook. The company published a post that said that the bad conditions seen on TV do not represent the atmosphere in all Burger Kings in Germany, but only in 90 franchise restaurants. However, the conditions were very agitating and that they are working on the issue.

Round 2:
The boss of Burger King Germany confirmed that this scandal had enormous financial losses and apologized for the issues in an advertisement on TV. He tried to win customers back by being more transparent and improving hygiene with a four-point plan. Within the advertisement he said that he would bring in an outside organization, to improve the health and safety standards. Furthermore he fired the person who had been responsible for the 90 of Germany’s 671 Burger Kings, but the damage concerned all restaurants nationwide.

Round 3:
Short time later Burger King Germany arranged a ‘Tag der offenen Küche’ in order to show their stakeholders that they improved their standards and everybody could blindly eat their food again. Furthermore a social media campaign is implemented as kind of counter offensive. So they recognized that the reputation was destroyed by social media, but the opportunity that social media could build it up again exists as well (The Local, 2014).

3.3 Dell Hell

Dell is an American multinational computer technology company that sells, repairs and supports computers and related products and services. It was one of the first companies that had to fight against a shitstorm on social media.

Round 1:
In 2005 only one angry customer posted “Dell sucks. Dell lies. Put that in your Google and smoke it, Dell.” Dell did not join online conversations with their customers yet and consequently this post resulted into a domino effect.

Round 2:
Dell lost in 12 months 25 percent of its value. Thereafter Dell started joining online conversations, listening to their customers and providing transparency throughout their brand.

Round 3:
Today, Dell takes part in more than 25,000 conversations in social media per day. They state that for them “social media is far more than a tool – it’s an extension of our brand, which is all about enabling people everywhere to use technology to grow and thrive” (Source: www.dell.com) (Sharma, 2012).

3.4 Mattel: Greenpeace vs. Barbie

Mattel is an American toy manufacturing company and one of its most famous products is its Barbie. Just like Nestlé, Mattel had to fight against a shitstorm, which trigger was Greenpeace.

Round 1:
In 2011 Greenpeace launched a video of Ken breaking up with Barbie over rain forest destruction. The video was viewed more than 180,000 times in one day and was translated into 18 languages. People started to post negative comments on Mattel’s Facebook page. Mattel monitored the mentions on
social media and deleted everything that was about the rainforest.

**Round 2:**
The critiques against the company became larger. More than 500,000 consumers wrote an eMail to Mattel and complained. Thereafter Mattel recognized that they have to listen and came up with a list of sustainable sourcing principles.

**Round 3:**
The company released a global policy that will keep rainforest destruction out of its supply chains. Mattel announced their new goals which contained that by the end of 2011 the company will make use of 70 percent recyclable material for their packaging, and by the end of 2015 even 85 percent (Godelink, 2011; Kenyon 2011; Roosevelt, 2011).

4. SHITSTORM RESCUE PLAN

The cases have shown that in order to reduce the damage arising from a shitstorm in social media proactive online reputation management actions are needed as well as reactive ones. Furthermore a campaign to repair the reputational damage after the shitstorm happened is necessary. Therefore the author created a shitstorm rescue plan (Table 2). The plan consists of three phases and eight steps. The phases are divided into before and after the shitstorm arises, during the shitstorm and thereafter. The nine steps should provide businesses a framework that includes how to build up a positive reputation in social media, how to react when an unpredictable shitstorm against their firm arises, and how to repair the reputational damage thereafter. The phases are dependent from each other, since every step is necessary in order to implement the next one successfully.

<table>
<thead>
<tr>
<th>Point in time</th>
<th>Action</th>
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<tbody>
<tr>
<td><strong>Phase 1: Proactive steps before the shitstorm arises</strong></td>
<td>1. Run profiles in social media networks 2. Analyze and monitor your reputation 3. Join online conversations with your stakeholders</td>
</tr>
<tr>
<td><strong>Phase 2: Reaction during the shitstorm</strong></td>
<td>4. Deal with the issue 5. Apologize and find a solution 6. Provide transparency</td>
</tr>
<tr>
<td><strong>Phase 3: Repair of the reputation after the shitstorm</strong></td>
<td>7. Win customers back 8. Learn from the experiences and adapt your ORM strategy</td>
</tr>
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</table>

**Table 2. Shitstorm Rescue Plan**

4.1 Phase 1: Proactive steps before the shitstorm arises

An organization should not only respond when a crisis occurs, but also be proactive. The aim is to prevent crises and to improve the positioning in the market. Furthermore a positive reputation can be built.

4.1.1 Run profiles in social media networks

The business should be present in the main social media channels. The profiles need status updates, photos, videos and so on in order to provide the company a positive image. Furthermore by running profiles in the social media networks, many customers are reached.

4.1.2 Analyze and monitor your reputation

An organization should always monitor what is being said about it on the Web. Thereby the company gains knowledge about how its stakeholders perceive its products and services. Furthermore analyzing and monitoring its reputation enables a business to identify whether actions to protect or to improve its reputation are necessary.

4.1.3 Join online conversations with your stakeholders

Customers should be able to reach a business online. They can post on a business profile’s timeline questions, critiques, suggestions to improve and so on. Furthermore customers comment on status updated. A business should answer on those and join the conversation.

4.2 Phase 2: Reaction during the shitstorm

When an unpredictable shitstorm arises, a business requires a strict plan how to respond in such a crisis in order to prevent huge financial and reputational losses. This phase includes that a third party criticized something of a business in public in the eWOM it resulted into a shitstorm. Consequently many customers are complaining about the company on social media, and the firm needs to know how to deal with these critiques.

4.2.1 Deal with the issue

A company should not ignore the critiques or try to hide them by e.g. deleting the posts. It should listen to the complaints and analyze its reasons. If the trigger of the shitstorm is right with his accusations, the firm needs to make a step towards him. Otherwise the critiques become larger.

4.2.2 Apologize and find a solution

During a shitstorm stakeholders are disappointed of a company and lose trust. The company needs to recognize the importance of these customers and apologize for the issue in public. Therefore the firm can post an apology on social media. Furthermore the company needs to find a solution for the issue. Therefore the business can hold meetings with its opponent and make use of the reasons that are analyzed before.

4.2.3 Provide transparency

The firm that is dealing with the shitstorm should make public what it is doing in order to improve the criticized issues. It should give insights into its business in order to provide the company a positive image.

4.3 Phase 3: Repair of the reputation after the shitstorm

This phase occurs when the critiques become quiet and the organization has found a solution for the issue. Then a firm cannot continue its business as done before, since many stakeholders may still be disappointed and reluctant to buy the products or services from the company again. Therefore the business should launch a counter offensive.

4.3.1 Win customers back

The company that had to fight with the shitstorm should try to win its customers back. Therefore the business can make use of a social media campaign. The destroyed image needs to turn into a positive one again.
4.3.2 Learn from the experiences and adapt your ORM strategy

The firm should look back on the crisis and search for mistakes. Furthermore it should notice how the business rescued itself. These experiences provide significant knowledge for eventual future crises. Additionally it is necessary to adapt the firm’s online reputation management strategy in relation to these experiences.

5. DISCUSSION

Within this chapter the author discusses the practices from the literature and links these findings with the examples from Chapter 3. Furthermore the author links the shitstorm rescue plan with the cases of Nestlé and Dell in order to demonstrate to what extent the model would have reduced the damage on the business’ corporate reputation.

5.1 Literature

The framework FORA of Portmann et al is from 2014 and therefore seems to be up-to-date. The key layer that searches for reputation confirms the messages of Floreddu et al (2014), Amigó et al (2010) and Wei and Mirkovic (2007). By saying that companies have to react on mentions they agree with the findings of Welford (2014). Furthermore since the research of the Retail Consumer Panel (2011) found out that it is essential to respond on complaints is essential, this seems to be a key element that is necessary for online reputation management. However, the framework is more a proactive than a reactive strategy and during a shitstorm it is too late to implement this model.

Floreddu et al (2014) agree with other findings by saying that monitoring is a key element in online reputation management (Amigó et al, 2010; Wei and Mirkovic, 2007; Conner, 2014; Welford, 2014). In addition the statement that it enhances customer engagement, could be an extra motivation for firms to implement an online reputation management strategy. Nevertheless, this is also no rescue plan, but a proactive one.

Amigó et al (2010) underline the importance of using a specific technique to monitor online sentiment. It is not enough to check only the comments on a Facebook profile, since there are hundreds of conversations about a company going on around on the Internet. Their WePS-3 method can be used for Twitter, but it has to be analyzed whether it is also applicable for other social media sites.

Wei and Mirkovic (2007) provide a method how to reduce unwanted traffic on the Internet. This seems to be a very useful tool, but since it is from 2007 it might be outdated and not applicable for social media platforms.

Van Norel et al (2014) are the only ones who tried to find out what to do when the reputation of a company is already damaged. This is closest to the goal of this research to find out what to do in order to reduce the damage arising from a shitstorm. To make use of celebrities’ Tweets in order to repair a damaged corporate reputation seems to be useful, but however it is not clear when this method should be used. Furthermore this cannot be the key for repair as the examples from real life have shown.

Conner (2014) also provides some proactive steps in order to build a positive reputation on the Internet. However, it has to be analyzed whether strategies like that can reduce the damage arising from a shitstorm in advance. The same counts for the research of Welford (2014). Billingsley (2012) confirms the action taken by the CEO of Burger King Germany who apologized in one post in an advertisement and did not comment on every complaint in social media. The proposals of Coombs (2007) are disproved in the cases and consequently are not applicable for a shitstorm.

Haarlov (2014) is the only one who is really talking about an online reputation management strategy for shitstorms in three phases: before, during and after. However, the framework does not seem to be complete. She does not take into consideration how to repair a damaged reputation after a crisis again.

5.2 Literature and Examples

Table 3 demonstrates which actions that were found in the literature in Chapter 2 have been taken by companies that had to fight against shitstorms in Chapter 3. Thereby the author analyzes the applicability of the suggestions from the literature with shitstorms. Within the table ‘✓ ’ means that the action was taken, ‘ × ’ illustrates that the business did not make use of this and ‘?’ signifies that the research in this paper does not prove whether the companies made use of these actions.

<table>
<thead>
<tr>
<th>Point in time</th>
<th>Action</th>
<th>Nestlé</th>
<th>Burger King</th>
<th>Dell</th>
<th>Matte</th>
<th>l</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Preventio</strong>n</td>
<td>Analyze level of reputation</td>
<td>?</td>
<td>?</td>
<td>?</td>
<td>?</td>
<td></td>
</tr>
<tr>
<td>Join online conversation</td>
<td>?</td>
<td>?</td>
<td>×</td>
<td>?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Start and/or expand social media presence</td>
<td>✓</td>
<td>✓</td>
<td>?</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monitoring</td>
<td>✓</td>
<td>✓</td>
<td>×</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Reaction</strong></td>
<td>Denying the crisis</td>
<td>✓</td>
<td>×</td>
<td>×</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Respond as fast as possible</td>
<td>×</td>
<td>✓</td>
<td>×</td>
<td>×</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Apologize</td>
<td>×</td>
<td>✓</td>
<td>×</td>
<td>×</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Offer an apology and solution</td>
<td>×</td>
<td>✓</td>
<td>×</td>
<td>×</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reminding about past good work and inform about the consequences</td>
<td>×</td>
<td>✓</td>
<td>×</td>
<td>×</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Aftercare</strong></td>
<td>Celebrities’ Tweets</td>
<td>?</td>
<td>?</td>
<td>×</td>
<td>?</td>
<td></td>
</tr>
<tr>
<td>Evaluate the whole process and learn from the experiences for future hazards</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 3. Linkage of literature with examples

For all examples it is not known whether the businesses analyzed its level of reputation before. Furthermore the author cannot say whether they joined online conversations before the shitstorms aroused. It is only known that Dell did not join
online conversations with its customers. Nestlé, Burger King and Mattel did all run social media profiles in many channels. The example of Dell is from 2005 and since Facebook launched in 2004 it is unlikely that Dell started or expanded already its social media presence, but however it is unknown. What all businesses had in common instead of Dell was that they monitored what is going around their brand on the Internet. The example of Dell has shown that if the company would have monitored the mentions about its organization, the shitstorm got most probably prohibited. Within the shitstorms, the businesses reacted differently. Nestlé and Mattel tried to deny the crisis by deleting any mention against the issue. The cases have shown that this reaction is a huge mistake, since they became a viral outbreak thereafter. Furthermore they disagree with suggestions from the literature (e.g. Haarlov, 2014). The only company that responded relatively fast was Burger King. Its announcement on Facebook one day later showed their customers that the management really cares about the issues and tries to handle the other examples did not respond as quickly and hence the shitstorms became bigger and critics escalated. Furthermore Burger King was the only organization that apologized for the issues in public. In addition thereby Burger King also presented a solution. By that an end of the crisis could get seen. The CEO also said that the company has to fight with financial losses after the TV show exposed the poor conditions within the restaurants. Consequently the business tried to present itself a bit like a victim and remembers its customers that in the past the relationship between the organization and its stakeholders was always good. After the businesses successfully fought against the shitstorms, the author cannot say whether the companies made use of celebrities’ Tweets in order to repair their reputations again. However, it is unlikely that Dell made use of it, since the case is too much time ago. Nevertheless, all organizations learned from the experiences for future hazards and adapted several processes.

5.3 Shitstorm rescue plan

5.3.1 Phase 1: Proactive steps before the shitstorm arises

As the literature has shown the focus within the most online reputation management researches lies on proactive steps how businesses should improve and protect its reputation. These actions are essential as basis to react within a shitstorm in an appropriate way. Furthermore they can prevent companies against shitstorms like in the case of Dell, when the trigger was only one negative comment.

5.3.1.1 Run profiles in social media networks

Businesses first have to identify the profits related with running profiles in social networks. Then they should spread their presence in the online environment in order to increase its scope and prevent hijacking (Conner, 2014). According to Kahar et al (2012) “the two most important usage of social media is visibility among prospective and present customers, positioning oneself to a distinguished up to date business setup and progressively build up the networking” (p. 568). Kaplan and Haenlein (2010) say that “social media allow firms to engage in timely and direct end-consumer contact at relatively low cost and higher levels of efficiency than can be achieved with more traditional communication tools” (p. 67). When a critical amount of followers is reached, social media improves a firm’s performance (Paniagua & Sapena, 2014). Social networks presence is necessary in order to prevent a shitstorm, because otherwise a company will not be able to react on the critiques against them appropriately. It would not find each complaint, would not be able to analyze its corporate reputation and would not reach their stakeholders during and after the shitstorm in order to repair the reputational damage.

5.3.1.2 Analyze your current corporate reputation

It is essential to assess the current reputation of your business (Floreddu et al, 2014; Portmann et al, 2014). This step also includes the steady monitoring of the reputation in social media. In order to facilitate this process a company can make use of the WePS-3 method or the FORA framework (Amigo et al; Portmann et al, 2014). Furthermore firms can make use of Google Alerts that find out when people post content about you on the Web.

5.3.1.3 Join online conversations with your stakeholders

A business should join the conversations with its stakeholders. Thereby it does not matter whether the comment is negative or positive. The response should be timely, appropriate, open, honest and rapid (Welford, 2014). Therefore the 7 steps proposed by Welford are an useful tool. Ignoring complaints in social media is a huge mistake. According to a report from RightNow Customer Experience Impact “89 percent of consumers began doing business with a competitor following a poor customer experience” and “50 percent of consumers give a brand only one week to respond to a question before they stop doing business with them” (Dooley, 2012). Consequently good customer experience with firm’s social profiles can strengthen their reputations and reduce the risk of arising shitstorms.

5.3.2 Phase 2: Reaction during the shitstorm

The shitstorms companies had to fight with in the past show how firms have to behave during a shitstorm. Since not all companies behaved directly in an appropriate way, a strict plan how to react during a shitstorm is needed.

5.3.2.1 Deal with the issue

The cases have shown that ignoring the critics or even trying to delete it results into a greater damage. Organizations that are struggling with a shitstorm have to listen to the issues why the critics came up in order to find a fast end and solution. Within the cases of Burger King Germany, Nestlé and Mattel the opponent was right. Consequently taking a step towards him was necessary. Furthermore it is essential to calm him down in order to reduce the reputational damage on the Web. If your opponent is a famous organization like Greenpeace, then you should know that it has a lot of followers and supporters.

5.3.2.2 Apologize and find a solution

Your stakeholders expect an apology for your misconduct. Sure, it would be too costly to apologize on each complaint, but companies can publish one post for everyone that contains that “they were aware of the issues and they were working to fix them” (Billingsley, 2012). One example therefore is the apology of the CEO of Burger King Germany on YouTube (http://www.youtube.com/watch?v=sJqaiwrzMGw).

5.3.2.3 Provide transparency

Your stakeholders have to see that you are trying to improve the issues. Transparency was a key factor in all the presented cases. The customers expect that businesses take issues seriously and improve their standards according to the societies’ expectations.

5.3.3 Phase 3: Repair of the reputation after the shitstorm

When a shitstorm is over, a company has to repair its reputation again. Not all customers come back after an apology and providing transparency. Consequently more actions are needed.
5.3.3.1 Win customers back
After a shitstorm, a company has to fight with reputational and financial losses. Many customers left the company and might be averse from buying a product or service from this company again. Communication after a crisis is important and can be used to repair the reputation (Coombs, 2007). Therefore a social media campaign as Burger King Germany did could be useful in order to win customers back. Furthermore a company can introduce an open day or publish as Nestlé and Mattel did its new policy. In addition companies can make use of celebrities’ Tweets to influence the customers’ behavior (Van Norel et al., 2014).

5.3.3.2 Learn from the experiences and adapt your ORM strategy
After a shitstorm companies as in the case of Nestlé and Dell recognize that they have to adapt its online reputation management strategy and take more focus on that. They learned that they have to steady improve its abilities and go to trainings etc. Siemens for example has introduced a ‘Newsroom’, where employees control 24Hours per day what is going on in social media (Stehle, 2014).

5.4 Shitstorm rescue plan applied for Nestlé and Dell
Within this section the author demonstrates on the case of Nestlé how the company would have dealt with the critiques if the organization made use of the shitstorm rescue plan. Furthermore the author illustrates the potential effects of the model on the case of Dell from 2005. The author has chosen these two cases in order to present two different effects of the shitstorm rescue plan. The potential results for Nestlé, Burger King Germany and Mattel would be nearly the same. That is why the author reduces this section to two companies only.

5.4.1 Phase 1: Proactive steps before the shitstorm arises
Most probably Nestlé already ran social media profiles in the main channels. Nestlé also already monitored its online sentiment and therefore its reputation can get steady assessed. If something negative occurs, monitoring enables quicker responses. When negative comments on social media arise, Nestlé has to answer. Therefore the business does not need to discuss each detail in public, but the answer should convey that the organization is addressing the issue. However, nothing is known how Nestlé really dealt with complaints before the shitstorm aroused. Furthermore the trigger of the critiques has been Greenpeace, who is a huge organization. Consequently the shitstorm could not get prohibited by answering customer complaints.

Making use of the shitstorm rescue plan Dell would have ran social media profiles. Then the company also monitors what is going around about its brand on the Internet. By that Dell recognizes the complaint from the one customer that resulted into the shitstorm in the past. So by joining online conversations in an appropriate way, the shitstorm would have been already prohibited before it arouse.

5.4.2 Phase 2: Reaction during the shitstorm
Nestlé should have directly listened to the criticisms of Greenpeace. Ignoring the issue was a huge mistake and escalated to a greater crisis. By directly dealing with the issue, Greenpeace’s petition and many views of the video would have got prohibited. Analyzing the reasons of the criticisms enables finding solutions more quickly. Then Nestlé should make a step towards Greenpeace. When the business shows its opponent, that it is right, it is easier to find a common thread. Therefore or even directly after the video appeared on YouTube, Nestlé needed to apologize in one post on Facebook and Twitter. The company had to show their customers that it regrets the incidents and is already dealing with the issues. Therefore stakeholders and opponent are calmed down for a while. Then Nestlé has to provide transparency. People have to see that the organization is really doing something in order to improve the conditions.

5.4.3 Phase 3: Repair of the reputation after the shitstorm
By apologizing and providing transparency Nestlé already created a sense of trust. In order to win customers back, Nestlé needs to start a social media campaign that sells its new chocolate bar that is produced with the new conditions. Therefore celebrities can post photos which show how much they like the new Kitkat. In addition Nestlé has to analyze what the organization did wrong and how they can respond faster when the next unpredictable crisis occurs.

6. CONCLUSION
As researchers agree a reputation is an important asset and delivers value for a company (Hung et al, 2012; Tischer & Hildebrandt, 2014; Floreddu et al, 2014). Hence, companies need to have an appropriate online reputation management strategy in order to protect and improve its corporate reputation. Therefore social media is an useful tool. However, social media can also enhance the power of a reputational threat like a shitstorm due to the effects of electronic word-of-mouth. Consequently the research question of this academic paper was “How can organizations reduce the reputational damage arising from a shitstorm in social media?”. In order to answer this question the author collected several online reputation management strategies from the literature and the Web and presented the actions taken from businesses that had to fight with such a crisis in real life. Results have shown that businesses should know that after a shitstorm damages in reputation and consequently financial losses are nearly not preventable. The literature does not prevent a clear framework how to deal with such unpredictable shitstorms in social media yet. There exist some suggestions how to protect against reputation threats, but all do not take into consideration threats that are not preventable. The cases have presented those types of unpreventable reputation threats. Furthermore these examples of businesses that had to fight against shitstorms in the past have shown that companies still do not have a clear online reputation management strategy in order to deal appropriately with those reputation threats. Therefore the author developed a shitstorm rescue plan. The plan complies with the literature that summarized the tasks of online reputation management as monitoring, addressing or rectifying undesirable or negative mentions on the Web, interacting with people online and creating shareable content (Portmann et al, 2014; Dijkmans et al, 2015). He applied the model on the cases of Nestlé and Dell. Both examples have shown that the shitstorm rescue plan is effective. For the case of Nestlé the model would have shortened the duration of the crisis. Thereby reputational and financial losses get reduced. The company could focus more quickly on gaining its customers back. For the case of Dell the model would have prevented the crisis. Consequently the developed shitstorm rescue plan can aid companies by shorten the time period of a shitstorm or even preventing the potential crisis. If it is implemented as proposed, it will terminate the crisis quickly. Thereby the reputational damage gets reduced and the research question has been answered successfully.
7. LIMITATIONS AND RECOMMENDATIONS

There is no empirical proof existing which shows that the shitstorm rescue plan is applicable. The shitstorm rescue plan only suggests what a firm can do when the trigger of the shitstorm is right. It does not take into consideration how a company should deal when the opponent is lying for its own interests. Future research has to identify whether the model is really shortening the duration of a shitstorm and whether it can reduce the damages that arise during a shitstorm. Furthermore the cases do not really prove that the companies repaired their reputations after the shitstorm again. So you cannot be one hundred percent sure whether the actions taken have been really successful. In order to investigate that, more data is needed. In addition some questions are left open. We do not know the sizes of the reputational damages in the cases and we do not know the durations and intensities of the different shitstorms. Then it is necessary to know when a reputation can be seen as ‘repaired’. Furthermore there is no proof about the relation between duration of a shitstorm and size of the reputational damage.

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