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New Research and Emerging Insights



IN THEORY

HOW TO KEEP COMPLAINTS FROM SPREADING

Limiting the fallout from negative social media posts

AFTER UNITED AIRLINES baggage handlers smashed Dave Carroll's \$3,500 guitar during a 2008 flight, he spent months fruitlessly seeking compensation. Then he created a music video about the experience and posted it on YouTube. "United Breaks Guitars" amassed 150,000 views within a day, prompting the airline to try to remedy matters—but the reputational damage had been done. Within three days the video had been viewed by 1.5 million people, many of whom "liked" and shared it and

chimed in with their own grievances. United's stock plunged, with many observers attributing the drop in part to the PR debacle.

For Dennis Herhausen, an associate professor of marketing at KEDGE Business School in France, this incident and others like it brought new focus to his and his colleagues' research on digital assets. "Firms are using social platforms, but they don't seem to have a coherent strategy for managing posts that convey customers' concerns," he says. "When someone puts up a complaint and other customers enter the conversation, a firestorm can erupt. We wanted to understand this new phenomenon."

In a recent study, the researchers looked at 472,995 negative comments posted in the public Facebook communities of 89 U.S. firms in the S&P 500 from October 2011 through January 2016. Drawing on previous studies suggesting that the contagiousness of a complaint depends largely on the sender's emotions and the relationship between sender and receivers, they used computerized textual analysis to measure the intensity of emotions in each post. To assess the relationship between a post's author and the rest of the online community, they counted their communications; the higher the number, the stronger the tie and the greater the likelihood that the person served as an influencer. They also measured the linguistic similarity between each post and the community's overall content.

Next the researchers analyzed firms' responses, looking at what, if anything, the companies had offered an unhappy customer; measuring the amount of empathy and explanation in each

response; and in the case of multiple responses, assessing the degree of variation in the messages. To measure virality, they added up the likes, comments, and shares inspired by each post and compared the total with the average for the community in which it appeared. Posts generating greater-than-average activity were considered to be viral.

As a result of this work, the researchers developed several recommendations for identifying and preventing potential firestorms and limiting the damage if a complaint goes viral nonetheless.

Identifying posts at risk of going viral. Of the nearly half a million posts in the study, 15,762, or 3%, went viral. The researchers identified several patterns: Posts containing intense emotions—especially "high-arousal"

emotions such as anger, fear, anxiety, and disgust—were more likely than others to spread. Strong ties between a post's author and the community drove contagion, as did linguistic similarity—and both those factors amplified the virality effects of intense high-arousal emotions. "An active member of the community saying 'hashtag delete this company' in language very similar to the rest of the community's—that's a volatile situation for the firm," says Dhruv Grewal, a Babson College professor of marketing who participated in the research.

Preventing potential firestorms from igniting. The first takeaway: Companies should respond to negative posts, and fast. "The worst thing you can do is ignore the customer," Herhausen says;





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doing so increases the odds that others will jump in to support the complaint. Most of the posts in the study (70%) garnered at least one organizational reply. The responses fell into five main categories: Firms suggested moving the conversation to a private channel (61%), apologized (53%), provided an explanation (8%), expressed empathy (6%), and offered compensation (3%).

Which tactic worked best? Apologies and requests to switch to a private channel generally lowered virality, as long as they were communicated right away. Offering to compensate an unhappy customer had the opposite effect—a result that took the researchers by surprise. Expert opinion is mixed regarding the use of compensation as a service-recovery tool; it might ease a complaining customer's frustration, the researchers say, but if companies suggest compensation immediately, other members of the community may see it as an opportunity to post a complaint in the hope of receiving something from the company themselves.

In general, early expressions of empathy were more effective than explanations. But there was an important exception: posts reflecting an unusual degree of high-arousal emotions. If customers are extremely upset, the researchers say, an empathetic reply may feed their agitation, whereas a rational, fact-based explanation often helps cool them down.

Limiting the damage if a negative post goes viral. Not all complaints can be contained, of course, and in those instances, companies need to adapt their strategies. The study showed that once a complaint had galvanized others in the

online community, the firm's attempts to disengage by apologizing or suggesting a channel change were not only ineffective but tended to fuel the flames. A disgruntled customer's desire for revenge may grow over time, the researchers say, and community members who are following the altercation may resent being blocked from seeing how it plays out. Conversely, offers of compensation very late in the game may tamp down virality, but they need to be paired with explanations. Otherwise, they risk being seen as tacit admissions of guilt.

Finally, as a firestorm evolves, the organization should take care to make each response distinct and to vary the use of empathy and explanation from one message to the next. "In some cases, the people in social media departments follow a script—the replies are always the same," Grewal says. "That's a clear sign that the company is not really attending to the situation."

There's no one-size-fits-all approach to online complaints, and companies can reap considerable benefits from agile, appropriate handling. An effective response strategy can reduce a negative post's virality by as much as 11%, the researchers calculate—which could translate to hundreds or thousands fewer likes and shares of complaints and limit any enduring damage to the company's reputation and fortunes. ☺

HBR Reprint F2003A



ABOUT THE RESEARCH "Detecting, Preventing, and Mitigating Online Firestorms in Brand Communities," by Dennis Herhausen, Stephan Ludwig, Dhruv Grewal, Jochen Wulf, and Marcus Schoegel (Journal of Marketing, 2019)

IN PRACTICE

"Managing These Incidents Is a Full-Contact Sport"

Stephen Hahn-Griffiths is the executive vice president of brand and reputation intelligence at RepTrak, a Boston-based reputation measurement and management firm. He previously served as chief strategy officer at leading ad agencies and has worked on brand engagement for companies including Coca-Cola, Expedia, and Allstate. Hahn-Griffiths spoke with HBR about strategies for deflecting and managing social media firestorms. Edited excerpts follow.

What's the first thing a company should do when encountering a negative post?

If someone is expressing real anger in the heat of the moment, the firm needs to conduct a risk assessment to identify the right response; it needs to understand what is being said and by whom. Is the person an influencer of the online community? Is this a storm in a teacup or potentially a full-scale firestorm? These fires flare up fast, so firms have

minutes—occasionally a few hours—to make a judgment call.

With speed of the essence, can chatbots be an effective part of the response strategy?

A chatbot can buy some time, but its wording is critical. There's the trap of sounding generic—and something that comes across as a knee-jerk reply shows a lack of empathy and makes matters worse. There's also the risk of setting false expectations. Having a bot acknowledge that the firm hears you and will get back to you as soon as possible is helpful. But if it makes promises about just how quickly the firm will resolve the issue and exactly what it's going to do, it may intensify the firestorm.

Can you describe a company response that was particularly successful?

When Panera took French onion soup off its menu last fall, the brand community was up in arms. The chain tweeted that it wasn't canceling the item but was making room for seasonal offerings, and it provided a timeline for the soup's return. And it adeptly turned the incident into an advertising campaign when it reintroduced the item: It made an online video in which the actress who portrayed Phyllis in *The Office* plays a social media coordinator reading aloud some of the most negative tweets. This provided a moment of levity and made the community feel listened to and empowered.

How about an especially unsuccessful response?

During the 2019 holiday season, Peloton faced a widespread

backlash after airing an ad in which a man gives a woman one of its high-end stationary bikes as a gift. Some viewers saw the ad as sexist and classist, among other things. The firm issued a press release saying it was disappointed that some people had misinterpreted its message—thus causing an additional firestorm. Peloton didn't empathize with or even try to explain to the people who were offended. It should have immediately apologized and pulled the ad, and perhaps engaged with the Peloton

brand community on social media rather than choosing the bullhorn of a press release.

The people who monitor social media are often young. Can employees early in their careers manage such complexity?

This is a relatively new phenomenon, so you're not going to get someone with a generation's worth of expertise. People with two or three years of experience can probably handle the majority of incidents, but they need a playbook, one covering issues like

those the research addresses. And for posts of a certain intensity, escalation to a senior leader is required; just one person on the front lines is not going to get it done. That's true not just for big companies but for all businesses in the public domain. Managing an online firestorm is a full-contact sport. It demands a heightened level of alertness and a SWAT team that can rapidly mobilize. It requires humans—not just bots—who can show empathy and resolve the issue in real time. ☺

