

Managing brand and reputation risk when your customer has a louder voice

By [Andre Steenekamp](#)

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Over the past 10 years, organisations have seen the control they used to have in their interactions with their customers slip slowly away. Where you used to build your brand with big TV ads and manage your reputation through your media relations department, consumer perceptions and attitudes about your company are now increasingly formed by the word on the social media grapevine.

In the past, a customer that was pleased or unhappy about your product or service might have told 10 friends or family members, who may have each told another 10 over the period of a few weeks. Now, a disgruntled consumer can reach thousands of other people in seconds with an angry tweet. Any other news about your company - good or bad - travels just as fast.

What this means is that brands can no longer broadcast messages out into the world, indifferent to how consumers respond to them. Instead, brands must become more proactive in influencing customers and other stakeholders, shaping the discussion, and most importantly, listening to customers.



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For some brands, this new world might sound frightening. Those that are committed to being customer-centric, however, see the emerging environment as one where they can thrive by building better, more transparent relationships. It is also an opportunity for dialogues that help organisations learn more about their customers' needs and perceptions.

Don't tell the boss

However, many organisations are not taking advantage of social media in this manner. Something that I see often is selective filtering of information gathered through social media so that the CEO and other senior managers are kept blissfully unaware of what people are saying about the brand in social channels.

In many cases, the CEO isn't interested in partaking in social media, and in others, the marketing communications team thinks that it will be better if it takes care of his or her social media profile. This is a mistake, as social media is a powerful monitoring tool for a savvy CEO.

From social media, he or she can learn a great deal about how customers, prospects, investors, the wider community, media influencers and other stakeholders perceive the brand. Social media can thus be a helpful dashboard.

Why are influences in the financial services industry down on our share price? Do people think we're a good corporate citizen? Are people enjoying the new product we launched a week ago? Social media monitoring can provide a real barometer for sentiment in the market about critical business issues.

Limiting risk

Thus, though many brands worry about reputational risk on social media - what if a customer complaint goes viral? What if our community manager posts an offensive joke - social media can help brands to identify and then contain risks. Brands can quickly mobilise when they see a crisis rising - communicating in a proactive way to customers, shareholders and others to gain their confidence.

For example, if there's an upsurge of social posts about a fault with one of your products, you can quickly marshal call centre resources to handle the inevitable support calls, issue a media statement, and contact your channel partners to inform them of the potential problem. Thus, you can use social media to respond fast to customer service complaints, nip online rumours in the bud, and address malicious or inaccurate information.

Given that social media channels are so important in most people's lives today, they need to be an important pillar of your reputation management strategy. This is a process of listening to what your customers are saying about you online, monitoring and analysing these conversations, and then engaging with customers by taking part in the conversation.

Given the complexities of unpacking and optimising the potential of social media, it is always advisable to work closely with an experienced social media practitioner who understands the strategic and practical implications.

Ultimately, the strategy should encompass both monitoring social conversations about real-world reputational issues as well as gauging the danger of a social media issue attracting media coverage or hurting your reputation and brand in the eyes of your customers.

ABOUT ANDRE STEENEKAMP

As CEO of 25AM, Andre Steenekamp leads the company's expansion in South Africa's fast-growing digital marketing and advertising space. His 25-year career has seen him work in a range of sales, marketing and management positions for leading traditional and digital publishers and agencies. Steenekamp was appointed to his current role following the acquisition of a 50%-stake in Acceleration Media by Times Media Limited.

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