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Online Reputation Management

How to Balance the Risks and Rewards

WSI Whitepaper

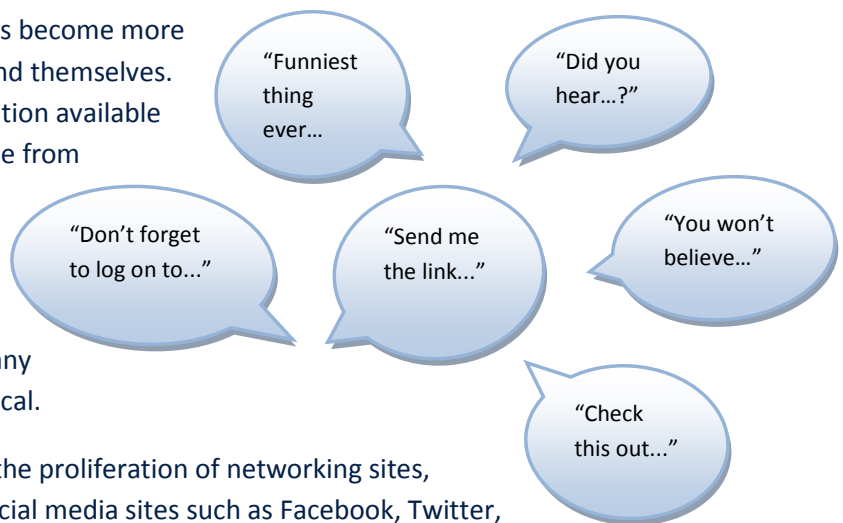
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Introduction

Want to be the number one company on the Internet for your industry? How do you improve your image for your millions of potential customers around the world? Is there any gossip about your brand? Will this gossip affect your business organization? Are you really free of risks and jeopardy?

With the swift expansion of the World Wide Web, there has been a growing attention to the image that a company projects. More interest is given to how you are handling your online image and your capacity to please customers.

It can be noted that with the Internet, it has become more and more difficult for companies to outstand themselves. With the immeasurable amount of information available for diverse business, customers get to chose from a variety of similar information sources. Moreover, online searchers usually chose from the first comings and will never wait. One should also note that consumers are very choosy and in case of any dissatisfaction, they will be immediately vocal.



Today, opinions are easily shared through the proliferation of networking sites, forums, blog sites, chatrooms and other social media sites such as Facebook, Twitter, YouTube, etc. These social media platforms are also being used by business organizations to connect with their clients and attract new potential clients. However, nothing prevents your company from being the target of a negative note. Social media can really affect the reputation of a company. The buzz may be good or bad, but a strategy to interact directly with customers on the Internet and to respond to their inquiries, is absolutely invaluable.

Social media is designed to be spread through social interaction and create publishing techniques that can be scalable and easy-to-use. The characteristic of social media is that it can excite others to repeat information. This can be done instantly through platforms such as Facebook, Twitter, Bebo, YouTube, MSN, etc.

It is crucial to listen to what is being said online, even if it is negative. Listening creates the opportunity to take action and resolve internal problems or deal with malicious information, both of which can negatively influence a company's brand image and reputation.

What is a Reputation?

In simple words: reputation is “the result of what you do, what you say, and what other people say about you”.

The reputation of a business is based on its image. A positive image brings trust and confidence to the customer. The image of a business is essential for its success and it is also the key that will determine its profitability and revenue.

A good reputation can capture good sale increases along with confidence from customers. However, a bad reputation can lead to a decrease in customers’ confidence, hence provoking a reduction in profits and sales. Today, with the use of the Internet, rumors, gossip, bad opinions and shocking news spread very quickly. It is of utmost importance to keep a high quality profile to please the public. Hence, today businesses are using an online reputation management (ORM) strategy.

What is “Online Reputation Management” (ORM)?

Online reputation management involves managing the search engine results and protecting your company’s brand reputation from negative exposure online. This is very crucial since buying decisions are influenced by what is found on the web. Simply, an ORM strategy combines traditional marketing and public relations with search engine marketing.

Visibility and high rankings for good publicity are the ultimate goals, which will in turn push bad publicity down the search engine listings and out of public view. Keep in mind that online searchers rarely view more than 2 pages of search engine results for any search. Online reputation management enables you to protect and manage your reputation and brand from becoming actively involved in the outcome of negative publicity online.

Hundreds of thousands of dollars are lost each day because of false, erroneous or misleading search engine results. Whether the negative listings are from a competitor, a news site, or a message board, the impact can be financially challenging at best and devastating at worst.

Why is ORM Important for Businesses in Today’s Environment

As discussed, consumers use search engines to gather information. When they undertake a search for your company name or brand, your hope is that your own website is high up on the search results list. If your company name appears in the top 10 lists, hopefully your customers won’t be distracted by the other 9 listings.

Online customers searching for your company name will often look at all results provided not only your business website, but by review sites, discussion forums, etc. When their eyes skim down the list, what stands out about your company? Is it all good, relevant, up-to-date information? Are there any negative listings saying bad things about your brand or company? Are there sites with outdated information

about your brand in the list? What are people saying about you on industry forums and blogs? People looking for your company in the search engine results will scan all this information.

People from all walks of life use search engines to research and gather information, so that they can make informative decisions. If the information they come across during a search relating to your brand is adverse, it can affect the decisions they make. Negative information can ultimately lead to problems in many areas including sales, investor relations, recruitment, financials, image and reputation. In other words - damage to your brand.

Domino's Pizza ORM Case Study

The below video attracted around 2 million viewers with many comments. This video was uploaded on YouTube by 2 employees of Domino's Pizza showing themselves performing unsanitary acts while on the job. Domino's Pizza employee (referred to as Michael) is seen spitting in food, putting cheese in his nose before placing it on a sandwich and rubbing a dish washing sponge on his nether regions.



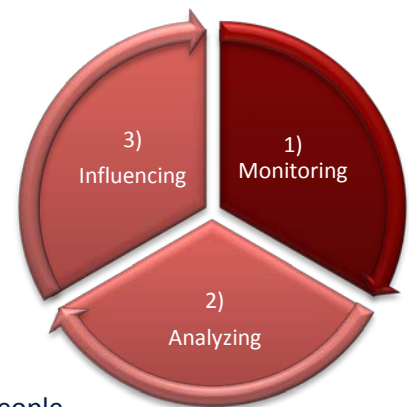
To avoid such negative matters, an online reputation management control system is vital. ORM helps you maintain a fine reputation of your business, and an effective ORM requires three main processes.

3 Steps Involved in Online Reputation Management

Step 1: Monitoring

Social media has become the personal journal of everyone since it is very easy for anyone to publish information on channels such as blogs, discussion boards and opinion forums. Unfortunately, not everyone can be pleased all of the time.

The Internet is a great way to judge what people think of a particular service or product. People tend to be more honest; the only downside is you are more likely to get negative feedback rather than positive ones. People who received very good service will rarely write about it, whereas people who received bad service will tell everyone and also write about it.



If you want to know what is being said about your brand, you must monitor these online conversations. However, the size and complexity of the Internet coupled with the speed at which news travels means it is difficult to continuously monitor all that is being said. To tackle this problem, you need an early warning system to alert you of all news relating to your brand, so you may remedy when needed. There are several social monitoring services available that do the work for you.

Examples of Social Monitoring Tools

1. Google and Yahoo! Alerts

Receive email alerts every time someone mentions brands that you are tracking. Google Alerts allows you to set up keyword searches for the name of your company or competitors and receive updates in your email inbox or through an RSS feed.



2. Social Mention

Social Mention tracks blogs, blog comments, Twitter, mainstream news, images, video and audio. Searches can be saved as an RSS feed, so you can easily stay up-to-date.



3. Radian6

Radian6 is a powerhouse that gives you the ability to slice-and-dice your data until your head spins. This social media monitoring tool offers integrated workflow, alerts, sentiment, monitoring across blogs, forums, news, Twitter and more.



4. HootSuite

HootSuite is a popular tool that can be used to manage multiple accounts across Twitter, Facebook, MySpace, WordPress, Foursquare and LinkedIn. You can push updates to one or more profiles, track click-through, deploy timed updates, monitor your social media buzz across multiple web services and assign tasks among team members based on roles.



5. Technorati

This is one of the largest blog search engine directories that can also be searched for keywords related to your brand (or those of your competition).



6. Addict-O-Matic

This tool has a consolidated page with search matches across sites like Twitter, Flickr and more. Featuring an appealing interface and one-page dashboard, Addict-o-matic is one of the best free tools available for summarizing your entire "buzz" in one place.



7. ReputationDefender

Created for the specific purpose of helping you preserve and restore your reputation in social media, Reputation Defender offers a robust monitoring service that will help you keep track of your brand. A feature called MyEdge helps you deal with the results that Google serves up about you.



Once you have adopted a monitoring system for your brand you should also track other information, such as competing brands and organizations, industry terms as well as general industry news. Monitoring gives you instant notice if bad information appears. You may want to include positive and negative modifiers like "fail," "sucks," etc. This will help to target your search.

Monitoring is an essential and useful tactic for controlling bad information within the search engine space. Unfortunately, monitoring by itself is not enough if it is too late and damage has already been done. The best outcomes occur if you proactively control your space and what people read about your brand. It is important to analyze your current space in order to take action and control it.

Step 2: Analyzing

Although monitoring systems are in place, the work is not yet over. It is crucial to analyze your social reviews to improve your brand. The analysis part consists of going through all the key comments, feedback and identified concerns that are being expressed online.

Healthy Conversations Comprise of Both Positive and Negative Feedback

Once you have learned what is being said about your company online, you need to evaluate the impact this has or will have on you. You need to understand that healthy discussions comprise of both positive and negative feedback. This feedback (negative/positive) will bring about many opportunities to formulate new and upbeat changes for the better.

Let your audience know that you have been following them and their feedback has helped you enhance your product/service. Invite them to give more feedback to enable you to provide them with a better product/service. Let your audience know about the new improvements you are making and ask for their advice. Make your audience feel involved and let them know you are listening to them.

For instance, if someone left a negative comment or review about your company, they're giving you a chance to change the conversation and make things better. They did not silently vow to never do business with your company again or trash you to their friends. They told you what happened, why they are disappointed, and now they are looking to you to make things better. Instead of just deleting the comments, listen to what they are telling you. Understand their problem and where the communication has failed. Do not fear the biggest critics. You just need to know how to handle harsh criticism in a positive and subtle way.

Even with the help of monitoring tools, there may be too much information out there. It is wise to begin brand management internally to avoid any confusion. You may start with:

- Corporate Sites
- Product Sites
- Corporate Blogs
- Employee Blogs
- Partner Sites (supplier sites, recruitment sites)
- Corporate Communications

Step 3: Influencing

Let's assume you represent a well-known company whose leader has just been photographed engaged in an illegal action. Do you merely release a statement, or quickly take to the Internet to defend your company's interests?

Although this situation is somewhat overriding to the idea of public relations, the advent of social media is quickly changing the way this sort of crisis is handled. Since business organizations can connect with its audiences quickly, it is possible for them to deal with such situations rapidly and digitally.

Respond to a Negative Comment with a Positive One

One of the most applied theories to counter attack a negative comment is to attend it with a positive one. As mentioned earlier, you can influence the results by participating in the conversation and eliminating negative online conversations by being actively involved in them. Your participation in such conversations will give you the opportunity to improve the perception of your brand.

We all know that **Customer Is King**. It is only the opinions of your customers that count, so let them be the judge. You should establish a good relationship with the blogger or the customer that complained about your service on any social media platform. A simple comment like the below can do wonders. Of course, comments need to be followed by actions.

"Thank you for your feedback. We are working on resolving this issue."

You should take an active part in your industry conversation by becoming a regular contributor to blogs and forums. Lead the conversation about your brand. Respond to comments or feedback; engage in conversations already happening or start your own. As you do so, be honest and transparent in your approach. People like the fact that you are paying attention and are actively participating in the conversation, not just being talked about. You should always be prepared to act. If negative feedback occurs, you ought to respond immediately. Even if you don't participate on a regular basis, you should always be prepared to manage digital disasters.

Select the Right Social Technologies

Giving positive feedback to negative ones is not always sufficient to influence the public. You will have to try a little harder to mark your presence among your audience. The Internet is immense and to be able to reach your customers, you will have to segment your audience.

Due to the numerous quantities of social media technologies on the Internet, many businesses favor the most popular ones like Facebook, Twitter and so on. Nevertheless, many of them complain that they cannot reach their audiences. Just because Facebook and Twitter are the most popular social sites does not necessary mean that your audience is on these specific platforms.

According to statistics, mostly people of age group 18-34 are engaging in Facebook. Assume that your company’s target audience is middle aged. Will you still focus more on Facebook or will you move to another social media with an audience that matches yours?

Selecting the right social media platform is important to build and promote your online reputation. To be able to access the right social networks, you must focus more on your target audience. You may also classify your audience in terms of demographics or geographic to have a better idea of the type of social network they are using.

To provide better customer service to your audience, it is important to engage in the right social network appropriate for your industry. You may also consider building your own social network if you want to hit the most appropriate community.

Let Your Company’s Tone Show You Care

Once you have elected the appropriate social network suitable for your business organization, you can easily receive and give feedback to your audience. But you should remember that a two-way conversation must not be an official one. You must have a particular way to confer to your audience and it should go well with your company’s tone of voice.

You may also consider establishing a team blog where there is less focus placed on a single individual and more attention on your employees. Your employees are the people who will represent the brand and image of your company. Bloggers and the online public prefer to hear from those working in your company as their opinions are considered authentic and similar to “public opinion”.

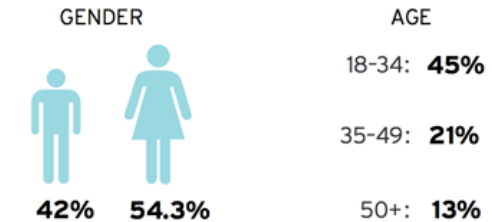
Participate in Related Discussions

To be able to influence your social community, you should make yourself noticed. Why not comment on other blog posts or discussions related to your business?

You can create interesting dialogue by sharing well-crafted and insightful responses to topics that are relevant to your customers. This also positions you as an expert in your field.

Read relevant blogs to understand what is going on in your industry, but only comment on events, articles, posts, etc., where you can add value. Commenting on everything will not increase your visibility or reinforce your image as an expert. Unless you bring value, you will just be adding to the noise. Define your expertise narrowly and go deep. Never be afraid to take a risk with an opinion, no matter how controversial you think it may be – as long as you approach it carefully and professionally.

Facebook User Demographics



Data represents U.S. statistics broadcasted on quantcast.com

SOCIAL MEDIA DEMOGRAPHICS

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Digital Crisis Management

By definition, digital crisis management is the act taken by an organization to prevent unexpected situations or events, leading to negative publicity in the digital space, which can affect a company's reputation, image, resources or people. Digital crisis management involves the procedure taken to minimize risk before they occur. It is the development of plans and actions taken to deal with a crisis as it occurs online to minimize its impact and to assist the company's recovery.

Example of bad crisis management:

In 2009, Toyota (auto brand) had very poor crisis management regarding its faulty floor mats and accelerator pedal. Although Toyota had the opportunity to utilize social media platforms to manage this branding crisis, they did not do so.

One could argue that the consequences of such poor crisis management severely damaged the reputation of Toyota as the number one automotive brand, with \$30.5 million brand earnings. Moreover, many of Toyota's customers were very disappointed with the lack of communication.

Successful crisis management requires timing, response and sincerity. If you expect your audience to be true to you, you should be able to do the same. Digital crisis management involves more or less the same steps for online reputation management. The principles remain the same. Handle issues quickly, accurately, professionally and with care. Companies should leverage all the tools they can access to monitor all relevant social media and able to take control of complex situations.

5 Development Stages of Digital Crisis Management

The development of digital crisis management occurs in 5 main stages and they are as follows:

1. Speed

Everything happens very quickly. With the help of social media, bad news spreads faster than ever via Twitter, Facebook, YouTube and so on. If you are the target, you have to react very quickly and monitor all relevant consumer-generated media. This will help you trace the root of the problem.

2. Hyper-transparency

Today, you can no longer hide secrets. Everyone has the power to expose striking situations – making “private” become public. You need to ensure that there are no inconsistent practices in your business. Make sure that your corporate social responsibilities are legitimate, justifiable and reliable.

Problems to your online reputation can arise from:

- Blogs, Forums, and Consumer Opinion Sites
- Consumer Complaint Sites
- Social Network Sites
- Competitor Attacks
- Trademark Infringement
- Counterfeit Products

3. Dialogue

A two-way dialogue between you and your audience is very important. Communication is the only means to pass on your message. The most effective and efficient way to build goodwill is to invite your customers to participate in a conversation. You must be attentive to what your audience is communicating to you by being receptive.

4. Search

Did you know 80% of Internet users start their session at search? Online users' use search engines to do research, gather information so that they can make practical decisions. If the information they come across during a search relating to your brand is unfavorable, it can affect the decisions they make. A search can either make or break your reputation.

5. Brand Enemy

Your brand may have many enemies and they many have tons of information concerning your business. You should be aware of the news and comments circulating around online concerning your company. An individual voice can travel around the world more easily today. Therefore, you must keep an ear for what is going around.

Mark Twain famously said, "A lie can make it half way around the world while the truth is putting on its shoes". This is fully applicable in today's environment where businesses are frequently victims of online attacks. Unfortunately, there are numerous companies that are not prepared for such a crisis. That is why it is vital you have a digital crisis management strategy prepared before you become victim of reputation damage.

5 Ways to Prepare for Digital Crisis Management

We discussed many of the below elements throughout this paper. But due to their importance for digital crisis management, it's appropriate to briefly review them again.

1. Monitor

You must watch your brand 24/7. Use social monitoring tools like Google and Yahoo! alerts, Technorati, Blog Pulse, Monitter, etc. Use these monitoring tools to know what is being said about your brand, and take necessary actions if needed.

2. Respond Instantly

Communication is the only means to get closer to your audience. Answer any of their inquiries and convince the contrary if they have negative opinions. If you choose to ignore what customers are saying

about you, they will start to question your company's integrity. Do not let issues go beyond control. Respond to matters quickly, even if your answer is "We are looking into it".

3. Keep a Regular Tone

One negative conversation could potentially lead to other discussions around similar issues. Therefore, as you respond to the negative feedback, it is vital that your messaging is consistent every time. You do not want to compromise your reliability by sending mixed messages.

4. Educate Your Employees

Many companies experience brand damage due to employees' social media activity. Regardless of whether your company encourages its employees to get involved in social media, they are bound to do so during their personal time. Unfortunately, even when engaging in social media platforms on their own, employees can inadvertently cause severe brand damage.

To protect your online reputation, it is important to develop and implement an employee social media policy that outlines the do's and don'ts of online engagement. It is imperative that your employees understand the power and consequences of social media involvement.

5. Establish a Corporate-wide "Digital Crisis Strategy"

It is wise to seek the expertise of a public relations firm if you need more thorough details and information concerning online crisis management. But if you do not have the resources to work with an external firm, here are some tips to consider:

- **Hire a "crisis management team"** - You may opt for some of your most trusted employees who are willing to work diligently to supervise and manage any social media issues 24/7.
- **Listen to the responses to your response** - Listen, respond and act. Then listen again. This will help you plan your next step. Your audience will make it clear if more details are needed.
- **Update frequently** - You should keep your audience informed about the latest updates you have brought about. Don't keep saying "we are working on it" and never inform your viewers about the modifications. Your audience will appreciate the fact that you have kept your word and you are working to bring changes and improvements.
- **Reach out to your brand representatives** - It might be a good idea to ask a few of your loyal customers to respond to an issue. This often offers more credibility than just giving a response from your company. However, be sure their messages are truly authentic and that they too are consistent with your company's messaging.

Conclusion

Online reputation management is rapidly becoming an important strategy for organizations. You may still not believe in social media or its power to influence buying behavior, but your company should start paying attention to who is saying what about your brand online.

Reputation management is not only about monitoring – it's about taking action and this is not always easy. It requires persistence and a strong-willed determination to succeed. Online reputation management is critical because a bad reputation can cost your business millions of dollars in lost.

Remember, communication is the key to maintaining and improving your image on the Internet. Online reputation management through monitoring, analyzing and influencing online communications can help prevent the loss of business and ensure the ongoing success of your organization.

About the Author:



WSI is the world's #1 franchise offering digital marketing services to suit the needs of multiple industries. The company has the world's largest Digital Marketing Consultants' network and a strong head office in Toronto, Canada. WSI Digital Marketing Consultants have helped thousands of small and medium-sized businesses realize their online marketing potential. By using innovative Internet technologies and advanced digital marketing strategies, businesses can have a WSI Digital Marketing System tailored to their individual needs to elevate their Internet presence and profitability to new levels. In 2010, WSI was the proud recipient of 6 Standard of Excellence Awards at the Annual WebAwards Competition organized by the Web Marketing Association (WMA). With the support and cooperation of its customers, franchise network, employees, suppliers and charitable organizations, WSI aims to help make child poverty history through its global outreach program www.makechildpovertyhistory.org.

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