Authoring a Brand’s Online Reputation

By applying a predictive approach to online reputation management, organizations can enhance their social capital and better understand and participate in digital conversations that directly impact brand perception and value.

Executive Summary

Ever-evolving digital technology is creating newer ways to do the same things and new things faster, better and cheaper. This is a vast landscape for brands to manage; it is both complex and dynamic.

How does a brand steer its way through this complexity and protect its reputation?

Up until a few years ago, managing a brand’s reputation was primarily accomplished through the PR function or the media agency of record. Press coverage in news dailies or on radio and television was the primary focus. However, in today’s digital age there are a plethora of channels and voices – on both social and traditional media platforms – that contribute to shaping a brand’s reputation.

As a result, the definition of reputation management has evolved as well. It cuts across both offline and online media, and is multidisciplinary (social media, SEO, PR, etc.) and extremely dynamic.

Reputation management is typically aimed at achieving three objectives, depending on the brand’s stage in its lifecycle:

- **Build**: Typically an objective for a new business trying to establish a name for itself.
- **Maintain and enhance**: Relevant for brands that have an established positive reputation and, important, that customers and influencers trust to provide good services/products. At this stage, the brand enjoys positive word of mouth in the influencer community.
- **Recover and learn**: This applies to brands that have taken a reputational hit and are now associated with negative sentiment. Recovery means employing content marketing and promotional tactics to resuscitate the brand over time and enhance its reputation quotient.

The impact of negative online sentiment weighs heavily on sales and press coverage, and also impacts a brand’s ability to attract the best talent.

This white paper explores the dynamics of the influence marketplace, defines the anatomy of reputation and then offers an approach to counter negative sentiment through predictive online reputation management (ORM).
Dynamics of the Influence Marketplace

With the emergence of social media, information is generated, relayed and consumed almost instantaneously. Opinions are transmitted by scores of Web users in real time – good, bad or ugly; all points of view are shared and open for discussion. If your organization makes someone unhappy in the virtual world, chances are that it will be relayed to many others in no time – the same is true for positive word of mouth as well. However, there is a higher propensity for negative sentiments to travel faster and further.

Think of the last time you researched a product or service and wanted to know all about it before you even started a conversation. Research reveals that 85% of Web users seek others’ opinions before buying a product or service.1

Moreover, approximately 92% of consumers trust their friends and family more than ads, and are likely to make a purchase based on these personal recommendations.2

As a result, digital influencers are very powerful entities within a community, whose strong online presence exudes credibility across an industry. Such users may express elation or anguish with a brand on blogs or forums, post comments on your organization’s social page or a news site, take part in a wiki, express opinion on a consumer platform or simply create a page on a social network to discuss products/services. The digital word of mouth is published and consumed at the speed of physical world conversations within the comfort of homes, offices, etc.

A brand may refrain from conversations, but this leaves its reputation completely in the hands of external parties – which may not work in its favor. Nearly two-thirds of companies ravaged by negative consumer sentiment ignored the charges and suffered the consequence of reputational damage.3

Of the brands that choose to be part of online conversations, most focus on publishing marketing content that is of little interest to the consumer/influencer community. Presence on nonrelevant channels or a complete absence from social damages a brand’s online reputation as well. Conversations across media and the brand’s action or inaction significantly shape the “influence marketplace;” sadly, many brands struggle to be part of this evolution.

Research suggests that nearly 60% of conversations occur on social forums that provide an informal setting to exchange views. However, a large portion of this commentary is not always based on facts and often tends toward rumor or hearsay. Roughly 44% of small and medium-sized firms experience allegations or rumors about their company on the Internet, through search or other means.4

Since content published online is recycled on multiple forums over time, it runs a risk of being distorted. At best, members of the social group themselves moderate conversations and keep rumors at bay. However, this is not always the case. Brands big and small are susceptible to half-truths and outright lies that can proliferate in the always-on digital world.

Anatomy of Reputation

There is always someone talking about your organization and... it matters! Reputations are built and tarnished at the speed of conversations. Therefore, it is imperative for brands to be cognizant of how to claim positive reputation and prevent a bad reputation from emerging through inattentiveness.

A good reputation is often taken for granted and remains unclaimed. Of the two, it is easier for an organization to own and manage a good reputation. Proactive reputation management helps leverage the positive word of mouth that abounds online and can be applied to enhance the social capital of the brand. On the other hand, an unattended bad reputation creates dissonance and reflects the disconnect between the brand and its market.

As Figure 1 (next page) illustrates, a crisis ensuing from bad word of mouth follows a typical bell curve. It rises after negative sentiment builds; it reaches a peak as the view goes viral; and then recovers after the brand engages in some sort of online triage.
Brands that are unprepared to tackle bad reputation employ tactics such as taking down negative posts in large numbers on social media, in the hope that it will stop the spiral. However, such practices often backfire and serve to stoke negative sentiment.

Industry is littered with brands that encountered a reputation crisis for one reason or the other, and fumbled their response, such as the following:

- **HMV**, a UK entertainment retailer, found itself in the middle of a backlash from employees who had been recently laid off. When a staff member with access to the corporate Twitter account posted a heartfelt comment on Twitter saying “mass execution of loyal employees who love the brand,” it started the damaging spiral of negative commentary. The brand was unable to respond as senior leadership simply did not have credentials for the account! In our assessment, an ORM program that is centrally managed and has a robust governance mechanism ensures that a brand’s reputation remains protected, even if the organization’s compliance policies remain unexecuted.5

- **Domino’s Pizza** found itself fighting a social media crisis when a few of its employees posted a video that showed them working in the kitchen without caring for food safety guidelines or basic hygiene. This did not appeal to the sensibilities of a large number of people, including the company itself. Domino’s promptly fired the two employees (who claimed the video was meant as a prank) and issued a press release to preserve its reputation. However, publishing the press release on Twitter did not do much to salvage the brand. The problem was not necessarily the speed of response but the lack of understanding of where the content needed to be posted.6

- **Amy’s Baking Company** appeared on Gordon Ramsey’s Kitchen Nightmares. While Chef Ramsey highlighted the problems that were negatively impacting the restaurant, the restaurateur was unwilling to heed the advice. Chef Ramsey quit working with them. Viewers of the show took this to Facebook, to which the restaurateur responded with swear words and threats on the social network. The company sure gained a fan following — but for all the wrong reasons. This example represents a brand that did not understand the importance of online reputation nor was prepared to find its way through the reputational management maze.7

In all of these examples, the one common element is that a crisis can occur for any reason and at any time. Reputational issues often flare when organizations are underprepared. As such, they employ a reactive ORM mechanism that is largely driven by a sense of urgency but is not informed by an understanding of the circumstances. This approach does not help the brand answer the following:

- How could the crisis have been prevented?

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**The Rise and Fall of Negative Sentiment**

![Diagram](image.png)

**Figure 1**

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Dissonance

Interactions over time

CRISIS

Post-crisis systems disengage
• What should be an apt response and how should it be published?
• Who are the key stakeholders that need to orchestrate the recovery process?

In the next section, we will look at how a predictive and proactive approach to managing online reputation can help brands create good stories that strengthen its social capital.

A Predictive Approach to Online Reputation Management

Authoring a brand’s reputation is a continuous process. It begins when the brand becomes cognizant of commentary that swirls around it online every day – beyond merely focusing on incidents that set off its crisis management strategy. Predictive ORM is about:

• Monitoring the brand’s online presence across media and entities.
• Recognizing negative trends.
• Responding aptly and swiftly.

This approach helps flatten the crisis bell curve by reducing the dissonance that inevitably builds up, thereby containing the magnitude of the crisis and reducing the required recovery effort (see Figure 2).

This type of online reputation management is based on creating predictive intelligence accompanied by a robust response mechanism.

Pattern Recognition

Monitoring a brand’s online presence over a period of time generates a database of information that, when analyzed, provides a rich source of insights for identifying patterns and trends. For example:

• Investigating if there are triggers for a particular type of consumer sentiment or online behavior during certain times of the year.
• Investigating specific consumer groups that are more vocal about particular issues.

The evolution of big data has made it possible to filter large amounts of raw data and apply algorithms to gain insights into data sets that would otherwise remain undetected. Similarly, if brands were able to apply principles of predictive data analysis and unearth insights that strengthen their ability to preempt unwanted situations, management of online reputation would become a true art and science.

Managed Response Mechanism

Armed with this insight, ORM could be made more efficient and effective. ORM is a discipline combining many other disciplines – from social media

Proactive Reputation Management

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and search engine optimization (SEO) through digital content marketing and PR. In our assessment, an ORM command center centrally orchestrates the entire process of managing a brand’s online reputation. Its core areas of responsibility include:

- Providing inputs for the internal process design for better risk management.
- Corporate communication design.
- Digital security design.

At its core, it performs the following functions:

- **Monitor a vast landscape of media** around the clock to recognize patterns across channels, consumer groups, influencer communities, geos, etc. to build a predictive analysis capability.
- **Collaborate with an ecosystem** of players (including the brand’s PR, social media, marketing and advertising agencies) and consult on the brand’s ORM strategy.
- **Execute ORM plans** and provide content publishing support at all times to take the brand story to the market.
- **Work with the brand teams** to align the ORM program with the larger digital marketing initiative.

Looking Ahead

As the digital world evolves, brands need to invest in a robust ORM mechanism for reasons beyond just averting a crisis. In addition to the visible benefits, ORM is an investment worth every dollar that helps marketers get the most out of marketing campaigns. Awareness, reach or creating preference are some objectives that marketing campaigns help achieve. A positive or neutral online reputation makes it easier for the campaign to achieve its objectives, since the brand does not need to defend against negative stories.

We recommend the following steps to set up a robust ORM mechanism:

- **Assess the brand’s online presence** in its entirety (not only limited to social media or SEO).
- **Articulate a comprehensive ORM strategy**, and benchmark expected outcomes.
- **Invest in an online reputation command center** to monitor and respond to commentary besides building predictive capabilities to preempt flare-ups.
- **Institutionalize crisis management** processes and protocols.

As renowned marketing coach Brain Koslow⁸ puts it: “There is no advertisement as powerful as a positive reputation traveling fast.”

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**Footnotes**

3. Research from BDO and the Quoted Companies Alliance.
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8. Brian Koslow is the founder and president/CEO of Breakthrough Coaching, Inc. He has more than 12 years of experience giving seminars and offering his tips and experience to large groups across the nation.
About the Author

Marshneil Pachori is a Senior Manager within Cognizant’s Digital Marketing Services Practice. She has 12 years of rich experience ranging across the management consulting, product management and service delivery domains, in both product and services industries. Marshneil has played multiple roles throughout her career, from working with clients on business strategies as a senior consulting manager to heading the marketing function and serving as a marketing manager for the research and analytics business unit of one India’s top-three IT services providers. Passionate about the discipline of marketing, she holds an advanced certificate in sales and marketing from IIM Kolkata and a post-graduate degree in business management. She can be reached at Marshneil.Pachori@cognizant.com.

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