

# GONE IN 60 SECONDS?

- Crisis management in a social media context

facebook



Search for people, places and things

## Abstract

The spring of 2013 has seen a spurge of discussion concerning web-hate, where both individuals and companies have been affected. Social media presents opportunities to build customer relationships, but besides inviting users to like, share and comment on a brand's fan page, companies' presence on Facebook has made complaints and criticism public. This has created a new type of crisis situation - flash crises - that could potentially harm the company if not handled correctly.

This study investigates how flash crises on Facebook affect brand evaluation, purchase intention and eWOM intentions depending on what type of user comments and company reactions it has received. The study adds to companies' understanding of how to act in social media and contribute with guidelines for how to handle issues of snowballing company criticism on Facebook. Furthermore it adds to the current research by investigating situations when a company's Facebook fan page becomes a platform for web-hate, as users become hateful and attack someone posting a complaint on their page

A quantitative experiment was carried out with 535 respondents that were exposed to different crises scenarios on Facebook. Respondents were randomly allocated to one of 14 manipulations or a to a control group.

The results indicate that the flash crises do not have a significant impact on brand evaluations and eWOM intentions. This could be attributed to the brands' high familiarity and individuals' low attention span online. The company's handling of the crisis is shown to have an impact on the customer relationship variable, where the findings show that a response is better than no response. Furthermore company response has an impact on the eWOM engagement, where an ambiguous response can lead to an increase in eWOM intention and the spread of negative content. Therefore it is concluded that it is important for companies to take complaints that arise in social media seriously and to be proactive by giving empathic and informative responses as well as take responsibility and condemn potential web hate arising on the fan page.

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Tutor: Jonas Colliander  
Examinator: Björn Axelsson

Presentation: June 5 2013

Authors: Eleanor Lichtenstein, 21316  
Emelie Söderström, 20792

Discussants: Jelena Dmtrijeva, 40295  
Susanna Silvander, 40283

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As well as all the people who participated in the study

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*Companies should be where their customers are. If 80% of your customers are on Facebook, you need to be present on Facebook too. By being present in social media you can manoeuvre the discussion and see who says what about your brand...//... People expect companies to be more open, transparent and provide personalised answers in social media otherwise they become irritated, thus company need to personify their responses.*

**Jeanette Fors-Andrée, PR consultant specialised in crisis management**

*Companies should stay away from social media as much as they can, that is my strong belief. The last couple of year's development has been a recurring failure. It is the company's own fault that crises evolve in social media! We will remember this as the time when companies tried to communicate their way out of business problems.*

**Mattias Östmar, media analyst, specialised in social media communication**

*Companies should generally be present in social media, but need to be aware that it is extremely resource-demanding. Crises that exist on Facebook are in themselves no big threats; it is the way that they are handled that can truly harm the brand.*

**Hans Kullin, social media manager at Coop Market**

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## 1. INTRODUCTION

It was a cold day in December and Christmas was approaching. 21-year old Julia<sup>1</sup> was hoping to get a start on all the shopping that had to be done for the upcoming holiday. She was walking along the street thinking of what to buy, when she saw an H&M store. “H&M might have something nice” she thought to herself and decided to stroll into the store. When inside, the first thing she encountered was Tupac Shakur’s serious face staring down on her from a T-shirt on a mannequin in the middle of the store, a face she would have never expected to see in this context. Tupac was a world-renowned rapper before he was shot dead in 1996 and with millions of fans that still adores his music, but he was also a convicted sexual abuse criminal. Did H&M not know this? Julia could not believe her eyes; how could they use him as a symbol? It was exactly like condoning what he had done, telling the world that sexual abuse is not offensive. Julia took a photo of the T-shirt. This was just too big of a blunder to let pass! Later at home, she uploaded the picture to H&M’s Facebook fan page and wrote:

*"Hey H&M. Yesterday, I strolled into H&M and discovered that you have printed a shirt with the picture of a convicted rapist and marketed it as something cool. Had a T-shirt of Hagamannen<sup>2</sup> been just as okay?"*

The thread quickly exploded on Facebook. But the debate that Julia sought and expected did not materialize. Instead the thread filled up with more and more comments – raging against Julia. 2,800 comments were posted, with various threats of abuse all targeting her. People wanted to beat and violate Julia, spit in her face and they were encouraging her to kill herself. H&M was embarrassingly absent through all of this. Only at one point did they comment asking people to refine their language, telling them that comments that fail to do so will be removed. However one month later, many comments of that nature could still be found on the fan page.

H&M's inadequate way of handling the issue was picked up by *Uppdrag granskning*, a Swedish television program focusing on investigative journalism. In the program H&M was heavily criticized for their inability to monitor and take responsibility for the content posted on their Facebook fan page (Myrin, 2013; Johansson, 2013; Preutz, 2013). Already the day after the TV-program, H&M had received more than 700 posts by outraged people questioning H&M’s mishandling of the issue; their credibility and professionalism. This started a debate on how

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<sup>1</sup> The story is based on information from Uppdrag Granskning and newspaper articles from the case.

<sup>2</sup> Hagamannen is a convicted Swedish serial rapist.

companies need to deal with issues that evolve in social media and ultimately forced H&M to change their social media policy to avoid future similar crises (Myrin, 2013).

## 1.1 BACKGROUND

More and more companies are investing in social media activities and work persistently with engagement in social media to facilitate consumer involvement and two-way communication. While some argue that companies have to be active in social media, as this is expected by their consumers (Carlsson, 2010; Fors-Andrée, 2013), others criticise companies who join the trend without having a clear view of what they wish to accomplish (Östmar, 2013). On the one hand, social media presents opportunities to build customer relationships as it enables you to, without any significant budget, reach out to thousands of existing and potential customers. On the other hand, social media has led to a new type of crises – flash crises<sup>3</sup> – that could potentially harm the company if not handled correctly.

As web-hate<sup>4</sup> and negative comments are becoming a more serious matter and increasingly problematic for companies (DN, 2013), it is highly important to understand how to deal with these kind of situations. Yet, many companies are unaware of to what extent a crisis in social media could potentially harm the brand and how they should deal with the issue. Should they act upon every single complaint posted online, and what if they don't?

The introductory quotes, made by people working within social media and crisis communication, represent the lack of consensus that exists today with regards to companies' dos and don'ts in social media (Fors-Andrée, 2013; Kullin, 2013; Östmar, 2013). Based on this inconsistency and the current debate on how to handle crises that evolve in social media, the topic is both current and highly relevant to investigate.

## 1.2 AREA OF RESEARCH

With to the current debate on Facebook crises as a background, enhanced by Uppdrag Granskning, we have chosen to use Facebook as our subject of investigation. For the fear of missing out on the opportunities on Facebook, many companies open a fan page without being fully aware of the implications of doing so (Östmar, 2013). It is becoming more common that crises evolve online, starting from a simple customer comment or complaint, which becomes virally spread and gains huge proportions. The challenge faced by companies is to understand

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<sup>3</sup> See definition in section 1.5

<sup>4</sup> See definition in section 1.5



the logic in what makes some issues spread more than others, what consequences it has for their brand and how to deal with this new type of word of mouth (WOM)<sup>5</sup> when the effect is negative.

Our research commences from WOM, brand building theory in the traditional setting as well as in social media and crisis situations. There has been a lot of research on how companies can use social media to develop their customer relationship by having a dialogue with their target audience to make customers involved in the brand (Baird & Gautam, 2011; Colliander & Dahlén, 2011; Kaplan & Haenlein, 2010; Munitz & O'Guinn, 2001; Naylor et al., 2012; Ramani & Kumar, 2008; Ström, 2010). Researchers have examined why consumers engage in communities and how to boost this engagement (Lin & Lu, 2011; Muntinga et al., 2011; Tripp & Grégoire, 2011). However, with regards to how widespread Facebook is, there have been surprisingly few studies that use Facebook as their subject of investigation.

There have been several studies investigating the motivations behind a consumer's decision to engage in eWOM<sup>6</sup> communication (Berger & Milkman, 2010; Hennig-Thurau & Walsh, 2003; Hennig-Thurau et al., 2004). Furthermore, traditional WOM is a well-established field of marketing research; studies show that WOM has more influence on consumer behaviour than any other type of marketing communication, in both a positive and negative direction (Arndt, 1967; Allsop et al., 2007; Buttle, 1998; Sweeney et al., 2008). Several authors write about how companies can use social media in crisis management, but only for a crisis that already exists (Carlsson, 2010; Falkheimer et al., 2009; Fors-Andrée, 2012; Meadow-Klue, 2007).

To the best of our knowledge, no studies have yet investigated crises that evolve on Facebook, involving web-hate, and consequently how companies should deal with these issues, to avert brand and customer relationship setbacks.

### 1.2.1 RESEARCH QUESTION

How do crises that evolve on Facebook – flash crises – and company responses to these crises affect brand evaluation, purchase intention and eWOM intentions?

## 1.3 PURPOSE

The purpose of this study is to find if flash crises have an impact on brand equity and what a company can do to prevent negative eWOM from spreading. This is done by investigating (I) to what extent a crisis that has its origin in social media can impact brand equity, (II) what type of crises that result in the most eWOM intentions, and (III) what companies can do to prevent a

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<sup>5</sup> See definition in section 1.5

<sup>6</sup> See definition in section 1.5

negative impact on the brand as a result of the crisis as well as prevent the crisis from spreading any further.

It is impossible to predict every crisis situation that may arise and it is therefore important to investigate proactive communication strategies to prevent a potential crisis from gaining huge proportions which could seriously harm the organisation's reputation (Wigley & Pfau, 2010). However, in social media, crises arise easier than ever before and can take unexpected turns (as it did for H&M).

This study therefore focuses on situations when a negative message (hereafter referred to as complaint) has gained a lot of attention and there is a potential crisis. How much has it harmed the brand and how should an organisation respond to such issue to prevent it from reaching bigger proportions?

#### **Summary of purpose:**

- I. How does negative eWOM on Facebook affect brand evaluation and purchase intention, depending on different types of responses to the complaint, i.e. other user comments?
- II. How do the user comments affect eWOM intention and the direction of eWOM?
- III. How do company response strategies affect brand evaluations and eWOM intentions? Is there a difference in the brand evaluation, purchase intention and eWOM intention depending on the company's response strategy?

#### **1.3.1 EXPECTED KNOWLEDGE CONTRIBUTION**

As social media as a source of crisis is a relative new phenomenon we want to add to existing knowledge of both social media communication and crisis management by examining how companies should deal with these types of issues. Practically we want to add to companies' understanding of how to act in social media and contribute with guidelines for how to handle issues of snowballing<sup>7</sup> company criticism on Facebook.

Our study adds to the previous research by investigating how crises that evolve on Facebook affects brand evaluations and purchase intention, depending on what type of response it has received from both other Facebook users<sup>8</sup> as well as the company that is subject to the crisis. Furthermore, our study adds important insights regarding intentions to spread and engage in

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<sup>7</sup> See definition in section 1.5

<sup>8</sup> See definition in section 1.5

the issue (by liking, sharing and commenting on the post) depending on what type of response it has received, both from other Facebook users as well as the response given by the company that is subject to the crisis. We also add to the research by investigating situations when a company's Facebook page becomes a platform for web-hate, as users become hateful and attack someone posting a complaint on their page – something that has not gained much attention in previous studies on the topic.

## **1.4 DELIMITATIONS**

We have chosen to limit the subject of our study to the social networking site Facebook. In doing so, we have narrowed our scope of social media to social networking sites and more specifically Facebook.

We investigate whether crises that evolve on Facebook could be harmful for an organisation, depending on different types of scenarios. We do not focus on how to use Facebook as a communication platform for crises that already exist. Neither do we investigate what motives that encourage people to post complaints on Facebook, but rather what types of scenarios that create the most engagement in terms of intentions to like, share and comment on a post. By choosing to focus our study only on scenarios that have already snowballed, i.e. gained a lot of attention, we do not investigate engagement in scenarios that have not yet gained huge proportions.

We have also chosen to limit our study to well-known consumer product brands; hence the results can only be directly applied to these types of brands.

## **1.5 DEFINITIONS AND CONCEPTS**

### **1.5.1 BRANDS AND BRAND SIGNALS**

A brand is a "name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers" (AMA, 2013). When consumers are unsure about product attributes, firms use brands to signal a product's position to reduce this uncertainty. A brand signal is "composed of a firm's past and present marketing mix strategies and activities associated with that brand" (Erdem & Swait, 1998, p. 135).

### **1.5.2 WORD OF MOUTH (WOM)**

WOM can be defined as "oral, person-to-person communication between a receiver and a communicator whom the receiver perceives as non-commercial, regarding a brand, product or service" (Arndt, 1967)

### 1.5.3 ELECTRONIC WORD OF MOUTH (EWOM)

The Internet revolution has also given rise to a new type of WOM, referred to as electronic word-of-mouth (Jalilvand et al., 2012), world-of-mouth (Qualman, 2009) or word-of-mouse (Breazeale, 2009). In this thesis, we will use the notation electronic word-of-mouth (eWOM) to explain “any positive or negative statement made by potential, actual, or former customers about a product or company, which is made available to a multitude of people and institutions via the Internet” (Hennig-Thurau et al, 2004 p. 39).

In our study, we will refer to the following concepts when talking about eWOM intentions:

- *To post something*: writing a comment on Facebook
- *To like something*: pressing the like-button on a Facebook post, comment or picture
- *To share something*: pressing the share-button on a Facebook post so that it can be seen on a persons personal page
- *To comment on something*: writing a comment on an already existing Facebook post

### 1.5.4 SOCIAL MEDIA

Social media can be defined as “an umbrella term that is used to refer to a new era of Web-enabled applications that are built around user-generated or user-manipulated content, such as wikis, blogs, podcasts, and social networking sites” (Smith, 2011, p.2).

### 1.5.5 SOCIAL NETWORKING SITES AND FACEBOOK

Social networking sites are platforms to build social networks and relations, social structures made up of several actors interacting with each other online. Facebook is the biggest social networking site (Edison Research, 2010).

### 1.5.6 USERS

With “users” we refer to Facebook users who have a Facebook account and hence the possibility to engage in eWOM – read posts and like, share and comment on them – on Facebook.

### 1.5.7 SNOWBALL EFFECT

We use the concept of snowball effects or snowballing, to explain a process that starts with an issue of small significance which builds upon itself, becoming larger, more serious and potentially dangerous for the organisation.

### 1.5.8 ORGANISATIONAL CRISIS

A crisis is an extraordinary negative occurrence characterized by a triggering event that causes a significant threat which is both unpredictable and urgent (Falkheimer & Heide, 2006; Keown-

McMullan, 1997). An organisational crisis can be defined as the “perception of an unpredictable event that threatens important expectancies of stakeholders and can seriously impact an organisation’s performance and generate negative outcomes” (Coombs, 2007, pp. 2-3).

#### 1.5.9 FLASH CRISES

Flash crises are “status updates, tweets, or other types of comments/posts in social media that create a negative viral spread and a storm like reaction around the person or brand in question” (Fors-Andrée, 2012b). Flash crises, unlike traditional crises, evolve in social media and grow from a single customer complaint, which is liked, shared and commented on by other, making it gain huge proportions in social media. Flash crises are a result of the snowball effect (see 1.5.7)

#### 1.5.10 WEB-HATE

Web-hate is a form of hate that has its source online, often in comments on social media forums, blogs and e-mails. The hate is usually directed at one person (e.g. the writer behind a blog post) who becomes subjected to a storm of threats and hateful comments. The people behind the hate storms are often called trolls or haters.

#### 1.5.11 INTERNET TROLLS

An Internet troll is someone who posts offensive, controversial, off-topic, or otherwise provoking messages in an online community, such as a forum, chat room, or blog, with the primary intent of provoking readers into an emotional response or to disrupt normal on-topic discussion (White, 2013). The terms “haters” and “trolls” are sometimes used interchangeably when describing people who post insulting and provoking messages online, but their agendas differ. While haters wish to express their hate towards a certain person or organisation, trolls do not want to insult a particular person, they want to provoke reactions or start a fight which engages many people (Williams, 2012).

### 1.6 THESIS OUTLINE

This thesis is divided into five main chapters: *introduction*, *theory and hypothesis generation*, *method*, *results and analysis* and finally *discussion and conclusion*. The introductory chapter includes background to the topic, area of research, purpose of the study, delimitations and definitions. After the introduction we will continue with the theory and hypothesis generation, which includes the theoretical base of the thesis and theory behind our hypotheses. The next chapter is the method, which includes choice of topic, scientific approach and overall research design. Furthermore it includes a description of the preparatory work, i.e. choices of brands, message generation of the complaint, user comments and company response as well as pre-tests of these. This chapter also includes an explanation of the main study methods, experiment

design, questionnaire formation and variables, analytical tools and data quality evaluation. In the results and analysis part, the hypotheses are tested and we present whether or not the study has found support for the formulated hypotheses. The last part is the discussion and conclusion where an analysis of the results is made followed by a conclusion, which answers the research questions. The chapter concludes with practical implications, recommendations, potential criticism of the study and a section on future research.

## 2. THEORY AND HYPOTHESIS GENERATION

*This chapter first introduces the context of our study, then theories regarding brand building as well as how customer relationship building, WOM and crisis management affect brand evaluations and eWOM intentions. To predict the reactions of different user comments and the effectiveness of the different company reactions, the brand evaluation measures include signal effects, purchase intentions and word-of-mouth intentions. Each theory is first presented and followed by a discussion and generation of hypotheses.*

### 2.1 A NEW MEDIA LANDSCAPE

#### 2.1.1 HYPER-CONNECTIVITY AND INFORMATION OVERLOAD

It took 75 years for the telephone to reach 50 million users, while the radio reached the same number in 38 years; the television in 13 years and the Internet in only 4 years. Digital technologies have accelerated and provided new channels for business and consumer interactions, characterised by more consumer power and choice, which both consumers and organisations need to adapt to (Gay et al., 2007).

As people are becoming more and more connected through the use of Smartphones and increased Internet access, people have been able to spend more time online. A study of UK Internet usage showed that an Internet user on average visits 2,518 web pages per month (AOP, 2011). With an almost unlimited amount of content available, Internet users tend to be less patient, only flickering through the information and staying on one page for a short amount of time. According to Carr (2010), the Internet calls for our attention with far greater insistency than the television, radio or newspaper ever did. Internet usage is re-wiring our brains and inducing only a superficial type of understanding. Carr explains the computer as something that “plunges us into an ecosystem of interruption technologies” as it has provided us with access to an abundance of information that calls for our attention. Anderson and Rainie (2012) investigated the effect of hyper-connectivity and argue that the large amount of information available online results in a loss of concentration, which in turn affects the users’ attention span. As a consequence, people tend to lack patience and make fast and shallow decisions. This is in accordance with Carr (2010) who claims that an increasing amount of scientific evidence indicate that the Internet, with its constant distractions and interruptions, fosters ignorance and is turning us into scattered and superficial thinkers. This has had an impact on the way we live, communicate, remember and socialise.

This new way of socialising has not only opened up an arena for communicating, but also constructed a new type of harassment – referred to as web-hate. People don't reflect on what they write or do online. This is demonstrated in the H&M case. When reporters interviewed several of the haters who posted the insulting comments directed towards Julia, none of them could support their previous statements. They claimed that it was all written in the spur of the moment and that it was "just on Facebook" (Uppdrag Granskning, 2013). Several of the haters did not even remember what they had written, clearly supporting the fact that people make quick and shallow decisions on the Internet.

### **2.1.2 THE FACEBOOK REVOLUTION – FOR COMPANY COMMUNICATION?**

With more than 600 million active users (Facebook, 2013a) it is easy to understand why companies want to be present on Facebook. Social media has changed the communication landscape for good and organisations have been eager to take part of the positive aspects of the new media landscape.

The past decade, a lot of research has been conducted, investigating how companies can utilise social media to build brands and drive sales (Ström, 2010). The focus has been on using these platforms to create closer relationships to their customers. Colliander and Dahlén (2011) argue that the use of social media requires marketers to take a step back from traditional campaign thinking and focus more on relationship building. Some argue that it is important for companies not to get stuck in old ways of communicating, but embrace the social media revolution and keep a dialogue with their customers and other interest groups (Fors-Andrée, 2013). Nonetheless, 95% of all Facebook posts directed at brands are not answered (Pring, 2012).

A study conducted on the American population showed that amongst those who follow companies on social media, 80% claim that Facebook is their most important network when connecting with companies (Edison Research, 2011). In the same study, close to a quarter of the respondents admitted that Facebook is the social networking site that most influence their buying decisions. No other site was named by more than 1% of the sample. In more general terms, 67% of online customers trust information and advice they read on Facebook (Sibley, 2013).

On a more pessimistic view, some people claim that these platforms were not built for companies to connect with consumers, they were built to connect people with people (Laroche et al., 2013), and companies have even been referred to as "uninvited crashers" of social media (Fournier & Avery, 2011, p. 193). Simply existing in social media is not enough, to gain attention a brand needs to be interesting (Thurman, 2010). This creates limitations as to how



organisations can act in social media in order to still be successful in their communication. As social media to a large extent is a democratic medium, where it is difficult to know what will and will not gain attention, there are not only positive aspects with entering into the social media landscape. By participating in social media, companies are losing their control over their brands and communication (Kullin, 2013). For many organisations the spread of user-generated content, which is not completely factual or nuanced, can become a huge problem as the content is based on the views of users, which can be anecdotal with little or no truth substance (Jin et al., 2010).

### 2.1.3 FLASH CRISES – A CRISIS 2.0

With the social media revolution, it is becoming more and more common that consumers leave comments and complaints on a company's Facebook fan page, instead of contacting the company in the traditional way. As a result, numerous people are able to see the complaints and have the opportunity to engage in the discussion themselves. Some questions become liked, commented on and shared by thousands of people and thus organisations have lost the control they used to have over the communication (Kullin, 2013; Östmar, 2013). These snowballing issues have subsequently created a new type of crisis that companies need to deal with.

According to Schultz et al., (2011), social media plays an important role in the construction of crises, as it is very easy for people to spread information online. Already in the early 2000, Coombs (2002) argued the importance of monitoring issues that arise and evolve on the Internet, as they can take dramatic twists and multiply faster than the crises that occur offline. Crises that spread on the Internet are also more difficult to control and reduce the impact of since the material never disappears (Mei et al, 2010). Fors-Andrée (2012b) refers to these online crises as “flash crises” as they turn up from nowhere and gain considerable attention in a short matter of time. They often occur when a company’s action violates the values that it claims to support. The outside world then experiences that the company is inconsistent with their values and actions and seek confirmation from others who possibly feel the same, i.e. by leaving a comment on the company’s Facebook fan page. These are events that would normally not receive attention in traditional media, but gain momentum in social media. If not handled correctly, there is however a risk that they will get noted by traditional media and go from being over in a flash to long living-issues. It is therefore important for companies to understand how to best prevent these flash crises from gaining too much attention.

## 2.2 BRAND BUILDING AND BRAND EVALUATIONS

In a world where consumers are faced with an abundance of product choices, brands are a way of reducing risk. This is true since consumers are incapable of evaluating all products in a market place; hence marketing strategies are used by companies to help consumers when their making decisions (Kirmani & Rao, 2000). Keller (1993) shows in his study that a strong brand is of importance as it has a positive impact on purchase intention, which is the ultimate goal for the marketer (Dahlén & Lange, 2007). Ledingham and Bruning (1998) supports Keller in their research, where they find that consumers who rank companies highly on the different evaluations categories are more likely to purchase the company's products when faced with a choice.

Building a strong brand includes building brand awareness, i.e. the consumers' ability to recognize the brand, and brand image, i.e. perceptions that consumers have about the brand, reflected by their associations (Keller, 1993). Strong and positive brand associations build strong brands (Dahlén & Lange 2007). For example, advertising creativity enhances both brand interest and brand quality perception (Dahlén et al., 2008). Furthermore ad quality and ad expense suggest effort on the brand's behalf, which in turn signals brand quality and reliability (Kirmani, 1990; Kirmani & Wright, 1989). Brand attitude is built on the brand associations and can be defined as the overall evaluation of a brand, hence building brand associations (signals) will improve brand evaluations and should in turn lead to higher purchase intention (Keller, 1993).

As everything companies do affect brand evaluations and consequently purchase intentions (Erdem & Swait, 1998), it is important for companies to understand what their actions in social media signals. It has previously been shown that presence on Twitter has a positive impact on brand associations, purchase intention and WOM intentions (Kocken & Skoghagen, 2009). It is therefore possible to assume that the quality of a company's Facebook fan page and activities could lead to similar effects on brand evaluation and purchase intention.

### 2.2.1 CUSTOMER RELATIONSHIPS BUILD BRANDS

Companies benefit from building relationships to their customers as this facilitates strong and lasting brands. Relationships are crucial for many businesses to prosper, as good relationships increase awareness and brand associations (Keller, 1993; Ledingham & Bruning, 1998; Sundaram & Webster, 1999). To be able to build successful relationships a brand need to live up to its promises (Aaker et al., 2004; Erdem & Swait, 1998; Nelson, 1974). Consumers must believe

that a company is able to live up to what it signals and deliver, for a company to be able to build a successful brand.

According to Aaker et al. (2004) the strength of the relationship depends on the parties' characteristics. In their study, they examine how different types of brands build relationships to their customers and how a lapse affects the strength of the relationship. Sincere brands build stronger and more lasting relationships than exciting brands, but they are also more harmed by lapses since consumers perceive the lapse as a personal offence. However, to understand how brand-consumer relationships are built one has to follow the brand actions over time and not just at one point (Fournier, 1998). This is also supported by Söderlund (2013) who argues that a consumer's source of information about a brand comes from several directions; media, the organisation's own communication, but above all from the accumulated experience that a consumer has gained of a certain brand. It is therefore not possible that a single incident can completely alter a consumer's perception, even if the incident in itself is serious. Building relationships is therefore an important but time-consuming effort.

### **2.2.2 WOM AFFECTS BRAND EVALUATIONS**

Word-of-mouth (WOM) is a marketing phenomenon that is based on customers sharing their experience of the company or the company's products to friends and acquaintances. Already in the 1960s, Arndt (1967) and Dicher (1966) investigated the power of the spoken word and found that it was very strong. This argument has been proven to hold over and over again and WOM is today seen as one of the most influential channels of communication in the marketplace (Allsop et al., 2007). In fact, WOM has been found to influence awareness, expectations, perceptions, attitudes, behavioural intentions and actual behaviour (Buttle, 1998). It has been found that 78% of consumers trust peer recommendations, while only 14% trust advertisements (Qualman, 2009). WOM is hence an efficient marketing tool, as it is perceived as more honest and credible than any other marketing communication where the company is the sender (Murray, 1991). Sweeney et al., (2008) investigate how WOM influence the receivers' perceptions and behaviour and find that WOM reduces the risk in buying, improves firm perceptions and the likelihood of buying the company's products. WOM has been proved to have a larger effect on purchase decision than other types of communications strategies. Day (1971) investigated the effectiveness of WOM and found that WOM was nine times more effective than advertising in altering negative or neutral perceptions into positive attitudes.

Tan and Dolich (1983) investigate the effect of WOM in the US and Singapore and find that people receive more information via WOM than mass media. It has further been found that

negative WOM has a stronger influence on people's brand evaluations compared to positive WOM (Arndt, 1967; Bolting 1989; Tybout et al. 1981).

Sundaram and Webster's (1999) show that brand evaluations are indeed affected by WOM, both positive and negative, but that its effect is stronger for respondents who are unfamiliar with the brand. However, repeated negative WOM is likely to have a similar effect on familiar as well as unfamiliar brands (Sundaram & Webster, 1999). Herr et al. (1991) also find that consumers with strongly positive attributions towards a brand will be less affected by negative WOM and will thus not evaluate the brand as severely. This can be explained by Hovland and Weiss' (1951) findings that show that WOM's impact on brand evaluations is related to the source's credibility. Consumers who are familiar with the brand trust the brand but not necessarily the source of the piece of WOM. This is in accordance with Dawar and Lei's (2008) study on brand crisis; they show that a brand crisis is mediated by their familiarity but also by its relevance. Unsurprisingly a crisis that is more relevant to the brand has more of a negative effect than a crisis that is not perceived as relevant. However, the effect is more influential for people with low familiarity than those with high (Dawar & Lei, 2008).

In light of the internet revolution, the speed in which ideas are spread has changed as the transmission of information is now facilitated through email, online forums, blogs and social networking sites; this is referred to as electronic word-of-mouth (eWOM). eWOM is argued to be the future of marketing as it is cheaper, more effective and increases customer engagement (Berger & Milkman, 2010). Ramani and Kumar (2008) say that the ability to successfully interact with customers will be a source of competitive advantage in the future. Facebook is one of the main platforms where people engage in eWOM and it has in only a few years become very important for both consumers and marketers alike. According to a study by O'Reilly (2012), 26% have decided not to buy a product after reading a conversation about it on Facebook. Furthermore, Hennig-Thurau and Walsh (2003) investigate motives for people to read other user comments online and find that the main motives are to save time in their decision making and make better decisions. This, in accordance with O'Reilly (2012), was shown to strongly influence their behaviour (Hennig-Thurau & Walsh 2003).

Altogether, it has been proven that WOM and eWOM have a significant effect on brand evaluations and purchase intention, which makes it important for companies to monitor. This is especially important for negative WOM and during crisis situations.

## 2.3 NATURE OF CRISES AFFECTS BRAND EVALUATION

Brand associations are not only based on the traditional marketing activities, such as the marketing mix and advertising, but also on all other activities that can be associated with the brand (Erdem & Swait, 1998). A brand's presence in a social medium also has signalling effects and social media has become a new place for marketers to build customer relationships in (Meadows-Klue, 2007). Since social media has become a forum to build brands, eWOM that occurs on Facebook should have an impact on brand evaluations; we will return to this thought further on.

### 2.3.1 SOCIAL BENEFITS AND BRAND EVALUATION

Hennig-Thurau et al. (2004) investigate motives for eWOM and find that social benefit is the primary reason to post comments online. Individuals engage in online communities to get social approval and be part of the crowd. It can thus be assumed that the collective outcome of a social media crisis is highly influenced by the individual and psychological processes that give rise to engagement and opinions.

Cialdini (1984) states six principles of influence, one of which is social proof. According to Cialdini, we are more likely to act in a certain way if others are also doing it; we try to determine the appropriate form of behaviour and assume that other people possess more knowledge about the situation. For example, we are more likely to buy something from a best-selling list, or eat in a restaurant where a lot of other people are already eating. This group behaviour, or crowd psychology, creates a mass effect where people act like each other because it is easier to follow the herd than to evaluate everything you do (Fors-Andrée, 2012a). As Cialdini (1984) points out, people in particular tend to follow others when feeling uncertain, or when a situation is unclear and ambiguous. In those cases we are most likely to look to and accept the actions of others as correct. Hence, consumers are likely to listen to other consumers' opinions of a brand and act accordingly.

#### 2.3.1.1 Hypothesis generation: social benefits and brand evaluation

When applying crowd psychology to a social media context, the snowball effect that some user comments generate can be explained. Cialdini (1984) argues that the principle of social proof operates most powerfully when we are observing the behaviour of people who are just like us. This means that users are even more likely to be influenced by comments that they read online, when the ones who made the comments are similar to themselves. On Facebook, users see when their friends are making comments about a certain brand, hence supposedly making the social proof effect stronger.

Given that individuals are affected by what other people think and do, their comments should have an influence on how the receivers perceive the complaint and the brand. Thus we should be able to find tendencies towards crowd psychology based on the user comments. In other words, depending on how other users comment brand evaluations such as brand attitude, brand credibility, and perception of investment in customer relationship as well as purchase intention will be affected. There are mainly three possible ways for other users to comment (see Method section 3.3.4 for user comment explanation). (I) When users are protecting the company, the user comments are disagreeing with the complaint and supporting the brand, consequently brand evaluations should not be affected by the scenario. This is due to the fact that there is one piece of negative eWOM, which should have a negative effect, and two pieces of more positive and protecting eWOM, which should have a positive effect on brand evaluations and purchase intention. The contradicting messages effect will therefore cancel out each other and not affect brand evaluations in a significant way. (II) When users agree with the complaint that criticizes the company, this should have a negative effect on brand evaluations since the brand perception will be negatively affected by the negative comments. (III) When users are hateful towards the complainant, as in the H&M case, the outcome is more difficult to predict, this depends on how the receivers of the scenario attribute the hateful comments (Laczniak et al. 2001). Given that the social pressure from the user comments is the most important influence, the hateful comments directed towards the person writing the complaint should be attributed to the complainant. If this is the case, the haters will not affect brand evaluations. However, as previously mentioned, in the H&M case the hateful comments were not attributed to the complainant but to the haters as well as the forum owner H&M (Uppdrag granskning, 2013). Despite the fact that the brand does not support the hateful user comments, they are held responsible for things that happen in their forum and the comments are nonetheless the brand's responsibility. Therefore we predict that the hateful comments will be attributed to the brand and that it will have an even larger negative effect on brand evaluations, compared to in the agreeing user comment scenario, due to the unpleasant associations of web-hate.

Following this logic, the following hypothesis is created to predict how different user comments will affect brand evaluations and purchase intention:

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**Hypothesis 1:** Brand evaluations and purchase intention will differ depending on the user comments:

- (I) Comments protecting the company will have no impact
  - (II) Comments agreeing with the complainant will have a negative impact
  - (III) Hateful comments will have an even larger negative impact
-

## 2.4 THE NATURE OF CRISES AFFECTS CONSUMER RESPONSES

### 2.4.1 USER COMMENTS AFFECT EWOM INTENTIONS

With eWOM, complaints that previously would have been articulated in private or to a company's customer service, are made public in social media and receive a lot of attention and even become spread worldwide in a short matter of time. It is therefore important to monitor what is said online and to know what type of content that is most frequently shared. The motives to post information about companies online is investigated by Hennig-Thurau et al. (2004) who find that eWOM behaviour is mainly driven by desire for social interaction, economic incentives and concern for others and to enhance oneself, whereas helping the company is the least frequent reason. It has also been found that negative stories are more prone to be shared than positive ones (Day & Landon, 1976). If users merely share content that portrays the company negatively, such as complaints, the opportunity for the company to leverage on social media is lost. This is especially serious since eWOM does not vanish (Breazeale, 2009), unlike traditional WOM that is said to be fleeting as it disappears the moment after it is uttered (Stern, 1994).

Berger and Milkman (2010) investigate the link between emotion and virality and find that content that evoked high arousal emotions, both positive and negative, was more likely to be spread. Arousal induces motivation, which in turn triggers reaction.

#### 2.4.1.1 Hypothesis generation: the virality of scenarios

As negative WOM has stronger influence on consumers (Arndt, 1967; Bolting 1989; Tybout et al. 1981) and is supposed to be more arousing compared to positive WOM (Ahluwaila et al., 2000) when users comments are negative these are expected to create more engagement and eWOM intentions then when comments are positive. Furthermore, as hate is a very strong negative emotion, situations where users are hateful are expected to be the more arousing and thus trigger most eWOM intentions, compared to comments that are only negative. Consequently, the following hypothesis is created:

---

<b>Hypothesis 2:</b> The more negative the user comments are, the higher will the eWOM intentions be in terms	
of:	
(I)	likes
(II)	shares
(III)	comments

---

#### 2.4.1.2 Hypothesis generation: the nature of crises affect social behaviour

As stated before, social benefits were according to Hennig-Thurau et al. (2004) the primary reason to post comments online, and Cialdini (1984) found social proof to be an important

influencer. Consumers are herded by other consumers' behaviour, as they mimic what they believe to be appropriate, assuming other consumers have more knowledge.

This can be applied to a social media context and explain the snowball effect that some user comments generate. If one user begins to comment, others follow – sometimes without considering what the topic really is about. Some researchers actually argue that conformity can create situations when people go against their common sense. By being part of the crowd, individuals lose the sense of self and responsibility, while feeling invincibly powerful due to their numbers. More than 100 years ago, Le Bon (1895) researched the phenomenon of crowd psychology and characterized it by impulsiveness, irritability, incapacity to reason, the absence of judgment and critical thinking and the exaggeration of emotions. As Internet has been found to enhance this type of behaviour, the effect of crowd psychology is expected to be very strong on Facebook. Consequently it explains the hateful comments that people post on Facebook and the chain reaction it creates. Based on this we expect users to engage and comment in a similar way as other users, i.e. in accordance with the user comments, and the following hypothesis is created to predict the direction of user responses:

---

**Hypothesis 3:**

- |      |  |
|------|--|
| (I)  | Users will comment in the same direction as the other user comments                |
| (II) | The effect is expected to be strongest when user comments agree with the complaint |
- 

## **2.5 CRISIS MANAGEMENT AFFECTS BRAND EVALUATIONS**

In today's information society, consumers are used to receiving information quickly and have very high demands on companies' response speed. If consumers don't get their response quickly enough, the risk is that they perceive the company as not taking responsibility for the issue and turn to other sources of information, which are not always correct (Gonzalez-Herrero & Smith, 2010; Palm & Falkheimer, 2005). This could potentially hurt the brand and it is therefore of vital importance for companies to understand how they should respond to complaints of different nature.

### **2.5.1 TO RESPOND OR NOT RESPOND?**

Company crises are inevitable and part of an organisation's existence. These crises may appear in different forms, but have in common that they often result in dissatisfaction, which can lead to negative WOM and avoidance (Hart et al., 1990; Richins, 1983). Palm and Falkheimer (2005) have found that the extent to which a crisis hurts the brand is highly dependent on the organisation's actions in relation to the crisis. What is said during and after a crisis is of great importance for the long-term effects of the crisis (Taylor & Perry, 2005). Hence, if handled correctly, companies can actually prevent dissatisfaction and even make a customer more



satisfied than prior to the crisis. This is referred to as the “service recovery paradox” (McCollough & Bharadwaj, 1992). It is consequently important for companies to know how they should react to a crisis and develop strategies that can help them leverage on these situations and strengthen the relationship with their customers, instead of hurting the brand reputation. Communication research is often based on best practice, where crises are analysed in terms of what actions that were most successful and which ones that were less successful in the crisis management process (Falkheimer & Heide, 2006). According to Aaker et al. (2004), an efficient crisis management process is perhaps one of the most important incidents in a company’s relationship with their customers. Also, research has found that a company that does not respond to a crisis, is more likely to be a subject of media scrutinizing (Horsley & Barker, 2002; Saffir and Tarrant, 1993)

Maintaining customer relationships is one of the most important aspects of brand building and giving a response to a negative message should therefore be of importance to prevent the message from harming brand evaluations (Aaker et al., 2004). To be able to build relationships between consumers and brands, social media has created a new forum where Meadow-Klue (2007) stresses the importance of marketers to use this to develop a dialogue and strengthen their relationships. Colliander et al. (2012) compared the effect of using one-way communication and dialogue when communicating with consumers on Twitter and found that dialogue enhanced brand attitudes and purchase intention whereas one-way communication did not. Also Kocken and Skoghagen (2009) investigate the effects of micro-blogging in enhancing the perception of brand associations as well as strengthen brand attitude, purchase intention and intentions to WOM. Their findings also support that two-way communication is most efficient. This shows that social media channels are constructed to be social, which is why consumers expect a dialogue. If companies respond, consumers assume that they have high confidence in their products hence increasing brand evaluations and purchase intentions (Colliander et al, 2012).

#### ***2.5.1.1 Hypothesis generation: to respond or not to respond?***

Since answering is seen as investing in ones brand, as well as expected in social media, we expect an answer to always have a positive impact on brand evaluations and purchase intention. A lack of response, on the other hand, will have a negative impact. Hence, with regards to whether or not a company benefits from responding to the complaint the following hypothesis is formed:

---

**Hypothesis 4:** Any form of response is preferred to no response and will enhance:

- (I) brand credibility
  - (II) customer relationship
  - (III) brand attitude
  - (IV) purchase intentions
- 

### 2.5.2 THE COMPANY'S RESPONSE STRATEGY IMPACTS BRAND EVALUATIONS

To recover from a crisis situation giving a response has been found to be important, but to completely recover further actions need to be taken. Several researchers have found indications of what type of message content that is most efficient. Johnson (1993) and Dean (2004) have found that taking responsibility for a crisis is the best strategy, which is in line with Coombs and Holladay (2009) who concludes that apologising and being sympathetic are the most important aspects for a service recovery. According Jamal and Kyriaki (2009), empathy is effectual as it drives customer satisfaction and consequently brand loyalty. Schultz et al. (2011) investigate the effects of different response strategies on company reputation and the recipients' intention to engage in WOM and spread the crisis, as well as their willingness to boycott the organisation and persuade others to do so. Their findings indicate that information is the most important communication strategy to recover from a crisis. According to Dawar and Pillutla (2000), company responses to crises usually fall on a scale between the two extremes of taking complete responsibility and apologizing and not taking any responsibility at all, nor acknowledging the problem. They test three response strategies in their study, first response is an *unambiguous support* where the company apologizes, takes responsibility for the issues and informs the users of how they work with these issues. The second one is an *ambiguous response* where the company acknowledges the problem but does not take responsibility or apologize. The third response is an *unambiguous stonewalling* where the company does not respond at all. Dawar and Pillutla (2000) find that giving an *unambiguous support* in a crisis situation is the best strategy and lead to higher brand equity, this finding is confirmed by Blomberg and Streman (2009) who investigate response strategies on Twitter.

#### 2.5.2.1 Hypothesis generation: the response strategy impact on brand evaluations

As we saw in the previous hypothesis, a response is expected to be preferable to no response for an efficient service recovery. However, further research shows that a more elaborate and apologising response with information and sympathy is even more preferable. Thus we expect an *Unambiguous support* to lead to better brand evaluations and higher purchase intentions than any other company response in crisis situation. Based on this the following hypothesis is created:

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**Hypothesis 5:** A response with more information and an apology will have less negative impact on:

- (I) brand credibility
  - (II) customer relationship
  - (III) brand attitude
  - (IV) purchase intentions
- 

#### ***2.5.2.2 Hypothesis generation: the response strategy impact on brand evaluations***

Dutta and Pulling (2011) compare different response strategies to brand crises and find that a “one type fits all” strategy for post-crisis responses can be suboptimal. Thus preferred company response should depend on how the crisis is turning out i.e. what type of other user comments that are posted to the complaint. When users agree with the complaint best practice is expected to be in line with and follow the logic of hypothesis 5. A more informative and empathic response is preferred. Thus the following hypothesis is created:

---

**Hypothesis 6a:** When the user comments agree with the complaint a response with more information and an apology is expected to have the least negative impact on:

- (I) brand credibility
  - (II) customer relationship
  - (III) brand attitude
  - (IV) purchase intentions
- 

According to Östmar (2013) it is becoming increasingly common that companies delete complaints posted on their Facebook fan page. However, Fors-Andrée claims that deleting posts is something that companies should avoid. Deleting posts signals that you are unable or unwilling to cope with the issue discussed. On the other hand, hateful user comments is a special case since people are posting insulting and provoking, sometimes illegal, content. According to Williams (2012) “trolls” who are posting comments online for the sake of starting a fight or being provocative, are becoming more frequent in social communities across the Internet. These trolls do in many cases use false accounts making it difficult to track them. Trolls could potentially be very harmful for the organisation and it is becoming necessary for companies to know how to deal with them in order to limit the harm. As trolls feed on attention, they will usually disappear if they are ignored which is why companies should not attempt to have a discussion with them (White, 2013; Williams, 2012).

As a consequence, it is more difficult to estimate which response that is preferred to deal with hateful user comments. On the one hand it is argued that companies should not give the trolls attention and should thus respond by deleting the post to make sure that such content is kept away from their page, not be spread any further, as well as to discourage such behaviour. On the other hand, when people have already seen the thread and read the comments, they will expect

the company to take a stand, in that case empathy and condemnation (where the company disassociates themselves from any hateful comments), is the preferred strategy. Hence, the following hypothesis is formed:

---

**Hypothesis 6b:** When the user comments are hateful, deleting the thread or being condemning towards the user comments together with a response with more information and an apology is expected to have the least negative impact on:

- (I) brand credibility
  - (II) customer relationship
  - (III) brand attitude
  - (IV) purchase intentions
- 

There are also cases where a company response to customer complaints has been found to be of lesser importance. For instance, Colliander and Hauge Wien (2012) find that consumers defending the company from complaints have a great impact in reducing the snowball effect. The authors conclude that companies do not necessarily have to interfere, especially not when other users are already doing the job. In fact, company intervention might harm more than help when other users have taken the role of defending the organisation. It is however important to note that Colliander's study was done on online forums that are not associated with the company. In this study, the negative eWOM is performed on the company's Facebook fan page, which to a larger extent is associated with the company. Hence people may consider the company responsible for any content posted on their Facebook page and expect them to act accordingly, i.e. by responding. Yet the need for a company response is still assumed to be of little importance in the case when others users are defending the company. Thus the following hypothesis is created;

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**Hypothesis 6c:** When user comments protect the company, the company response strategy will not have an impact on:

- (I) brand credibility
  - (II) customer relationship
  - (III) brand attitude
  - (IV) purchase intentions
- 

### 2.5.3 SPREADING THE WORD

It is in the company's interest to understand what type of response that will to the largest extent prevent the flash crisis from snowballing. As things that are more arousing lead to larger impact, responses that do not satisfactorily deal with the situation is expected to lead to higher eWOM engagement and also make people to a larger extent agree with the complaint (Ahluwaila et al., 2000).

### 2.5.3.1 Hypothesis generation: the response strategy impact on eWOM

When users agree with the complaint the *ambiguous response* is expected to lead to largest eWOM intention. This is anticipated since the reaction is not dealing with the problem raised by the complainant in a sufficient way, despite the company trying. Hence the *unambiguous support* will lead to the least eWOM intention, since it deals with the problem in a more sufficient way. Thus the following hypothesis is created;

---

**Hypothesis 7a:** When user comments agree with the complaint, a company response with an *ambiguous response* will lead to the largest impact on intentions to:

- (I) likes
- (II) shares
- (III) comments

and users are:

- (IV) more inclined to agree with the complaint
- (V) less inclined to protect the brand
- (VI) neither more or less inclined to be hateful

... compared to a more responsible company reaction

---

When the user comments are hateful an *ambiguous response* with a condemning part is expected to lead to the largest eWOM engagement. This response is very ambiguous and confusing since they are taking responsibility for one issue, the hateful comments, but not the other, the complaint. Thus the company is acting in an inconsistent way making the response more ambiguous, which is expected to lead to both confusion and irritation on the users part (Bolting, 1989). A response that takes responsibility for both of the issues is expected to lead to the least eWOM intentions. Thus the following hypothesis is created:

---

**Hypothesis 7b:** When user comments are hateful, a company reaction with the most *ambiguous response* will have the largest impact on intentions to:

- (I) like
- (II) share
- (III) comment

and users are:

- (IV) more inclined to agree with the complaint
- (V) less inclined to protect the brand
- (VI) neither more or less inclined to be hateful

... compared to a more responsible company reaction

---

When user comments protect the company, a company response is superfluous as other users are doing it for them (Colliander, 2012). Based on this one specific company reaction is not expected to be better than any other, all reactions should lead to the same level of eWOM engagement. Thus the following hypothesis is created:

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**Hypothesis 7c:** When user comments protect the company, company response will have no impact on intention to:

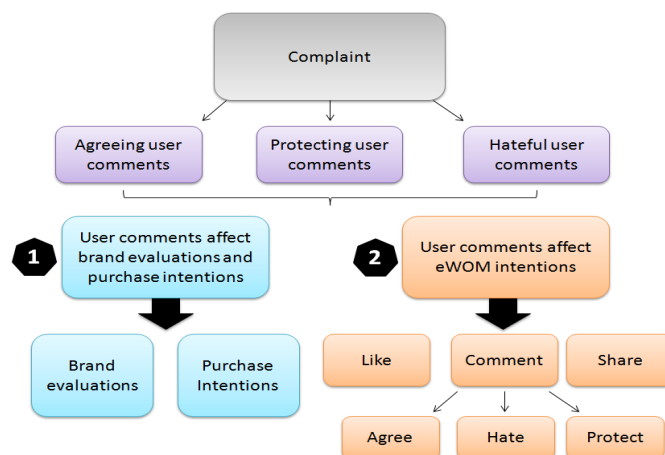
- (VII) like
  - (VIII) share
  - (IX) comment
  - (X) agree with the complaint
  - (XI) protect the brand
  - (XII) be hateful
-

## 2.6 SUMMARY OF HYPOTHESES

Following is a summary of the hypotheses, including two pictures illustrating the components of the hypotheses. Figure 1 captures hypotheses 1-3 and explains how user comments relate to brand equity and eWOM intentions. Figure 2 captures hypotheses 4-7 and explains how company response strategies relate to brand equity and eWOM intentions.

**Table 1: Summary of hypothesis**

Research Question	Hypothesis
<b><i>How do crises that evolve on Facebook – flash crises – and company responses to these crises affect brand evaluation, purchase intention and eWOM intentions?</i></b>	
<b>1. User Comments affect brand evaluation and purchase intention</b>	<b>H1:</b> Brand evaluations and purchase intention will differ depending on the user comments: <ul style="list-style-type: none"> <li>(I) Comments protecting the company will have no impact</li> <li>(II) Comments agreeing with the complainant will have a negative impact</li> <li>(III) Hateful comments will have an even larger negative impact</li> </ul>
<b>2. User Comments affect eWOM intentions</b>	<b>H2:</b> The more negative the user comments are, the higher will the eWOM intentions be in terms of: <ul style="list-style-type: none"> <li>(I) likes</li> <li>(II) shares</li> <li>(III) comments</li> </ul> <b>H3:</b> <ul style="list-style-type: none"> <li>(I) Users will comment in the same direction as the other user comments</li> <li>(II) The effect is expected to be strongest when user comments agree with the complaint</li> </ul>



**Figure 1: Summary of Hypotheses 1 - 3**

<b>3. Company response strategies affect brand evaluations and eWOM intentions</b>	<b>H4:</b> Any form of response is preferred to no response and will enhance: <ul style="list-style-type: none"> <li>(I) brand credibility</li> <li>(II) customer relationship</li> <li>(III) brand attitude</li> <li>(IV) purchase intentions</li> </ul> <b>H5:</b> A response with more information and an apology will have less negative impact on: <ul style="list-style-type: none"> <li>(I) brand credibility</li> <li>(II) customer relationship</li> <li>(III) brand attitude</li> <li>(IV) purchase intentions</li> </ul>
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**H6a:** When the user comments agree with the complaint a response with more information and an apology is expected to have the least negative impact on:

- (I) brand credibility
- (II) customer relationship
- (III) brand attitude
- (IV) purchase intentions

**H6b:** When the user comments are hateful, deleting the thread or being condemning towards the user comments together with a response with more information and an apology is expected to have the least negative impact on:

- (I) brand credibility
- (II) customer relationship
- (III) brand attitude
- (IV) purchase intentions

**H6c:** When user comments protect the company, the company response strategy will not have an impact on:

- (I) brand credibility
- (II) customer relationship
- (III) brand attitude
- (IV) purchase intentions

**H7a:** When user comments agree with the complaint, a company response with an *ambiguous response* will lead to the largest impact on intentions to:

- (I) likes
- (II) shares
- (III) comments

and users are:

- (IV) more inclined to agree with the complaint
- (V) less inclined to protect the brand
- (VI) neither more or less inclined to be hateful

... compared to a more responsible company reaction

**H7b:** When user comments are hateful, a company reaction with the most *ambiguous response* will have the largest impact on intentions to:

- (I) like
- (II) share
- (III) comment

and users are:

- (IV) more inclined to agree with the complaint
- (V) less inclined to protect the brand
- (VI) neither more or less inclined to be hateful

... compared to a more responsible company reaction

**H7c:** When user comments protect the company, company response will have no impact on intention to:

- (I) like
- (II) share
- (III) comment
- (IV) agree with the complaint
- (V) protect the brand
- (VI) be hateful

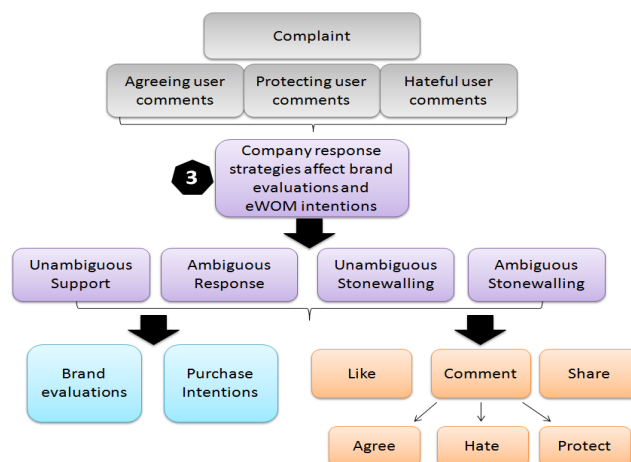


Figure 2: Summary of Hypothesis 4 - 7



### 3. METHOD

*This chapter presents the research method used in this study. The chapter includes choice of topic, scientific approach, research design, preparatory work and method of study. The latter includes selection of variables, pre-tests and experiment design and is concluded with a discussion of data quality.*

#### 3.1 CHOICE OF TOPIC

Our interest in social media and how things that are written online affect other peoples' opinions was born when helping Professor *Micael Dahlén* in a similar project. We started to ponder about how negative comments posted online affect social media users as well as organisations. During the fall of 2012, we observed what types of comments that received a lot of attention on Facebook and became widely spread. We became especially interested in the comments that received attention even though they were not necessarily news-worthy in their own right. As the issue of web-hate gained a lot of media attention in Sweden in the winter of 2013, we realised the importance of the topic. These issues lead us to discuss how social media has created a new type of crises – crises 2.0 – as well as a new forum for crises to evolve in. Consequently we became interested in knowing in what way these crises affect organisations and how they should be dealt with. We discussed these ideas with *Jonas Colliander* who recently submitted his doctor's thesis at the *Stockholm School of Economics*, exploring consumer responses to marketing in social media (Colliander, 2012). He confirmed the need for a quantitative study on the subject.

To get a thorough understanding on the topic – how companies are working with social media communication and crisis management and what challenges they are facing – we participated in three different lectures covering the subject. These lectures were held on *Bergh's School of Communications* and the *Stockholm School of Economics*. In addition, we also conducted three interviews with people working with crisis communication in social media. The three interviews confirmed the lack of consensus that exists today and made us even more eager to investigate the topic.

As we began reviewing previous research on the topic, we were able to observe a gap in the current literature. Social media is a relatively new area of research where many interesting aspects are yet to be uncovered. We consequently formulated our research question to fill the existing research gap and contribute to the understanding of crisis management 2.0 – crisis management in a social media context.

## 3.2 SCIENTIFIC APPROACH AND OVERALL RESEARCH DESIGN

A deductive research approach has been adopted in this study, where hypotheses are developed based on previous research and knowledge (Bryman & Bell, 2007) in the theory chapter. Through a research design of casual nature we have examined the relationship between negative eWOM scenarios and how companies deal with them (independent variables) with how it affects brand equity and eWOM intentions (dependent variables) (Malhorta, 2010). To measure casual relationships an experiment was conducted, where we were able to control the input i.e. the external variables that can affect the dependent variables (Malhorta, 2010). The results were analyzed quantitatively, by statistical methods to make the results as generalizable as possible.

### 3.2.1 INTERVIEWS

In order to get a better understanding of how companies are working with crisis communication on Facebook, we conducted three interviews with people working within social media communication and crisis management. The first interview was with *Hans Kullin*, expert in social media and social media manager at Coop Market, often cited in Swedish newspapers. The second interview was with *Mattias Östmar*, media analyst within social media, working at Media Pilot with Business Development. A third interview was conducted with *Jeanette Fors-Andrée*, crisis consultant with a background of seven years of research within crisis communication at Uppsala University. The three interviews were between 30-90 minutes long using open questions in order to encourage discussion and allow the interviewees to talk freely around the topic (Bryman & Bell, 2007). One of the interviews was conducted on telephone, whereas the other two were in person. The interviews were used to gain a better understanding of how companies work with social media in crisis communication and to gain their opinions on how companies should act in social media. This made it possible for us to understand how far companies have come in their social media communication. In the case where they have guidelines for how to interact with users in social media, we used these as a basis for the company responses. This made it possible for us to see if theory and practice is in line with each other. See appendix 1 for interview questions.

## 3.3 PREPARATORY WORK

### 3.3.1 CHOICE OF PRODUCT CATEGORY AND BRANDS

WOM is found to be more prevalent for brands that consumers have an awareness of and that engage them (Richins, 1983). Thus, we wanted to choose product categories that many consumers are highly engaged in and identify themselves with, as these products are most likely

to engage people in social media and thus also be the subject of a flash crisis. These are products that are both high involvement and transformational (Rossiter & Percy, 1987). Two brands from the same classification were chosen as to make the study generalizable for these types of brands. It would have been interesting to investigate brands from different classifications, but this would have been outside the scope of this study, as it would have required twice the amount of responses. By using the Rossiter-Percy Grid we were able to classify several products into the high involvement and high motive category. Based on our own observations of what type of categories that gain attention in social media we choose two product categories. The chosen brands were a fashion brand and a car brand.

Well-known brands from both product categories were chosen since known brands are more resilient toward negative criticism (Ahuwalia et al. 2002), thus people are more difficult to influence and the result of the study becomes more robust. Furthermore, choosing well-known brands will make sure that the differences between the control groups and manipulated groups are not dependent on the control group's lack of knowledge of the brand. Lastly, well-known brands are generally more subject to complaints, making the issue more relevant for investigation. Since the complaint was made up we have chosen to censure the brands in the thesis as to not subject the used brands to slander, however in the study the respondents were able to see the brand names and Facebook fan page.

### 3.3.2 CHOICE OF SOCIAL MEDIA

For the choice of social media, we wanted to use a medium that has many users and where it is easy for companies and users to interact. We chose Facebook as it has several of the attributes that makes it suitable. Firstly, Facebook is the largest social networking site at the moment and most people are familiar with the forum (Edison Research, 2011). Today, more than a billion people are active on Facebook, out of which 600 million are daily active users (Facebook, 2013a). Each minute, 500,000 comments are posted and 300,000 statuses are updated. In fact, people like and comment an average of 3.2 billion times every day (Facebook, 2013b). Furthermore familiarity is important for the respondents to be able to understand the scenario and make the results reliable (Gallagher et al., 2001). For example one of the world's largest brands, Coca-Cola, is followed by almost 65 million users on Facebook whereas they only have 75 thousand followers on Twitter. Secondly, Facebook is easy for companies to use and allows for interaction between companies and users. Thirdly, the interaction appears not only in the feed of the users who interact with the company, but in the feed of everyone who follows the company's fan page as well as the friends of those who engage in eWOM, thus increasing the

likelihood of comments snowballing and becoming widely spread. Facebook is also the place where the H&M incident occurred, making it a relevant medium to investigate.

### 3.3.3 THE COMPLAINT

The complaints for the two brands were created as two similar comments on each brand's respective Facebook fan page. The complaints, one for the fashion brand and one for the car brand, were created so that it would be associated with the brand and not the person posting the complaint. This is managed by making the negative eWOM consistent over time, i.e. critique that is reoccurring; have a high consensus, i.e. a lot of people agree; and is distinct for the brand (Laczniak et al. 2001). Since we only show one incident, the first requirement is not fulfilled. Hennig-Thurau et al., (2004) find eight different factors that motivate eWOM; the complaint in our scenario is motivated primarily by venting negative feelings, but also to some extent by concern for other consumers and social benefits.

We based the complaint from following Facebook for two months and observing what type of comments that become widely spread. Through these observations, it was possible to see that complaints that receive a large amount of attention often belong to the same three categories, namely: humour, product failures that are of wide-ranging interest and ethical/CSR<sup>9</sup> issues. Virvilaite and Daubaraite (2011) find that how companies handle CSR issues have an impact on corporate image, even if it is not the most important factor. Furthermore Klein and Dawar (2004) show that CSR plays a role in brand and product evaluation, and can spill over to unrelated products. We chose to use CSR issues as (I) they have an impact on brand image, (II) they are attributed to the brand and not the commenter (as in the humorous case), (III) people are familiar with these issues, (IV) it does not have a straight forward and easy solution as with product failures, and (V) CSR is becoming more and more important for companies (PwC, 2010). The fact that these are issues that people are already familiar with makes them important as they have a tendency of becoming widely spread in social media. At the same time, the complaint itself does not carry any new information and would therefore not be picked up by the traditional media in itself. Furthermore the brands chosen are neither seen as particularly good or bad at CSR (see Pre-test 2 CSR performance, section 3.3.7), thus the complaint is likely to escalate in social media but not be picked up by the traditional media.

The two posts, one for the fashion brand and one for the car brand, were created to be of the same length and similar identity, see Figure 3 and Appendix 2 for the manipulations. All though

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<sup>9</sup> CSR stands for Corporate Social Responsibility

the complaints in the posts were made up the complaints are based on facts to make them as plausible as possible.

### 3.3.4 OTHER USERS COMMENTS

The three types of user comments are based on previous research, our own observations from how people act on Facebook and from our interview with Jeanette Fors-Andrée. The first type of user comment is based on people having an actual problem with the company (Fors-Andrée, 2013). These users are primarily motivated by social benefits and agreeing with one another and with the original poster's complaint towards the company (Hennig-Thurau et al. 2004). We call this scenario *the agreeing user comments*. The second type of user comment is based on research that find that some consumers defend companies when they become criticised (Colliander, 2012). These users are motivated by helping both the company and other users (Hennig-Thurau et al. 2004). Based on this research we created a scenario where the other users question the original poster, justify and defend the company. We call this scenario *the protecting user comments*. The third type of user comment is created from observations of web-hate in social media (Johansson, 2013; DN, 2013). People who post hateful and provocative comments with the sole purpose of annoying people are commonly referred to as trolls (Fors-Andrée, 2013). Thus we decided to include *the hateful user comments*. These three types of user comments make up the three different scenarios that we investigate in our analysis.

#### Summary of user comments:

*Agreeing user comments*  
comments agreeing with the complaint

*Protecting user comments*  
comments protecting the company

*Hateful user comments*  
hateful comments directed towards the person posting the

Most commonly the user comments will be of a mixed type, where not only one type of response is seen. However, these scenarios are most likely to show results in-between the other scenarios and thus to really understand how different types of user comments affect consumers we have chosen to only use one type of user comment in every scenario.

To eliminate the risk that the comments are perceived differently depending on gender, we chose a unisex name for the original poster and one male and one female name for the other user comments. Furthermore all profile pictures were chosen as to be of a general character so that gender and looks were unidentifiable.

### 3.3.5 COMPANY RESPONSE STRATEGIES

Hans Kullin (2013) has a rule of thumb on how to manage upsurge in social media: a dissatisfied customer/product failure – solve the problem; a fact mistake – correct the mistake; and for

### Summary of company response strategies:

*Unambiguous stonewalling:*  
no response

*Ambiguous stonewalling:*  
deleting the post

*Ambiguous response:*  
response without  
responsibility and apology

*Unambiguous support:*  
response with apology,  
responsibility and  
information

*Condemning:*  
added in the hateful scenario,  
condemning the hateful user

angry customers steaming off – monitor the development. This was used as a starting point when formulating our company responses. The company responses in this study were then based on the three different types of responses in Dawar and Pillutla (2000), *unambiguous support*, *ambiguous response* and *unambiguous stonewalling*, together with Hans Kullin's rule of thumb. We included a fourth type of response as we found from observations that companies at times can delete entire threads. We call this fourth type of response *ambiguous stonewalling* as the company does not acknowledge or deal with the issue but has taken an action by deleting the thread. Furthermore, in the hateful scenario, we added a modified version of the *unambiguous support* and *ambiguous response* by adding a sentence condemning the hateful comments saying that such comments will not be tolerated. This was done in order to make sure that the company was taking responsibility of the hateful content on their Facebook page.

Both the *unambiguous support* and the *ambiguous response* were posted from the company's Facebook account and signed by a person working for the company. The brand is used to create legitimacy for the poster and the name to create a more personal and humane message, which has been found to be most efficient (Johansson & Skoghagen, 2012).

For images of the different scenarios, see Figure 3 and Appendix 2. In the survey, respondents were able to see both the brand name and the logo. In the thesis, we have however chosen to censor the two brands.



Figure 3: Manipulation Example

### 3.3.6 PRE-TEST 1

The purpose of the pre-test was to ensure that the complaint, the user comments, as well as the company responses were believable as well as perceived to be communicating the intended messages (Söderlund, 2010). To test our scenarios, a questionnaire was created and issued to 21 respondents, selected by convenience. The respondents were randomly allocated a brand and were subjected to all user comments as well as the different company responses. Closed questions were chosen, as it is easier for the respondents to answer, easier to process their answers and it enhances the comparability of the answers (Bryman & Bell, 2007). Firstly the respondents were subjected only to the negative message and afterwards to each type of user comment as well as the unambiguous support and ambiguous responses.

For all questions a Likert scale ranging from 1 to 7 with equal distances and with bipolar labels was used (Malhorta, 2010). To ensure that the brands were of well-known character and thus suitable to be in the study, we asked “how familiar are you with brand X” on a scale “Not Familiar” to “Very Familiar”. Both brands got satisfactory means on familiarity and can be labelled as well-known (fashion brand 6.8 and car brand 5.2 out of 7.0).

To test how the complaint is perceived, the respondents were asked how the commenter portrayed the company by using the scale “negative” to “positive” and “bad to good”. The complaint was seen as negative enough (fashion brand 1.9 and 2.0; car brand 1.9 and 2.0 out of 7.0)

To test the credibility of the user comments, the respondent were asked about the possibility of such scenario occurring on Facebook, using the scale “Unrealistic” to “Realistic” as well as “Not Possible” to “Possible”. All user comments were seen as satisfactorily realistic (fashion brand: *agreeing user comments* 5.6 and 6.2, *defending user comments* 5.5 and 5.9, *hateful user comments* 6.2 and 6.1. Car brand: *agreeing user comments* 6.2 and 6.3, *defending user comments* 6.0 and 6.0, *hateful user comments* 5.0 and 5.9 out of 7.0).

To test whether the user comments are perceived in the intended way respondents were asked to scale every scenario on a scale ranging from “unsupportive” to “supportive of company”, “hateful” to “loving of company”, “unsupportive” to “supportive of Commenter” and “hateful” to “loving of Commenter”. All comments received satisfactorily answers for the vital factors for both the fashion and the car brand (See table 1).



To test how the company responses are perceived for each type of user comment, the respondents were asked to evaluate to what extent the response was apologizing, taking responsibility, solving the issue of the negative comment; and for the hateful scenarios how condemning the response was of the hateful comments on a scale from “not at all” to “a large extent”. All comments received satisfactorily answers for the vital factors. The *ambiguous response* received satisfactorily low values for apologizing, taking responsibility and solving the issue for all scenarios for both the fashion and car brand. Furthermore the *unambiguous support* received satisfactorily answers for apologizing, taking responsibility and solving the issue for all scenarios except for the *hateful user comments* where the company needed to condemn the comments for the response to be completely satisfactory for the solving the issue factor for both the fashion and car brand (See table 1).



**Table 2: Pre-Test 1 - test of scenarios**

		Fashion brand			Car brand			
		Agreeing Scenario	Disagreeing Scenario	Hateful Scenario	Agreeing Scenario	Disagreeing Scenario	Hateful Scenario	
Perceive Company	Familiar with brand	6.8			5.2			
	Negative - Positive	1.9			1.9			
	Bad - Good	2.0			2.0			
Scenario	Unrealistic - Realistic	5.6	5.5	6.2	6.2	6.0	5.0	
	Not Possible - Possible	6.2	5.9	6.1	6.3	6.0	5.9	
User Comments	Unsupportive - Supportive (of company)	1.9	5.9	4.3	2.4	6.2	3.2	
	Hateful - Loving (of company)	3.2	5.2	3.5	3.0	5.2	3.3	
	Unsupportive - Supportive (of complainant)	6.2	2.2	1.4	6.2	2.7	1.6	
Ambiguous Response	Hateful - Loving (of complainant)	5.1	3.7	1.3	5.1	4.1	1.4	
	Apologizing	2.4	2.5	2.5	3.2	1.9	2.1	2.3
	Responsibility	3.1	2.7	2.4	3.3	2.2	2.2	2.6
Unambiguous Support	Solving	2.1	2.0	2.0	2.6	2.3	2.2	2.1
	Condemning			1.4	5.8			1.6
	Apologizing	5.2	5.0	4.7	5.0	5.6	5.7	5.3
	Responsibility	5.1	4.8	4.3	5.4	5.1	5.2	4.7
	Solving	4.1	4.1	3.6	4.3	4.7	5.1	4.0
	Condemning			1.6	6.1			1.6

### 3.3.7 PRE-TEST 2

The purpose of the second pre-test was to ensure that brand associations with CSR were neither overly positive nor negative; in other words that the brand's CSR performance is neutral. We wanted to test this to ensure that the scenarios are credible. To test this, a questionnaire was created and issued to 41 respondents, selected by convenience. The respondents were randomly allocated one of the two brands and had to evaluate how they perceived their CSR performance. Closed questions were once again chosen where respondents were asked to evaluate the brand on social responsibility, environmental responsibility, ethical responsibility and lastly CSR performance overall. A Likert scale ranging from 1 to 7 with equal distance and bipolar labels was used (Malhorta, 2010) ranging from "Very Bad" to "Very Good". Both brands got satisfactory means for the CSR performance on a whole, where the fashion brand mean was 4.70 and car brand mean 4.24. Since these results were satisfactory we could go on and use these brands in the main study.

**Table 3: Pre-test 2 – perceived CSR performance**

	Fashion Brand		Car Brand	
	Mean	Std. Dev.	Mean	Std. Dev.
Social Responsibility	5.10	1.55	4.38	0.86
Environmental Responsibility	4.15	1.50	4.00	1.00
Ethical Responsibility	4.50	1.47	4.19	0.98
CSR on a whole	4.70	1.34	4.24	0.83
N	20		21	

## 3.4 THE MAIN STUDY

### 3.4.1 EXPERIMENT DESIGN

To study the researched topic an experimental "post test-only control group design" was adopted (Söderlund, 2011). A "post test-only" design is when you measure dependent variables only after the groups have been subjected to the manipulation and their reactions are compared with each other and to a control group. In the experiment there are 2 factors: 1) user comments scenarios, and 2) company responses, with 3 respectively 4 (6) levels – i.e. possibilities (see table 3).  $3 \text{ (types of user comments)} \times 4 \text{ (types of company response)} + 2 \text{ (company response to hateful comments with condemnation)} + \text{(control group)}$ . In the experiment there were thus 14 different manipulation groups and one control group. People are allocated to different groups randomly, thus spreading individual differences between the groups, which is important for the experiment to be a *true experiment* (Söderlund, 2010). The experiment was conducted in the form of a questionnaire, in which reactions both in the form of behavioural reactions (by asking

questions of the likelihood of different behavioural intentions) and psychological reactions (questions on how respondents perceived the scenario, brand etc.) were collected

**Table 4: Social Media manipulations**

	Agreeing user comments	Defending user comments	Hateful user comments	Control Group
Unambiguous support	1	1	1 +1 *	1
Ambiguous response	1	1	1 +1 *	
Unambiguous stonewalling	1	1	1	
Ambiguous stonewalling	1	1	1	

\* the original plus the condemning responses

### 3.4.2 RESPONDENT SELECTION PROCESS

To make statistical measurements, several methods were used when collecting responses. This was done due to the extent of the study and large sample size needed: a minimum of 450 respondents to receive at least 30 respondents for each of the fifteen scenarios (Söderlund, 2010). For the main study 50% of the respondents were recruited online by two methods. Firstly by sending out an online version of the questionnaire in *Qualtrics surveys* to our networks via Facebook, a convenience sample, as well as by targeting people within our network and asking them in turn to send the survey on to their networks – snowball sampling. The danger of such a non-probability sample is that it does not represent the population (Bryman & Bell, 2007). However, by allocating respondents randomly to each group, every group should contain the same mixture of respondents making the issue of a slanted sample less problematic and the results comparable. The other 50% of the respondents were collected by approaching them in different locations in Stockholm where a better representation of the population is found, e.g. the central train station in Stockholm. The authors offered to give respondents chocolates to encourage them to answer the questionnaire. Most of the approached individuals were willing to participate, albeit there were some declines which primarily had to do with them being in a rush.

Out of the responses physically collected, 11 replies were not filled in properly and were therefore discarded. From the responses collected online, we looked at how long time it took for each respondent to answer the questions and given that the response time was either extremely fast or slow we looked over the survey to check if there was anything eye-catching in the response, and through this removed outliers from the sample.

### 3.4.2.1 RESPONDENTS

In total 535 people participated in the study; 59% women and 40% men with a mean age of 28 years.

**Table 5: Quick facts about the respondents**

Female	314	Youngest	15
Male	216	Oldest	66
Other	6	Mean Age	28
4.50	1.47	4.19	0.98
<b>Social Media Habits</b>			
No. Of Social Media Accounts	3		
Facebook users	502	Facebook logins per week	54
Previous Facebook users	9	Facebook activities per week (likes, shares, comments)	11
Non-users	24		

### 3.4.3 QUESTIONNAIRE FORMATION

30 different questionnaires were created in *Qualtrics surveys* – 2 times 14 manipulations and 2 control groups. Structured questions with closed answers were used as well as a simple language, to make sure that the questionnaire was unambiguous and easy to answer (Bryman & Bell, 2007). We only used structured questions in the questionnaires, mainly because unstructured questions are not suitable for self-completion questionnaires but also to decrease interviewer bias and coding time and cost (Malhorta, 2010). All questionnaires contained the same information about the study and instructions for the respondents, regardless if it was distributed by paper or online. At the end of the questionnaire respondents were thanked for their participation and we explained that all scenarios were fictional. The questions in all questionnaires were identical apart from the control groups, in which the respondents were not asked about the scenarios.

Before distributing the survey, the questionnaire was distributed to a smaller sample of 4 people who were asked to respond to the questionnaire and give feedback, find possible mistakes as well as questions which might be ambiguous and difficult to understand. Afterwards the questionnaire was distributed to the rest of the respondents.

The majority of the questions used a seven-point Likert scale with equal distance between the points and between two bi-polar adjectives, e.g. “disagree” to “agree”. The lower value on the scale (1) was placed to the left and represented the lower point e.g. “disagree”, and the higher

value (7) was placed to the right and represented the higher point e.g. “agree”, which is recommended by Söderlund (2005). Majority of variables were measured with a multi-item scale in order to increase reliability and achieve high internal consistency (Söderlund, 2005). For these measurements a test was performed to verify internal consistency; if Cronbach’s alpha exceeded 0.7 we created an index of the related measures to be used in the analysis (Malhotra, 2010).

#### 3.4.4 QUESTIONNAIRE AND VARIABLES

To investigate how the scenarios affect the brand equity, the questionnaire was created to measure (I) the familiarity with, brand image and attitude, (II) loyalty, purchase intention and brand WOM intention, (III) complaint message attitude and image, (IV) eWOM intention and direction. In the last part of the questionnaire respondents were asked demographic questions and social media habits to ensure comparability between groups.

*Familiarity and clear image;* to make sure that the brand is perceived as well-known respondents were asked: “How familiar are you with X” (Laczniak et al., 2001) and answer on a scale ranging from “not familiar” to “very familiar”. To understand how decided the respondents’ image of the brand is, the following questions were asked: “I have a clear image of X”, “I am sure of my opinion of X” and “My view of X is decided” on a scale ranging from “strongly disagree” to “strongly agree” (Kocken & Skoghagen, 2009). An index was created with a Cronbach’s alpha of 0.90.

*Brand attitude:* to understand how the respondents perceived the brand respondents were asked to evaluate the brand on a bipolar scale “dislike: like”, “negative: positive” and “bad: good” (Laczniak et al., 2001; Dawar & Pillutla, 2000). An index was created with a Cronbach’s alpha of 0.95.

*Credibility:* for this variable three measurements on a bipolar scale were used: “unconvincing: convincing”, “untrustworthy: trustworthy” (McKenzie & Lutz 1989) and “dishonest: honest” (Kocken & Skoghagen, 2009). An index was created with a Cronbach alpha of 0.88.

*Customer relationship:* To measure how the respondents perceive how much resources the brand puts into their customer relationships they evaluated the following question “X invests time in its customer relationships”, “X invests money in its customer relationships” (Dahlén et al., 2008), “X cares about its customers” and “X is available for its customers” (Blomberg & Streman, 2010) on a scale ranging from “strongly disagree” to “strongly agree”. An index was created with a Cronbach’s alpha of 0.84.

*Loyalty:* To measure if the respondents were brand users they were asked to rate their loyalty on an ordinal scale with four statements, "I buy most of my clothes from X/ X is the only brand I would consider when buying or renting a car" "I buy some of my clothes from X/ X is one of the brands I would consider when buying or renting a car", "I seldom buy clothes from X / I might consider X when buying or renting a car" and "I never buy clothes from X/ I would never consider X when buying or renting a car". The loyalty question was hence differently formulated depending on the product category, which was due to the fact that fashion and car purchases are of different character. The statements were discussed with Jonas Colliander and Magnus Söderlund, professor in marketing at the Stockholm School of Economics. It would have been preferred to have the same statements but due to differences in category, using different statements was deemed to be the best solution.

*Purchase intention:* To measure this variable the respondents were asked to evaluate on a scale ranging from "very unlikely" to "very likely" the question "Buy a product from X" (Dawar & Pillutla, 2000).

*Message image of complaint:* to measure how the respondents perceived the complaint, they were asked to evaluate on a scale from "strongly disagree" to "strongly agree" if they "I agree with the comment", "I think that it is right" and "I think the comment is justified". These statements were discussed together with Jonas Colliander. An index was created with a Cronbach alpha of 0.90. To further understand how the complaint was perceived, respondents were asked to evaluate the complaint on a bipolar scale "dislike: like", "negative: positive" and "bad: good" (Laczniak et al., 2001; Dawar & Pillutla, 2000). An index was created with a Cronbach alpha of 0.93. As well as its credibility on a bipolar scale "unconvincing: convincing", "untrustworthy: trustworthy" (McKenzie & Lutz 1989) and "dishonest: honest" (Kocken & Skoghagen, 2009). An index was created with a Cronbach's alpha of 0.86.

*eWOM intention:* to measure the eWOM intention, respondents were asked to evaluate the likelihood of them "liking", "sharing" and "commenting" on the post on a scale from "very unlikely" to "very likely". These measurements were chosen in consultation with Jonas Colliander as these are the possible ways to conduct eWOM on Facebook. Furthermore respondents were asked to indicate how they would comment, indicating the likelihood of "agreeing with the complaint", "protecting the brand" and "be hateful towards the complainant" on a scale from "very unlikely" to "very likely". These were also developed in consultation with Jonas Colliander and chosen to see if the respondent would comment in line with the other users' comments.

### 3.4.5 ANALYTICAL TOOLS

The questionnaires were manually plotted into *Excel*, while plotting them they were screened for errors. Surveys containing incomplete information were discarded; also the incomplete digital replies were left out of the analysis. All data was then imported to and analysed in the statistical computer program *SPSS*.

Cronbach's alpha was used to measure consistency within variables and as a basis to create indexes. To make sure that internal consistency to create a variable index only a Cronbach's alpha that exceeded 0.7 was accepted (Bearden et al., 2011). By using indexes, stronger support for the results can be acquired since questions measuring the same variable will not be individually analysed. After indexing the variables the results were analysed comparing the means by using ANOVA tests; in some cases t-tests have also been performed. Hypotheses were only accepted if the differences were significant on a 5% level. Some findings that were significant on a 10% level were discussed, yet not statistically accepted.

## 3.5 DATA QUALITY

To ensure data quality *reliability* and *validity* are the two most important variables to consider.

### 3.5.1 RELIABILITY

An experiment is reliable and will create the same results if conducted again, if it has high *internal reliability* and *stability*. *Stability* refers to if the measures are stable over time. To be able to ensure *stability* a re-test is needed, and as this falls outside of the scope for the study *stability* was not ensured.

*Internal reliability* applies to multiple-item measures and indexes that correlate properly across various questions (Bryman & Bell, 2007). To ensure *internal reliability* a review of previously tested questions and questionnaires was made, with the intention to find suitable questions for the study. Thus *internal reliability* was secured by using established and tested multi-item measurements (Söderlund, 2005). Furthermore, *internal reliability* was ensured through testing the multi-items measurements by calculating Cronbach's alpha (Bryman & Bell, 2007, Malhotra, 2004).

### 3.5.2 VALIDITY

*Internal validity* refers to the study being able to draw conclusions from the independent variables' effect on the study object; this can be assured by making sure that the respondent's attitude was not affected by anything other than the independent variables (Malhorta, 2010). The *internal validity* in this study is strengthened by the main study being compromised to a

couple of days in which none of the used brands were part of any significant occurrence that might have had an effect on respondents answers. All respondents received the same information prior to taking part of the questionnaire. As 50% of the questionnaires were completed digitally it is impossible to ensure that all respondents received the questionnaire under similar conditions of stress, noise etc. Albeit the majority of questionnaires completed online were completed between 5-8 minutes indicating that these respondents were able to focus on the questionnaire without major disturbances.

The fact that the respondents were randomly allocated to groups spreads individual differences and ensures that the difference between groups before the experiment is as low as possible (Söderlund, 2010). Differences between groups are observed by the demographic measurements without noticing any significant divergence (See Appendix 4). Taking this into consideration, we believe that the probability of differences between the groups are based on the independent variables, thus the internal validity is deemed to be sufficient.

*External validity* is concerned with the issues of making the study generalizable beyond the experiment context (Bryman & Bell, 2007). Creating an experiment with high internal validity increases the risk of not being applicable in reality and no general conclusions can be drawn (Malhorta, 2010).

All cases used in the study were fictional, however the negative complaints and the user comments were based on observations made during the first part of the research from following Facebook threads and used as inspiration when creating the fictional scenarios. Photoshop was also used to make the scenarios look as authentic as possible, using the brands' own Facebook fan pages as a base in the layout for the scenario and making it look like a print screen (see Appendix 2)

A person does not have to follow the fan page to take part of a scenario when it snowballs, as it will show up in more and more users' Facebook feeds when more people like, share and comment on the post. Thus it is probable that a person can come across this type of scenario in reality. Furthermore, during the pre-test we asked the respondents to evaluate how credible and possible both the complaint and the user comments were. The pre-test showed that the complaint and user comments had a sufficiently high probability (See Table 1). Despite limitations of the experiment, the study is deemed to be sufficiently externally valid.



## 4. RESULTS AND ANALYSIS

*In this chapter the results and analysis of the hypothesis testing will be presented. The results are analysed by using ANOVA tests and t-tests. Firstly, the results showing how the user comments effect brand evaluations and purchase intention are presented; afterwards how they affect eWOM intention. Then the results concerning how the company reactions impact brand evaluations, purchase and eWOM intention are presented.*

### 4.1 USER COMMENTS AFFECT BRAND EVALUATIONS

Hypothesis 1 states that consumers' brand evaluations; brand credibility, investment in customer relationship, brand attitude as well as purchase intention, will be affected depending on the user comments. In the protecting scenario, we don't expect to see a difference compared to the control group, whereas the agreeing scenario will have a negative impact on brand evaluations and purchase intention. In the hateful scenario we expect to see an even larger negative impact. This is analysed with several ANOVA tests.

The results show that neither brand credibility, customer relationship, brand attitude and purchase intentions are significantly different depending on which user scenario the respondents received. From eyeballing the results generally, the control group and the protecting scenario receive higher evaluations and the agreeing and hateful scenarios receive lower evaluations. For the respondents' brand attitudes, the ANOVA significance is however close to significant ( $p=0.06$ ). This indicates differences between groups even if it is not possible to determine which groups that are separated from each other. Brand attitude is evaluated the highest in the protecting scenario (mean 4.96), followed by the hateful and agreeing scenarios (mean 4.89) and are the lowest for the control group (mean 4.88).

**Table 6: User Comments' impact on brand evaluations and purchase intention**

	N	Brand Credibility	Customer Relationship	Brand Attitude	Purchase Intention
Agreeing	137	4.40	4.46	4.89	4.42
Hateful	216	4.59	4.57	4.89	4.37
Protecting	143	4.75	4.61	4.96	4.55
Control Group	40	4.78	4.59	4.88	4.60
ANOVA Sig.		0.66	0.94	0.06	0.78

There are no significances between groups

The statistical analysis shows that there is no support for user comments having a significant impact on brand evaluations and purchase intentions. However in the brand attitude evaluation

we were able to see some indication of an impact, although not large enough to draw any statistically significant conclusions from. Even though the first part of the hypothesis is supported, that brand evaluations and purchase intention are not affected in the protecting scenario, this result can be questioned as it was impossible to see a clear effect or differences in any of the scenarios. Therefore, we should be careful in drawing any conclusions from this finding.

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**Hypothesis 1:** Brand evaluations and purchase intention will differ depending on the user comments:

(I)	Comments protecting the company will have no impact	(SUPPORTED)
(II)	Comments agreeing with the complainant will have a negative impact	NOT SUPPORTED
(III)	Hateful comments will have an even larger negative impact	NOT SUPPORTED

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## 4.2 ELECTRONIC WOM

Hypothesis 2 concerns if and how the different scenarios involve users and make them want to engage in eWOM. It is based on the thought that people are more likely to spread negative and arousing information. The expectations are that the hateful and agreeing scenarios will be more engaging and have higher eWOM intentions, where the hateful scenario is expected to have the highest eWOM intentions. This is analysed with several ANOVA tests.

As Table 7a shows, it is not possible to find any significant results for eWOM in the different scenarios; generally respondents are unlikely to engage in eWOM with means below 3 for all groups. For the intention to like and share, differences are far from significant showing that there are little differences in likelihood to like and share depending on the user comments. For intention to comment, the protecting scenario has the highest mean (2.29), followed by the agreeing scenario (2.15) and hateful scenario (1.91), where there is an indication of difference between the protecting and the hateful scenario – significant on a 10% level – which is however not enough to be statistically acceptable.

The statistical analyses show that user comments have no impact on intention to like and share, and only a modest impact on intention to comment; in the protecting scenario there is an indication of users being more prone to comment than in the hateful scenario. This is in contrast with the hypothesis, where the protecting scenario was expected to have the least effect on eWOM intentions. However, as the results are not significant, no conclusion can be drawn from this finding.

**Table 7a: User Comments impact on eWOM intention**

	N	Like	Share	Comment
Agreeing	137	2.31	1.82	2.15
Hateful	216	2.21	1.65	1.91 <sup>A</sup>
Protecting	143	2.19	1.84	2.29 <sup>A</sup>
ANOVA Sig.		0.81	0.32	0.06

A - significance between groups on a 10% level

**Hypothesis 2:** The more negative the user comments are, the higher will the eWOM intentions be in terms of:

(I) likes

NOT SUPPORTED

(II) shares

NOT SUPPORTED

(III) comments

NOT SUPPORTED

Since there was no support for hypothesis 2, the respondents intention to agree with the original complaint or not was used as a moderating variable for eWOM. People who agree with the complaint are also often the ones who are more affected by the scenario (correlation to 74.9% and significant on a 0.1% level), which makes this an interesting group to look closer into. Appendix 4 shows that there are differences in eWOM intentions depending on whether a respondent agrees with the complaint or not. Both liking and sharing the post is significantly higher for the respondents who agree in all cases, except for sharing in the hateful scenario which is close to significant. The intention to comment is however only significantly different for the protecting scenario where respondents that agree with the complaint are more likely to comment.

Hypothesis 2 is re-tested using the extent of agreeing as a moderating factor. For the respondents who don't agree with the complaint, none of the eWOM intentions are significantly different depending on the user comments scenarios. However, for the respondents who agree with the complaint, the results show some noteworthy differences. Respondents are significantly more likely to share the post in the protecting scenario (mean 2.35) compared to the hateful scenario (mean 1.79) which is significant on a 5% level. In the agreeing scenario (mean 2.14), the likelihood to share is not significantly different from either the protecting or the hateful scenario. The results show that the respondents are significantly more likely to comment in the protecting scenario (mean 2.81) compared to the hateful scenario (mean 1.89), which is significant on a 0.1% level. For the agreeing scenario (mean 2.29), the likelihood to comment is not significantly different from either the protecting or the hateful scenarios. The probability of liking the post is not affected by the user comments.

The statistical analysis moderated by agreeing with the complaint does not support the hypothesis that the more negative scenarios – agreeing and hateful – are more engaging and that the hateful is most engaging. Instead the results find that the protecting scenario is significantly more engaging for sharing and commenting compared to the hateful scenario. This indicates the opposite of the hypothesis, that the hateful scenario is least engaging and protecting scenario is most. This is in line with the indications that we observed when testing the hypothesis without the moderator.

**Table 7b: User Comments impact on eWOM intentions**

	Agreeing respondents				Non-agreeing respondents			
	N	Like	Share	Comment	N	Like	Share	Comment
Agreeing	73	2.93	2.14	2.29	64	1.61	1.45	2.00
Hateful	122	2.61	1.79 <sup>A</sup>	1.89 <sup>B</sup>	94	1.70	1.48	1.93
Protecting	68	3.03	2.35 <sup>A</sup>	2.81 <sup>B</sup>	75	1.43	1.37	1.83
ANOVA Sig.		0.30	0.03	0.00		0.26	0.76	0.78

A - significance between groups on a 5% level.  
B - significance between groups on a 0.1% level

**Hypothesis 2 AGREEING and NON-AGREEING RESPONDENTS:** The more negative the user comments are, the higher will the eWOM intentions be in terms of:

(I)	likes	NOT SUPPORTED
(II)	shares	NOT SUPPORTED
(III)	comments	NOT SUPPORTED

#### 4.2.1 CROWD PSYCHOLOGY & eWOM DIRECTION

Hypothesis 3 concerns how respondents are affected by the user comments stating that they are more likely to engage in eWOM in the same way as others do, i.e. respondents are most likely to comment in the same direction as the other user comments. This was analysed by several ANOVA tests and followed up by a paired sample t-test.

**Table 8: User Comments impact on direction of eWOM**

	N	Int. to Agree	Int. to Protect the Brand	Int. to be Hateful
Agreeing	137	4.01	3.07	1.86
Hateful	216	3.98	3.19	1.80
Protecting	143	3.62	3.41	1.84
ANOVA Sig.		0.14	0.20	0.90

There are non significances between groups

The results from the statistical analysis show that there are no differences in intention to agree with the complaint, protect the brand and be hateful towards the complainant in-between the different user scenarios. The differences between the scenarios are not significant and thus

there is no support for the hypothesis that the respondents are more likely to agree with the previous user comments.

**Table 9: Paired t-test comparing the direction of comments within each scenario**

	Int. to Agree	Int. to Protect Brand	Int. to be hateful
<b>Agreeing</b>	4.01 <sup>AB</sup>	3.07 <sup>BC</sup>	1.86 <sup>AC</sup>
<b>Hateful</b>	3.98 <sup>AB</sup>	3.19 <sup>BC</sup>	1.80 <sup>AC</sup>
<b>Protecting</b>	3.62 <sup>B</sup>	3.41 <sup>B</sup>	1.84 <sup>AC</sup>
A- significantly different from intention to Protect Brand on a 0.1% level			
B- significantly different from intention to be Hateful on a 0.1% level			
C- significantly different from intention to Agree on a 0.1% level			

When performing a paired sample t-test, testing the direction of how the respondents would comment, we find that most respondents would agree with the complaint irrespectively of the scenario (agreeing scenario mean 4.01, hateful scenario mean 3.98 and protecting scenario mean 3.62) and they are least likely to be hateful (agreeing scenario mean 1.86, hateful scenario mean 1.80 and protecting scenario mean 1.84). Protecting the company was found to be in between the two other options (agreeing scenario mean 3.07, hateful scenario mean 3.19 and protecting scenario mean 3.41). These distributions are significant on a 0.1% level for both the agreeing and the hateful scenario, but not for the protecting scenario. The differences in intention to agree with the complaint and protect the company is not significant and thus in this scenario we cannot conclude in which direction respondents are most likely to comment. This in turn indicates that there is support for the herding theory, despite not finding any significant differences between the scenarios. Furthermore, herding can also be noticed by the fact that respondents are most inclined to agree with the complaint (since the post in all scenarios has many likes).

#### Hypothesis 3:

(I)	Users will comment in the same direction as the other user comments	<b>PARTLY SUPPORTED</b>
(II)	The effect is expected to be strongest when user comments agree with the complaint	<b>PARTLY SUPPORTED</b>

### 4.3 CRISIS MANAGEMENT

Hypothesis 4 concerns how companies should handle negative snowballing scenarios and states that any response is better than no response and will have a positive impact on (I) brand credibility, (II) customer relationship, (III) brand attitude and (IV) purchase intention. This is analysed by several ANOVA tests.

The results for Hypothesis 4 show that brand credibility, brand attitude and purchase intention are not significantly affected by a response or a stonewalling reaction from the company. For the perception of investment in customer relationship the results show that evaluations are highest for the scenarios with a response (mean 4.65) and lowest for the stonewalling reactions (mean 4.42) and in-between for the control group (4.59). The differences between the company reactions are significant on a 5% level. The control group is not significantly different from the two types of company reactions. From this we can conclude that a response is preferred to build customer relations.

The statistical analysis of the impact that company responses have on brand evaluations and purchase intention show that the company response only has a significant impact on customer relationship. For customer relationships it is significantly better to give a response than not.

**Table 10: Company Response impact on brand evaluations and purchase intention 1.**

	N	Brand Credibility	Customer Relationship	Brand Attitude	Purchase Intention
<b>Stonewalling</b>	223	4.56	4.42 <sup>A</sup>	4.95	4.41
<b>Response</b>	273	4.60	4.65 <sup>A</sup>	4.87	4.46
<b>Control Group</b>	40	4.78	4.59	4.88	4.60
<b>ANOVA Sig.</b>		0.56	0.04	0.76	0.84

<sup>A</sup>- significance between groups on a 5% level

**Hypothesis 4:** Any form of response is preferred to no response and will enhance:

(I)	brand credibility	NOT SUPPORTED
(II)	perception of investment in customer relationship	SUPPORTED
(III)	brand attitude	NOT SUPPORTED
(IV)	purchase intentions	NOT SUPPORTED

Hypothesis 5 is based on hypothesis 4 taking it a step further and evaluating in more detail how companies should best handle negative snowballing scenarios. This is also analysed with ANOVA tests. A response with more information and an apology is expected to be preferred to a response with less information and will have even more positive impact on (I) brand credibility, (II) customer relationship, (III) brand attitude and (IV) purchase intention.

Also in hypothesis 5 we do not find support for a company's response strategy having an impact on brand credibility, brand attitude and purchase intention (see Table 11). However, when looking at the perception of investment in customer relationship, the results show that customer relationship is perceived as highest for the scenarios with the most comprehensive response – the unambiguous support (mean 4.77). Thereafter the following order: the control group (mean

4.59), the ambiguous response (mean 4.55), the ambiguous stonewalling (mean 4.51) and lowest for the unambiguous stonewalling reaction (mean 4.34). The difference between the unambiguous support and no response – the unambiguous stonewalling – is 0.43 and significant on a 5% level. The other groups are not significantly different from each other. From this we can conclude that there is some support for the hypothesis that a more extensive answer will have a positive impact on the perception of investment in customer relationships. Thus, a response is preferred to build customer relationships and it is indicated that a more comprehensive response, with an apology and information, is preferred.

**Table 11: Company Response impact on brand evaluations and purchase intention 2.**

	N	Brand Credibility	Customer Relationship	Brand Attitude	Purchase Intention
Ambiguous Stonewalling	112	4.56	4.51	4.98	4.47
Unambiguous Stonewalling	111	4.56	4.34 <sup>A</sup>	4.93	4.35
Unambiguous Support	128	4.61	4.77 <sup>A</sup>	4.89	4.41
Ambiguous Response	144	4.60	4.55	4.86	4.51
Control Group	40	4.56	4.59	4.88	4.60
Anova Sign.		0.95	0.02	0.88	0.94

A- significance between groups on a 5% level

**Hypothesis 5:** A response with more information and an apology will have less negative impact on:

- (I) brand credibility
- (II) customer relationship
- (III) brand attitude
- (IV) purchase intentions

NOT SUPPORTED  
**PARTLY SUPPORTED**  
 NOT SUPPORTED  
 NOT SUPPORTED

Hypothesis 6 (a, b, c) concerns how company response affects brand evaluations and purchase intention in the respective user comment scenarios. These are also analysed with ANOVA tests. In the agreeing scenario, the results show that customer relationship is positively affected by a response (mean 4.72) compared to stonewalling (mean 4.24). These are significantly different on a 5% level. The control group (mean 4.59) is between these two, but not significantly different. There is also indication that brand credibility is positively affected by a response, but this is not significant in between groups. For brand attitude and purchase intention, as well as when analysing all the different types of reactions no significant differences were found.

**Table 12a: Agreeing Scenario - Company Response impact on brand evaluation and purchase intention**

	N	Brand Credibility	Customer Relationship	Brand Attitude	Purchase Intention
<b>Stonewalling</b>	74	4,27	4,24 <sup>A</sup>	4,9	4,35
<b>Response</b>	63	4,55	4,72 <sup>A</sup>	4,87	4,51
<b>Control Group</b>	40	4,78	4,59	4,88	4,6
<b>ANOVA Sig.</b>		0,1	0,03	0,99	0,78

A – significance between groups on a 5% level

	N	Brand Credibility	Customer Relationship	Brand Attitude	Purchase Intention
<b>Ambiguous Stonewalling</b>	36	4.29	4.30	4.81	4.56
<b>Unambiguous Stonewalling</b>	38	4.25	4.19	4.98	4.16
<b>Unambiguous Support</b>	31	4.40	4.77	4.80	4.52
<b>Ambiguous Response</b>	32	4.69	4.67	4.95	4.50
<b>Control Group</b>	40	4.78	4.59	4.87	4.60
<b>ANOVA Sign.</b>		0.24	0.12	0.97	0.86

**Hypothesis 6a:** When the user comments agree with the complaint, a response with more information and an apology is expected to have the least negative impact on:

- (I) brand credibility
- (II) customer relationship
- (III) brand attitude
- (IV) purchase intentions

NOT SUPPORTED  
**PARTLY SUPPORTED**  
 NOT SUPPORTED  
 NOT SUPPORTED

In the hateful scenario, the results show that brand evaluations and purchase intention are not significantly affected by the company response. The ANOVA significance is near significance for brand credibility, customer relationship and brand attitude when we analyse the different types of company reactions. These results indicate that there are some differences between the different responses even though we can't see significant differences between individual groups. An unambiguous support with a condemning response seems to receive the highest assessments for brand credibility and customer relationship, whereas brand attitude is highest for the ambiguous stonewalling response (i.e. deleting). Worst is the ambiguous response with a condemning part. Since the p-values are too high the statistical analysis of the hateful scenario shows no support for the hypothesis that the unambiguous support with a condemning part as well as the ambiguous stonewalling lead to higher brand evaluations, but there is an indication of this for the brand credibility, perception of investment in customer relationship as well as brand attitude. This is in accordance with the hypothesis, but not statistically viable.



**Table 12b: Hateful Scenario - Company Response impact on brand evaluation and purchase intention**

	N	Brand Credibility	Customer Relationship	Brand Attitude	Purchase Intention
<b>Stonewalling</b>	78	4,68	4,46	5,00	4,41
<b>Response</b>	138	4,54	4,63	4,82	4,35
<b>Control Group</b>	40	4,78	4,59	4,88	4,60
<b>ANOVA Sig.</b>		0,42	0,46	0,55	0,76
	N	Brand Credibility	Customer Relationship	Brand Attitude	Purchase Intention
<b>Ambiguous Stonewalling</b>	37	4.65	4.58	5.17	4.38
<b>Unambiguous Stonewalling</b>	41	4.71	4.34	4.85	4.44
<b>Unambiguous Support</b>	33	4.39	4.75	4.75	3.73
<b>Ambiguous Response</b>	41	4.75	4.67	5.02	4.38
<b>Unambiguous Support + Condemning</b>	32	4.83	4.88	5.07	4.75
<b>Ambiguous Response + Condemning</b>	32	4.11	4.22	4.40	4.56
<b>Control Group</b>	40	4.78	4.59	4.87	4.60
<b>ANOVA Sign.</b>		0.10	0.10	0.12	0.41

**Hypothesis 6b:** When the user comments are hateful, deleting the thread or being condemning towards the user comments together with a response with more information and an apology is expected to have the least negative impact on:

(I)	brand credibility	NOT SUPPORTED
(II)	customer relationship	NOT SUPPORTED
(III)	brand attitude	NOT SUPPORTED
(IV)	purchase intentions	NOT SUPPORTED

In the protecting scenario, the results show that brand evaluations and purchase intention are not significantly affected by the company response. Thus we can conclude that in the protecting scenario the company response does not affect brand evaluations and purchase intention. This supports the hypothesis.

**Table 12c: Protecting Scenario - Company Response impact on brand evaluation and purchase intention**

	N	Brand Credibility	Customer Relationship	Brand Attitude	Purchase Intention
<b>Stonewalling</b>	71	4,72	4,58	4,95	4,48
<b>Response</b>	72	4,79	4,64	4,97	4,63
<b>Control Group</b>	40	4,78	4,59	4,88	4,60
<b>ANOVA Sig.</b>		0,94	0,93	0,92	0,89
	N	Brand Credibility	Customer Relationship	Brand Attitude	Purchase Intention
<b>Ambiguous Stonewalling</b>	39	4.72	4.63	4.94	4.49
<b>Unambiguous Stonewalling</b>	32	4.72	4.52	4.97	4.47
<b>Unambiguous Support</b>	32	4.81	4.70	4.96	4.66
<b>Ambiguous Response</b>	40	4.77	4.59	4.98	4.60
<b>Control Group</b>	40	4.78	4.59	4.87	4.60
<b>ANOVA Sign.</b>		1.00	0.96	1.00	0.99

**Hypothesis 6c:** When user comments protect the company, the company response strategy will not have an impact on:

(I)	brand credibility	<b>SUPPORTED</b>
(II)	customer relationship	<b>SUPPORTED</b>
(III)	brand attitude	<b>SUPPORTED</b>
(IV)	purchase intentions	<b>SUPPORTED</b>

#### 4.4 SPREADING THE WORD

Hypothesis 7 concerns how company response affects eWOM intention and direction given the respective user comment scenarios. As deleting the post will not allow users to engage in eWOM this response is not analysed in this section. Once again ANOVA tests are used to test the hypotheses. Ambiguous Stonewalling, i.e. deleting, is not included as it is impossible to interact with a deleted thread.

In the agreeing scenario, the results show that eWOM intentions in the form of liking and sharing are not significantly affected by company response, whereas commenting is significantly affected. Respondents are more likely to comment when they receive an ambiguous response (mean 2.75), which is significantly different from both groups on a 5% level and least likely when receiving an unambiguous support (mean 1.71) or an unambiguous stonewalling reaction (mean 1.79). Furthermore the intention to agree with the complaint or to protect the brand is not significantly affected by the company reaction, but the intention to be hateful is close to significantly different. Respondents are close to significantly less likely to be hateful when receiving an unambiguous supportive reaction (mean 1.26) compared to the unambiguous stonewalling (mean 1.90) and ambiguous response (mean 1.97) on a 10% level. The statistical analysis shows that an ambiguous response leads to higher intention of commenting, which is in accordance with the hypothesis.

**Table 13 a: Agreeing Scenario - Company Response impact on eWOM intention and direction**

	N	Like	Share	Comment	Int. to Agree	Int. to Protect Brand	Int. to be hateful
Unambiguous Stonewalling	38	2.13	1.61	1.79 <sup>A</sup>	3.97	2.97	1.90 <sup>C</sup>
Unambiguous Support	31	2.26	1.65	1.71 <sup>B</sup>	3.87	2.65	1.26 <sup>CD</sup>
Ambiguous Response	32	2.47	2.16	2.75 <sup>AB</sup>	4.31	3.41	1.97 <sup>D</sup>
ANOVA Sig.		0.74	0.17	0.01	0.62	0.18	0.03

A – Significance between groups on a 5% level

B – Significance between groups on a 5% level

C – Significance between groups on a 10% level

D – Significance between groups on a 10% level

**Hypothesis 7a:** When user comments agree with the complaint, a company response with an *ambiguous response* will lead to the largest impact on intentions to:

(I)	likes	NOT SUPPORTED
(II)	shares	NOT SUPPORTED
(III)	comments	SUPPORTED
and users are:		
(IV)	more inclined to agree with the complaint	NOT SUPPORTED
(V)	less inclined to protect the brand	NOT SUPPORTED
(VI)	neither more or less inclined to be hateful	NOT SUPPORTED
... compared to a more responsible company reaction		

eWOM intention and direction in the hateful scenario are not significantly affected, but there is indication of significance. The eWOM engagement, like, share and comment, is largest for the ambiguous response with a condemning part (like mean 3.00, share mean 2.28 and comment mean 2.63) and lower in the other scenarios. Intention to agree with the complaint is largest in the ambiguous response with a condemning part (mean 4.72) and in this scenario intention to protect the brand is also lowest (mean 2.44). Intention to be hateful is not significantly different between the company responses. Furthermore, the directions of comment are not significantly different depending on the company reaction; however intention of protecting the brand is indicated to be lower for the ambiguous response (mean 3.51) compared to the ambiguous response with a condemning part (2.44), significant on a 10% level. The statistical analysis indicates that an ambiguous response with a condemning part lead to higher eWOM intentions, which is in accordance with the hypothesis. However, as the significance level is above 5% hence the result are not statistically viable.

**Table 13b: Hateful Scenario - Company Response impact on eWOM intention and direction**

	N	Like	Share	Comment	Int. to Agree	Int. to Protect Brand	Int. to be hateful
Unambiguous Stonewalling	41	1.88	1.54	1.93	3.95	3.24	1.73
Unambiguous Support	33	2.30	1.49	1.73	3.88	3.21	1.79
Ambiguous Response	41	2.10	1.56	1.85	3.66	3.51 <sup>A</sup>	1.81
Unambiguous Support + Condemning	32	2.22	1.66	1.66	4.28	3.34	1.69
Ambiguous Response + Condemning	32	3.00	2.28	2.63	4.72	2.44 <sup>A</sup>	1.72
ANOVA Sig.		0.08	0.05	0.07	0.12	0.05	1.00

A- Significance between groups on a 10% level

**Hypothesis 7b:** When user comments are hateful, a company reaction with the most *ambiguous response* will have the largest impact on intentions to:

(I)	like	NOT SUPPORTED
(II)	share	NOT SUPPORTED
(III)	comment	NOT SUPPORTED
and users are:		
(IV)	more inclined to agree with the complaint	NOT SUPPORTED
(V)	less inclined to protect the brand	NOT SUPPORTED
(VI)	neither more or less inclined to be hateful	NOT SUPPORTED
... compared to a more responsible company reaction		NOT SUPPORTED

In the protecting scenario, the results show that eWOM intention and direction is not significantly affected by the company response. However there is indication that the direction to be hateful differs between the unambiguous support (mean 2.16) and the unambiguous stonewalling (mean 1.47) on a 10% level. Thus we can conclude that in the protecting scenario the company response does not affect eWOM intentions and the direction of eWOM significantly, in accordance with the hypothesis.

**Table 13c: Protecting Scenario - Company Response impact on eWOM intention and direction**

	N	Like	Share	Comment	Int. to Agree	Int. to Protect Brand	Int. to be hateful
Unambiguous Stonewalling	32	2.13	1.78	2.19	3.69	3.34	1.47 <sup>A</sup>
Unambiguous Support	32	2.50	1.94	2.56	3.38	3.88	2.16 <sup>A</sup>
Ambiguous Response	40	1.80	1.53	2.08	3.35	3.18	1.73
ANOVA Sig.		0.17	0.35	0.42	0.70	0.16	0.09

**A – Significance between groups on a 10% level**

**Hypothesis 7c:** When user comments protect the company, company response will have no impact on intention to:

(I)	like	SUPPORTED
(II)	share	SUPPORTED
(III)	comment	SUPPORTED
(IV)	agree with the complaint	SUPPORTED
(V)	protect the brand	SUPPORTED
(VI)	be hateful	SUPPORTED

## 5. DISCUSSION & CONCLUSION

*In this part we will start by discussing our findings, first the user comment impact, than the consumer response and lastly the company response impacts. Then the chapter continues with a conclusion followed by practical implications and guidelines on how companies should handle flash crises. This is followed by criticism of the study and finishing with an outlook into future research possibilities.*

### 5.1 FLASH CRISES – A POTENTIAL THREAT?

#### 5.1.1 FLASH CRISES, GONE IN 60 SECONDS?

The results show that the user comments do not have a large influence on brand evaluation. Through eyeballing it can be noticed that the protecting scenario and the control group have slightly higher mean values in all brand evaluations than the agreeing and the hateful scenario. The lack of difference between the protecting scenario and the control group supports hypothesis 1(I). It seems intuitive that a scenario where users are protecting and supporting the brand will not have a negative impact on brand evaluations despite the complaint that started the “crisis”. The fact that the agreeing and hateful scenarios have a bit lower brand evaluations is also intuitive since they display the brand negatively. Furthermore, these more negative scenarios are supposedly more arousing than the more positive scenario and should therefore lead to a larger impact compared to the control group (Ahluwaila et al., 2000; Arndt, 1967; Bolting 1989; Tybout et al., 1981). However these results are far from significant and we cannot conclude that these differences are depending on user comment scenarios. Due to this, we should be careful to put too much emphasis on the finding supporting the hypothesis of the *protecting scenario*, i.e. that it has no impact on brand evaluations and purchase intention, since this is true also for the other two scenarios. In fact there is very little difference between the scenarios and the control group, hence there seems to be little impact from the flash crisis.

There are different ways of explaining this lack of significant results; firstly it could be due to the fact that the group sizes are small and a larger sample size is needed to obtain significant results. We find this explanation too simple, since sample sizes are above a hundred for the different user comment scenarios (when company responses are added together) and forty for the control group. Furthermore the significance is too far from being statistically acceptable to indicate that a larger sample size would have solved the problem, in all cases except brand attitude. Thus the conclusion made by this is that flash crises seem to only have a very limited

effect on the brand evaluations and purchase intention. This can be explained by the fact that we have used well-known brands in this study that have been found to be more resilient towards brand crises (Dawar & Lei, 2008) and that WOM has less impact on familiar brands (Sundaram & Webster, 1999). Strong brands already have strong and secured associations since the information consumers base their perception on come from many and different sources (Söderlund, 2013). For one single incident to change brand evaluations, it will need to be a major crisis. This does not seem to be the case for the studied scenarios.

Another reason for the lack of impact is the crisis itself. We have used ethical CSR issues as the base for the complaint and these companies are neither rated as very good or bad on the CSR measurements from pre-test 2. It can thus be assumed that responsibility is not the main association with the chosen brands. Consequently the issue is not perceived as relevant enough (Dawar & Lei, 2008) or credible enough (Hovland & Weiss, 1951) for the examined brands to have an effect. This suggests that the negative eWOM is not attributed to the brand (Herr et al., 1991) but rather to the writers (Laczniack et al., 2001). Attributing the comments to the writers seems like a plausible explanation, especially in the hateful scenario, since the comments do not have anything to do with the brand. Consequently had there been another type of scenario, one closely linked to the brand associations, consumers might have evaluated the issue differently and could have had a larger impact.

From this part of the study we find that brands are resilient toward flash crises, this is in accordance with many studies conducted on traditional negative WOM. This can be due to the fact that the brands examined were well known, the issue is not closely linked to brand associations but can also be linked to the fact that people's attention span on the web is very low. People become interested in one thing but they quickly change their focus to something else whilst they are online e.g. on Facebook. Thus flash crises in social media quickly pass by and make little lasting impressions on the users.

### **5.1.2 LIKE, SHARE, COMMENT – WHY WOULD I?**

Generally the results show that people are not inclined to engage in eWOM; like, share or comment on the post. This result is independent of how the other users have commented. Social networks are created to connect people with each other and not to connect brands with people to help them in their marketing (Laroche et al., 2013). Even though our sample shows that many of the respondents are active on their Facebook accounts, it seems as if directing this attention towards brands is unlikely. By this we can assume that for a brand to gain engagement both in a negative and possibly also positive direction, it must be something special and extremely

interesting (Thurman, 2010). This is supported by the fact that when we use whether consumers agree with the complaint or not as a moderating factor, we can see that the people who agree with the complaint are more likely to engage in eWOM, by liking and sharing the post (Berger & Milkman, 2010). Hence the people who agree with the complaint seem to find the scenario more interesting and engaging.

The users who agree with the complaint are most likely to share and comment in the protecting scenario, this is also indicated without using a moderator since the likelihood of commenting is close to being significantly larger for the protecting scenario. This is interesting as it goes against crowd psychology theory. A possible explanation for this is that in the agreeing scenario other users are already supporting the complaint, making another comment redundant. Additionally, for the hateful comments it is possible that people don't want to engage in eWOM for the fear of becoming associated with such content, and that the people trolling are a small group which do not represent how the majority of the population would act.

Examining the direction of how users will comment, we first found that there is no difference in intentions to comment depending on user comment scenario. Thus there is no sign of herding. However, by examining the direction users are most likely to comment in, within each scenario, we found that users are most likely to agree with the complaint, i.e. be negative towards the brand, then protect the brand and least likely to be hateful. This is true in all scenarios apart from the protecting scenario where there is no difference between intention to agree with the complaint and protect the company. This indicates that there is some type of herding effect, since the likelihood of protecting and agreeing are approaching each other. Moreover there are several different crowds to take into account, not only the users commenting, but also the great number of likes. People might be more influenced by the large number of likes than the user comments. Hence, the large number of likes could be a reason as to why we cannot find stronger support for the herding effect between the scenarios. Another reason could be that users tend to be negative to a larger extent, something that has been found in several studies that people are more prone to spread negative information (Arndt, 1967; Bolting, 1989; Tybout et al., 1981). This is interesting as many companies open up a Facebook page in the hope of facilitating positive eWOM.

### **5.1.3 BE PROACTIVE FOR YOUR CUSTOMER RELATIONSHIPS**

On a general basis, our findings indicate that the company's response strategy has a limited effect on brand evaluation. In more specific terms, no impact on brand credibility, brand attitude or purchase intention could be observed for the different responses. However, it was possible to

see some indication of influence on customer relationship, where any form of response is better than stonewalling. Furthermore, the best response strategy is an *unambiguous support*, i.e. informative and apologising, which is better than *unambiguous stonewalling*, i.e. no response at all. This shows that being proactive has a positive impact on relationship building, which in extension has been shown to lead to improved brand attitude and purchase intention (Keller, 1993; Ledingham & Bruning, 1998). It is thus in the company's interest to take care of flash crises and respond in an informative and empathic manner. Consequently, we can conclude that being proactive seems to have a positive impact on companies' customer relationships, while not responding to flash crises seems to have a negative impact. Relationship building is the most important factor for social media marketing (Colliander & Dahlen, 2011), and should therefore not be overlooked when considering the impact of activities in social media.

When it comes to the specific user comment scenarios, we saw that a response has a positive impact on customer relationship in the agreeing scenario, which is in line with general findings. However we cannot conclude what type of answer that would be preferable. In the other two scenarios, it was not possible to observe any best practice for how to respond. This is especially noteworthy in the protecting scenario, which is furthest from being significant; this finding is in line with previous research (Colliander 2012) and our prediction. This is assumingly because when other users are supporting the brand it is superfluous of the brand to meddle and defend themselves. In fact not meddling might be better for the brand since previous research show that positive WOM is more effective than any type of advertising (Buttle, 1998; Day, 1971; Sweeney et al., 2008). However, companies should still monitor the conversation to make sure that comments do not change character and become negative towards the company or hateful towards the person posting the complaint.

In the hateful scenario there are no significant results, however brand credibility, customer relationship and brand attitude approaches significance. Thus by eyeballing their means we see that for brand attitude in the hateful scenario the best response would be *ambiguous stonewalling*, deleting the post, and after that the *unambiguous support* with a *condemning* part. However for brand credibility and customer relationship *unambiguous support* and *condemning* shows the most positive evaluations. This indicates support for our hypothesis, that deleting and apologising with a condemning message is the best approach, albeit not strong enough to make a convinced declaration on what is most efficient. The best solution could be to delete the Facebook post, as there is no way to get out of a conversation with trolls and haters in a



successful way. The trolls are there to provoke a fight and it won't matter what a company say or do.

When the trolls have gravely insulted people and the conversation has snowballed, our results indicate that it could be good for the organisation to state that they are not supportive of this type of behaviour. Not distancing themselves sufficiently from the trolls and only apologising for the original complaint, as in the unambiguous supportive response, is probably why this response is at the bottom of the list. Also at the bottom of the list is the *ambiguous* and *condemning response*. In both of these responses, the company is taking responsibility for one issue but not the other, which might be conflicting as the company is not acting in a consistent manner.

Even though our results are not statistically supported, it is possible to observe differences between the groups, where *ambiguous stonewalling* and *unambiguous and condemning support* were the ones giving the strongest brand evaluations. For this reason, it is important for the company to take action, not respond to the trolls and condemn any such conversation on their Facebook fan page. If not, a flash crisis could reach larger proportions and potentially become noted by traditional mass media, something that became reality for H&M. This has been shown by previous studies to be a big threat for the brand. While, one incident of this kind may only have little or no impact on a brand such as H&M, recurring incidents have the potential of harming the brand (Sundaram & Webster, 1999). This makes it important for the companies to learn from their mistakes, both in terms of the handling of the crisis, but also by internalising the critique and take the opportunity to improve their product, service or activities.

#### 5.1.4 AN INSUFFICIENT COMPANY RESPONSE KEEPS THE SNOWBALL ROLLING

As discussed in the previous section, the company response has limited influence on brand evaluations and purchase intention, but the reason to react to the crisis is also to hinder the situation from keeping on snowballing (growing bigger and more influential). In the agreeing scenario the reaction that leads to most intention to comment is the *ambiguous response*, higher than both *unambiguous stonewalling* i.e. not doing anything and *unambiguous support* i.e. an apologising and informative answer. This shows that if a company desires to hinder the situation from escalating they should either not do anything or answer with an apology and information. Furthermore, an *unambiguous supportive* response indicates a decrease in the intention to be hateful. Hence in the agreeing scenario an *unambiguous supportive* answer has the most beneficial outcomes on eWOM engagement if the company hopes to prevent the complaint from spreading any further and users from being hateful.

In the hateful scenario there are no significant results, however from looking at the means, we observe an indication of eWOM intentions being largest for an *ambiguous* and *condemning response*; in other words users are most likely to spread the complaint when the company condemns the haters but does not otherwise sufficiently respond to the complaint. For the same response, the intention to protect the brand is lower. These results indicate that the worst reaction a company can have, if they want to prevent the situation from spreading any further is to give an answer, which condemns trolling but does not take care of the original complaints issues. This type of answer seems to offend people, as it makes them less likely to protect the brand.

For the protecting scenario it was expected that the company response would not have an impact on eWOM engagement, which is in accordance with our findings. However there are few, if any, flash crises that consists only one type of comments. Even though our findings show that a company's action has a limited effect in the protecting scenario, most crises will be of a mixed nature. Hence, since the other scenarios require a response it might be better to give an apologetic and informative response, which acknowledges and takes responsibility for the whole situation.

## 5.2 CONCLUSION

The purpose of this study was to find if flash crises have an impact on brand equity and what a company can do to prevent negative eWOM from spreading. To do this, brand evaluations, purchase intention and eWOM intentions were examined, looking at both user comment and company response impact. The results indicate that the user comment do not impact brand credibility, brand attitude, perceived investment in customer relationships or purchase intention heavily. We attribute this to the brand's familiarity, since consumers most likely have a decided view of the brand and are not easily affected by a single occurrence. Furthermore users' attention span online is short and an incident has to be extraordinary to make a lasting impression. The findings support this, as users are generally not notably interested in engaging in eWOM for the tested manipulations.

The fact that no clear differences between the manipulations could be found is unexpected, yet not surprising. With the increasing amount of flash crises evolving, it can be assumed that users do not really analyse what they read on Facebook, they are less attentive and do not carefully evaluate the information. However, even though flash crises seem to be gone in an instance, they are never truly forgotten. If the company keeps on repeating the same mistakes over and over again, old crises might re-surface. Hence in addition to handling the crisis efficiently on

Facebook companies could benefit from internalising the critique, in order to improve their product, service or activities, to prevent similar complaints from arising. If not, chances are that the crises will recur and turn into traditional crises, which are proven to lead to loss of confidence in brand and even reduced sales. Additionally the results show that even though the user comments did not have a major influence on brand evaluations, purchase intention and eWOM intentions, the company response has some.

The results from the company reactions show that the response affects perception of investment in customer relationships, where a response is found to have a positive influence, and an informative and apologising response is indicated as the better. Furthermore previous studies have found consumer relationships to be the most important aspect of brand building in social media, thus our findings show that being proactive on Facebook has positive effects on brands. The company response has an impact on the eWOM engagements, where an insufficient and contradicting response will lead to an increase in eWOM intentions, hence spreading the crisis further. Consequently, by being active and taking user complaints seriously, these activities help to build customer relationships and aid in preventing the snowball effect from becoming harmful.

### **5.3 PRACTICAL IMPLICATIONS**

This study has provided some interesting findings and implications that could be of value for professionals working with social media communication and crisis management. These implications will be discussed below.

#### **5.3.1 TO BE OR NOT TO BE ON FACEBOOK?**

Today organisations seem to believe that they have to be present and active in social media such as Facebook. Most companies have a Facebook fan page, but few manage to utilize it in a successful way (Fors-Andree, 2013; Kullin, 2013; Östmar, 2013). According to Östmar (2013) companies usually open up an account for the “fear of missing out” without considering why they do it and, the costs and if their customers are present on Facebook. As seen in our study, a Facebook account comes not only with opportunities, but also potential risks to the organisation. Due to this, companies should to a larger extent evaluate the reason to why they are present on Facebook and what they wish to accomplish.

To be present in social media, such as Facebook, resources are needed to monitor and maintain the page and to meet the user comments from both satisfied and dissatisfied customers. According to our findings, brand evaluations and eWOM intentions seem to be affected only to a

limited extent by the content displayed on a company's Facebook page, yet we are arguing that it is important to carefully monitor the activity. The reason for this is that even though consumers' perception of the brand is not affected by this single situation, the accumulated knowledge of the brand will become increasingly negative with every brand crisis they encounter. The first time, people are forgiving and might not even attribute the situation to the company. Still, if the company does not act there are two risks: (I) people become annoyed if the issue is repeating itself, resulting in lost brand credibility, and (II) that the situation escalates and become noticed by mass media. Furthermore, an old flash crisis is possible to unearth again and might become harmful further down the road if the complaint is not taken seriously and the company reaction is insufficient. If the organization doesn't have the resources to keep a dialogue with their customers and handle the potentially large amount of comments that are posted on their fan page, our findings imply that companies should re-evaluate whether they should have a Facebook page, as the customer relationship setbacks could outweigh the benefits.

### 5.3.2 HOW TO HANDLE A FLASH CRISIS

Since the results are not unanimous it is not possible to give a definite answer as to how flash crises should be dealt with on Facebook. Some results and indications were however found and a model for how to deal flash crises was created.

There are generally three types of complaints: (I) complaint due to product/service failure (II) complaint based on wrong facts (III) complaint from an angry customer whom has a problem that is not connected to a product/service failure. The first two types are generally easier to solve; apologize and compensate or correct any factual mistakes (Kullin, 2013). With regards to the third type, it is often connected to something the company has done, e.g. their CSR activities. In this thesis, the focus has been on the latter type and when it has escalated into a flash crisis. In these cases, there are generally three types of user responses: users agreeing with the complainant, users

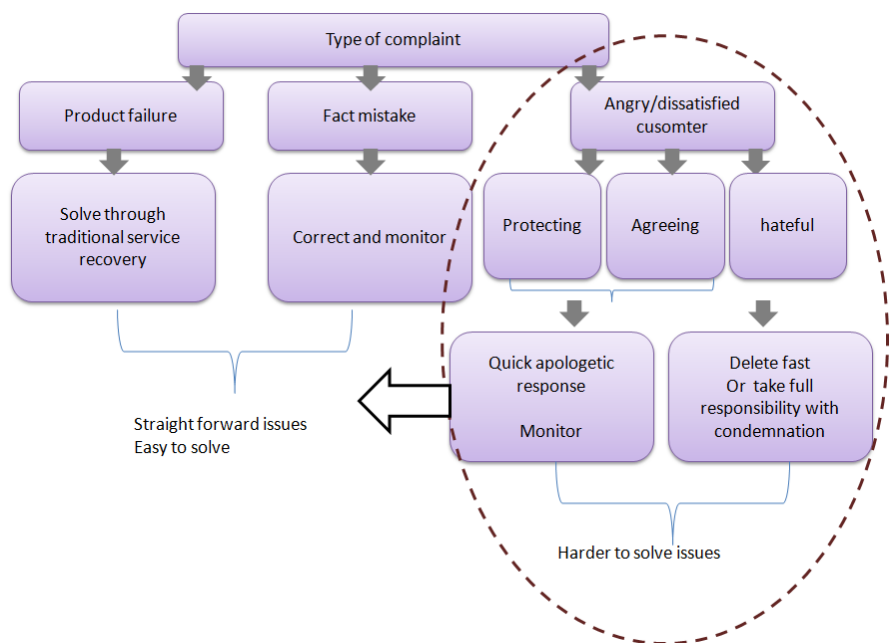


Figure 4: How to handle a flash crisis

protecting the company or users provoking a fight by being hateful. According to the findings, the best approach to deal with the first two scenarios is to respond with an apology and explanation, taking the complaint seriously and continue to monitor the development to make sure that it does not turn into the third type (hateful). When trolls and haters appear, a different approach is most effective. The findings indicate that such comments are not attributed to the brand, but without any action the risk is that it can fill the fan page with hateful content and create a chain reaction that could potentially become associated with the brand, as in the H&M case. Furthermore, a conversation with these users is pointless as they feed on attention and the risk is that companies will fuel the discussion by trying to have a dialogue. Thus deleting such comments fast and creating guidelines for what type of content users are allowed to post on the fan page, stating that offensive and irrelevant material will be deleted, is the best way of handling such incidents. However, if the crisis has gone so far as to let private individuals become seriously attacked and insulted, a condemning response is needed, where the company takes responsibility for the matter. See figure 4 for illustration.

As a suggestion, companies could use the filters and algorithms available to ensure that these types of comments are not posted in the first place as well as monitor the forums carefully to be able to delete them quickly (Östmar, 2013).

## **5.4 CRITICISM OF THE STUDY**

This study has investigated a flash crisis' impact on brand evaluations depending on the nature of the discussion and company reaction, as well as how these situations can impact intention to engage in eWOM and the direction of it. We found little evidence of that these types of snowballing situations have an impact on the everyday consumer, but that the company response has some effect. Criticism will be made of the choice of brands, manipulations, sample and the experiment.

A discussion can be raised considering the chosen brands; a fashion brand and a car brand, since they both have high recognition amongst respondents it could have been an issue since the perception of the brands is too strongly secured in their minds of people. On the other hand, well known brands usually have more followers and are thus more likely to find themselves in such a situation. Hence it is of more relevance and interest to understand how this type of crisis affects a brand that has a high probability of being subjected to these situations.

The chosen manipulations can be challenged in two ways. Firstly, the manipulation was supposed to show a situation that had snowballed out of proportion, from a minor complaint to

a large discussion involving thousands of comments and even more likes. To keep the manipulations as similar as possible and only adapting the comments we examined – user comment scenario and company response – the number of likes and comments were kept constant. Keeping the number of likes constant can be confusing for respondents examining the manipulation carefully, since a large number of likes is conflicting with the disagreeing comments such as the ones in the protecting and hateful scenarios. Nonetheless, we found that keeping the number of likes constant between the manipulations was the best way of investigating our chosen topic since having different number of likes would either mean having to double the amount of manipulation groups or having different amounts of likes in the different scenarios. Doubling amount of manipulation groups would have been outside the scope of this study, hence not an appropriate solution. Using different amount of likes in the differing scenarios would mean that we would not be able to track the results to whether they depended on the number of likes or the user comments made. Consequently, we chose to keep the number constant, since the impact of user comments was what we were most interested in examining. Furthermore as we chose to use the snowballing situation as a take-off point, having a large number of likes and comments was a given. To make sure that the situation was as close to reality as possible we looked at and replicated the number of likes and comments of a similar occurrence. Additionally the manipulations' credibility was ensured in the pre-test phase.

Secondly the respondents received a manipulation with one complaint with a fixed number of likes and number of comments as well as two user comments and one company response, or lack of company response. By this, it could be argued that the amount of information to take in was too large and complicated and hence the respondents were unable grasp all the different information. On the other hand it could be argued that there was too little information displayed in the manipulations as in reality a user will be able to scroll backwards in the conversation and take part of a larger number of comments. Hence we decided that two user comments were most appropriate since it would be more than one user commenting in a certain direction and demonstrating a type of “discussion” but still trying to keep the information on a low level.

Critique can also be subjected to the sample. By increasing the number of respondents, the significance levels could have been increased and thus also the reliability of the results. 535 respondents participated in this study, dividing this into all the different types of manipulations there are only approximately 30-40 respondents in each group. To overcome the problem of small groups we created larger groups, depending on e.g. user comment scenarios to test some hypotheses. The problem with this method is that if brand evaluations are negatively affected by

the hateful comments and companies can rectify this by giving condemning replies (or deleting the thread) these manipulations might exclude each other, thus leaving us with no impact on brand evaluation. Furthermore, the sample is primarily made up by people from the Stockholm area; a large portion was also younger, with a mean age of 28. Thus there might be a problem with the sample being less affected by flash crises, due to them being young city people. On the other hand, younger people use Facebook and social media to a larger extent than older people, making them the primary target for brands in social media. Furthermore all respondents were randomly allocated to the different manipulations to ensure that there were no differences between the groups and results comparable.

Finally, some concerns about the experiment execution can be made. As in most experiments, it is difficult to make the manipulations as lifelike as possible. The manipulation was presented to appear like a real Facebook wall-post while at the same time removing all distracting information surrounding the situation. The experiment was nevertheless not conducted in a real Facebook feed but in a survey. This could potentially be problematic as such situations are expected to have more impact when liking or commenting somehow involves one's friends. Furthermore, for the answers that were collected online, it is impossible to control the environment that the respondent was answering the survey in. This was controlled by looking at the time it took for each respondent to answer the questions, examining responses that were either two slow or quick for anything eye-catching. For the answers collected on paper we discarded the answers from respondents that had a difficult time understanding the questions and had to ask many questions.

## **5.5 FUTURE RESEARCH – WHERE DO WE GO FROM HERE**

As we have seen in the criticism of the study there are some limitations in the study that would be interesting to test and see whether they could have an impact. Despite the issue being more widely spread amongst more well-known brands ending up in a flash crisis, smaller brands are supposedly less resilient towards any type of crisis, which could have a devastating outcome (Dawar & Lei, 2008). Thus for future research it would be interesting to conduct a similar study investigating whether or not a flash crisis has more of an impact on less known brands or if users only pay limited attention to what happens in social media in general. Additionally the type of crisis we chose to investigate was of a CSR nature, since these are issues that are becoming more and more important for many companies (PwC, 2010). For future studies it would be interesting to pick a crisis that is more closely connected to brand associations, e.g. a CSR issue could be appropriate for a brand that is associated with taking responsibility. By using

a crisis that is connected to the brand's associations one would expect the crisis to have a larger impact on the brand evaluations since the crisis is more relevant (Dawar & Lei, 2008). If not, this could again indicate that people do not pay attention to what happens in social media. It would also be interesting to create a live experiment, where the situation is happening in the participants' own network, as studies show that we are more likely to be affected by people who are similar to us (Cialdini, 1984). If the person commenting is a person we trust and believe is credible, the probability of us attributing the message to the brand and not the writer increases (Hovland and Weiss, 1951). Furthermore it would be interesting to create an empirical study going deeper into how they have been handled by the company and if there have been any lasting impact made by the incidents; have the companies changed how they handle complaints and issues that arise in social media? Have they created an efficient structure for internalising complaints from social media into the organisation?

Previous research has looked into how one-way versus two-way dialogue affect brand evaluation on Twitter and found that although it does not hurt the brand, a two-way dialogue is preferred (Colliander et al., 2012; Kocken & Skoghagen, 2009). This is consistent with our findings that show that giving a response is positive for relationship building. However it would still be interesting to examine the effect of companies actively turning off the commenting function, not just avoiding answering comments. Investigating if there is a negative effect since companies are expected to be conversational in social media or if it could be positive when a company does not have the will, desire or resources to converse.

There have been studies made on the motives behind the initial eWOM (Hennig-Thurau et al., 2004). In this study we did not investigate the primary motives to spread the complaint. This study only investigates if people would engage in eWOM and how they would engage in it. Therefore, there is more research to be done connected to situations that snowball from a small comment to a widespread phenomenon; what are the motivations to discuss and share information in one's own network where all your friends and family can take part? Are these dissimilar from the motives to engage, read and comment (Hennig-Thurau et al., 2004; Hennig-Thurau & Wlash., 2003) in forums dedicated to discuss products where people actively look for the discussion?



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## INTERVIEWS

Jeanette Fors-Andrée, 2013

Hans Kullin, 2013

Mattias Östmar, 2013

## 7. APPENDIX

### APPENDIX 1: INTERVIEW QUESTIONS

- Tell us about what you work with
- Should companies be present in social media? What is your view?
- How do companies handle crises that evolve in social media today?
- How should companies deal with crises that evolve in social media?

### APPENDIX 2: MANIPULATIONS

In the following appendix three manipulation examples are displayed to portray the different surveys that were distributed. All types of user comments and company responses are displayed but not all combinations.

#### MANIPULATION EXAMPLE 1 FASHION BRAND, AGREEING SCENARIO AND UNAMBIGUOUS SUPPORTIVE RESPONSE



The screenshot shows a Facebook page for a clothing store. The post has 13,937,887 likes, 192,242 comments, and 228,641 shares. The post text reads: "Clothing Store Fashion and quality at the best price." Below the post, there are three user comments and one company response. The first comment is from Kim Holmlund, who expresses dissatisfaction with the store's pricing and quality. The second comment is from John Ford, who agrees with Kim and calls for a boycott. The third comment is from Maria Ericson, who criticizes the store for not addressing societal issues. The company response is a supportive reply to Kim, acknowledging the issue and providing contact information for further information.

**Facebook Post:**

facebook Search for people, places and things

13,937,887 likes · 192,242 talking about this · 228,641 were here

Clothing Store  
Fashion and quality at the best price.

About Photos

**Comments:**

**Kim Holmlund** I always used to buy clothes from [redacted] because they are nice and have really low prices. But when I read about the low wages you pay to your workers I get really upset!!! I will never buy your clothes again!!

Like · Comment · March 2 at 3:12am

**John Ford** I agree! We should all stop buying [redacted] clothes until they increase the wages!

March 2 at 7:14pm via mobile · Like

**Maria Ericson** [redacted] has a responsibility as a company to think about the societal issues related to low wages. Unfortunately I don't think [redacted] will learn until people stop buying their clothes! :(

March 3 at 12:32am · Like

**Company Response:**

[redacted] Thank you Kim for your comment. We value your opinion and are sorry that you feel that [redacted] is a socially irresponsible company. We find this issue very important and try our best to help our suppliers fulfill the standards we set for them. If you are interested in further information about the work we do, please visit our website [www.\[redacted\].se/socialprojects](http://www.[redacted].se/socialprojects) /Lisa at [redacted]

8 minutes ago · Like

Write a comment...



## MANIPULATION EXAMPLE 2 FASHION BRAND, HATEFUL SCENARIO AND UNAMBIGUOUS SUPPORTIVE RESPONSE WITH CONDEMNING PART

facebook
Search for people, places and things




13,937,887 likes · 192,242 talking about this · 228,641 were here

Clothing Store  
Fashion and quality at the best price.




About

Photos



**Kim Holmlund** I always used to buy clothes from [REDACTED] because they are nice and have really low prices. But when I read about the low wages you pay to your workers I get really upset!!! I will never buy your clothes again!!

Like · Comment · March 2 at 3:12am

6,358 people like this.

54 shares

View 2,054 more comments



**Maria Ericson** Duuhh, what do you expect?! Like you said yourself, their clothes are cheap → Cheap labour! Stupid idiot!

March 2 at 7:14pm via mobile · Like



**John Ford** Kim, go kill yourself! No one wants to hear your annoying opinion! You deserve to die a long and painful death!!

March 3 at 12:32am · Like

[REDACTED] Thank you Kim for your comment. We value your opinion and are sorry that you feel that [REDACTED] is a socially irresponsible company. We find this issue very important and try our best to help our suppliers fulfill the standards we set for them. If you are interested in further information about the work we do, please visit our website [www.\[REDACTED\]/socialprojects](http://www.[REDACTED]/socialprojects) We also wish to say that [REDACTED] does not tolerate offensive comments and personal attacks on our Facebook page like the ones in this thread.

/Lisa at [REDACTED]

8 minutes ago · Like

Write a comment...



### MANIPULATION EXAMPLE 3 CAR BRAND, PROTECTING SCENARIO AND AMBIGUOUS RESPONSE

facebook

1,344,035 likes · 102,830 talking about this

Cars  
[redacted] is as committed to quality as it is to its customers. We value your opinions. Please join our community and continue the dialogue.

About – Suggest an Edit

Photos

Welcome

**Kim Holmlund** Hi [redacted], how can you keep building cars like [redacted] that uses so much gas when we are facing an environmental crisis? To me this is scandalous!

Like · Comment · March 2 at 3:12am

6,358 people like this.

54 shares

View 2,054 more comments

**John Ford** [redacted] is actually working a lot to improve the environment. They have a lot of green initiatives such as tree plantations and cars that are a lot more fuel-efficient.

March 2 at 7:14pm via mobile · Like

**Maria Ericson** People should be able to make their own decisions; it's not the company's responsibility. If people wouldn't buy them [redacted] wouldn't sell them.

March 3 at 12:32am · Like

[redacted] The [redacted] is very popular. If people value environmentally friendly cars there are other options such as the [redacted]. Compared to just a couple of years ago we have come a long way.  
/Lisa at [redacted]

8 minutes ago · Like

Write a comment...

## APPENDIX 3: THE SURVEY

### How familiar are you with BRAND?

	1	2	3	4	5	6	7	
Not Familiar	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Very Familiar

### What do you think about BRAND?

	Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
I have a clear image of BRAND	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am sure of my opinion of BRAND	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
My view of BRAND is decided	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
My previous encounters with BRAND are positive	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

### What do you think about BRAND?

	1	2	3	4	5	6	7	
Dislike	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Like
Negative	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Positive
Bad	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Good
Unconvincing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Convincing
Untrustworthy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Trustworthy
Dishonest	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Honest
Backward thinking	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	New thinking
Old fashioned	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Modern
Regressive	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Innovative

### To what extent do you agree with the following statements?

	Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
BRAND invests time in its customer relationships	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
BRAND invests money in its customer relationships	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
BRAND cares about its customers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
BRAND is available for its customers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
BRAND is leading within its field	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
BRAND is successful	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
BRAND holds a high quality	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
BRAND is smart	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**Are you a customer?**

- ☐ I buy most of my clothes from BRAND  
☐ I buy some of my clothes from BRAND  
☐ I seldom buy clothes from BRAND  
☐ I never buy clothes from BRAND

**How likely is it that you would...**

	Very Unlikely	Unlikely	Somewhat Unlikely	Undecided	Somewhat Likely	Likely	Very Likely
Buy a product from BRAND	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Recommend buying a product from BRAND	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Talk about a product from BRAND	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**What do you think about the original post from Kim?**

	Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
I agree with Kim's comment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I think Kim is right	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I think Kim's comment is justified	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**What do you think about Kim's post?**

	1	2	3	4	5	6	7	
Dislike	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Like
Negative	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Positive
Bad	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Good
Unconvincing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Convincing
Untrustworthy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Trustworthy
Dishonest	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Honest

**How likely is it that you would like, share or comment on the post?**

	Very Unlikely	Unlikely	Somewhat Unlikely	Undecided	Somewhat Likely	Likely	Very Likely
Like	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Share	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Comment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**If you would comment, would you...**

	Very Unlikely	Unlikely	Somewhat Unlikely	Undecided	Somewhat Likely	Likely	Very Likely
Agree with Kim	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Protect BRAND	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Be hateful towards Kim	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**The following section is about you and your social media habits**

**Do you have a Facebook account**

- ☐ Yes
- ☐ I used to but deleted my account
- ☐ No

**Which social media do you use? Please check all that apply**

- ☐ Facebook
- ☐ Google +
- ☐ Twitter
- ☐ Instagram
- ☐ Tumblr
- ☐ Pinterest
- ☐ Youtube
- ☐ Flickr
- ☐ Other

**How often do you log in on Facebook per week on average?** \_\_\_\_ Log-ins per week

**How often do you create a post, like, share or comment anything on Facebook per week on average?** \_\_\_\_  
Activity per week

**I am**

- ☐ Female
- ☐ Male
- ☐ Other

**Age** \_\_\_\_

**Occupation**

- ☐ Working
- ☐ Studying
- ☐ Other

**APPENDIX 4: SAMPLE DEMOGRAPHICS AND SOCIAL MEDIA HABITS****Respondent Social media habits**

	N	Social Media Accounts	FB logins/ week	FB Activity/ week
Agreeing/ Ambiguous response	32	3	55	14
Agreeing/ Ambiguous stonewalling	36	3	36	14
Agreeing/ Unambiguous stonewalling	38	3	49	9
Agreeing/ Unambiguous support	31	3	38	9
Protecting Ambiguous response	40	3	56	10
Protecting/ Ambiguous stonewalling	39	3	60	9
Protecting Unambiguous stonewalling	32	3	47	10
Protecting Unambiguous support	32	3	63	8
Hateful/ Ambiguous response	41	3	46	15
Hateful/ Ambiguous stonewalling	36	3	50	10
Hateful/ Ambiguous response + Condemning	32	3	48	8
Hateful/ Unambiguous stonewalling	41	3	52	6
Hateful/ Unambiguous support	33	3	99	22
Hateful/ Unambiguous support + Condemning	32	3	55	10
Control Group	40	3	51	11
<b>Total</b>	<b>535</b>	<b>3</b>	<b>55</b>	<b>11</b>

**Facebook Users**

	User	Previous User	Non User
Agreeing/ Ambiguous stonewalling	91.70%	2.80%	5.60%
Agreeing/ Unambiguous stonewalling	97.40%	2.60%	0.00%
Agreeing/ Unambiguous support	96.80%	3.20%	0.00%
Agreeing/ Ambiguous response	90.60%	0.00%	9.40%
Hateful/ Ambiguous stonewalling	94.60%	0.00%	5.40%
Hateful/ Unambiguous stonewalling	95.10%	2.40%	2.40%
Hateful/ Unambiguous support	94.80%	3.00%	2.10%
Hateful/ Unambiguous support + Condemning	93.80%	3.10%	3.10%
Hateful/ Ambiguous response	92.70%	0.00%	7.30%
Hateful/ Ambiguous response	100.00	0.00%	0.00%

+ Condemning	%		
Protecting/ Ambiguous stonewalling	92.30%	5.10%	2.60%
Protecting/ Unambiguous stonewalling	93.80%	0.00%	6.30%
Protecting/ Unambiguous support	93.80%	0.00%	6.30%
Protecting/ Ambiguous response	92.50%	2.50%	2.50%
Control Group	95.00%	0.00%	5.00%
Total	93.70%	1.70%	4.50%

#### Age and Gender Distribution

	Age	Female	Male	Other
Agreeing/ Ambiguous stonewalling	32	44.4%	55.6%	0.0%
Agreeing/ Unambiguous stonewalling	27	55.3%	42.1%	2.6%
Agreeing/ Unambiguous support	28	61.3%	35.5%	3.2%
Agreeing/ Ambiguous response	25	53.1%	46.9%	0.0%
Hateful/ Ambiguous stonewalling	28	61.1%	38.9%	0.0%
Hateful/ Unambiguous stonewalling	26	63.4%	36.6%	0.0%
Hateful/ Unambiguous support	30	60.6%	36.4%	3.0%
Hateful/ Unambiguous support + Condemning	29	56.3%	43.8%	0.0%
Hateful/ Ambiguous response	27	48.8%	51.2%	0.0%
Hateful/ Ambiguous response + Condemning	27	68.8%	28.1%	3.1%
Protecting/ Ambiguous stonewalling	27	69.2%	30.8%	0.0%
Protecting/ Unambiguous stonewalling	29	56.3%	43.8%	0.0%
Protecting/ Unambiguous support	31	59.4%	40.6%	0.0%
Protecting/ Ambiguous response	27	52.5%	45.0%	2.5%
Control Group	29	60.7%	39.3%	0.0%
Total	28	58.7%	40.4%	0.9%

#### Occupation

	Working	Studying	Other
Agreeing/ Ambiguous stonewalling	44.4%	47.2%	8.3%
Agreeing/ Unambiguous stonewalling	42.1%	55.3%	2.6%
Agreeing/ Unambiguous support	32.3%	67.7%	0.0%
Agreeing/ Ambiguous response	50.0%	50.0%	0.0%
Hateful/ Ambiguous stonewalling	38.9%	55.6%	5.6%
Hateful/ Unambiguous stonewalling	61.0%	39.0%	0.0%

Hateful/ Unambiguous support	39.4%	51.5%	9.1%
Hateful/ Unambiguous support + Condemning	37.5%	62.5%	0.0%
Hateful/ Ambiguous response	46.3%	53.7%	0.0%
Hateful/ Ambiguous response + Condemning	21.9%	78.1%	0.0%
Protecting/ Ambiguous stonewalling	38.5%	61.5%	0.0%
Protecting/ Unambiguous stonewalling	59.4%	37.5%	3.1%
Protecting/ Unambiguous support	59.4%	37.5%	3.1%
Protecting/ Ambiguous response	34.4%	59.4%	6.3%
Control Group	40.0%	60.0%	0.0%
Total	41.5%	56.1%	2.4%

## APPENDIX 5: BRAND EVALUATIONS AND PURCHASE INTENTION

### Brand Evaluation and Purchase intention

	N	Brand Credibility	Customer Relationship	Brand Attitude	Purchase Intention
Manipulation Groups	496	4.58	4.55	4.91	4.44
Control Group	40	4.78	4.59	4.88	4.60
Sig.		0.30	0.81	0.89	0.63

## APPENDIX 6: eWOM INTENTIONS BY MODERATOR

Difference between respondents who don't-agree vs. agree in eWOM							
		Don't Agree		Agree		Difference	Sig. (2-tailed)
		N	Mean	N	Mean		
eWOM Like	Agreeing	64	1.61	73	2.93	1.32	0.00
	Hateful	94	1.70	122	2.61	0.91	0.00
	Protecting	75	1.43	68	3.03	1.60	0.00
eWOM Share	Agreeing	64	1.45	73	2.14	0.68	0.00
	Hateful	94	1.48	122	1.79	0.31	0.06
	Protecting	75	1.37	68	2.35	0.98	0.00
eWOM Comment	Agreeing	64	2.00	73	2.29	0.29	0.27
	Hateful	94	1.93	122	1.89	-0.03	0.88
	Protecting	75	1.83	68	2.81	0.98	0.00