



**SCHOOL OF
ECONOMICS &
MANAGEMENT
LISBON**

**MASTER OF SCIENCE IN
MARKETING**

**MASTERS FINAL WORK
DISSERTATION**

CRISIS MANAGEMENT IN A SOCIAL MEDIA
ENVIRONMENT FROM A PUBLIC RELATIONS
PRACTITIONERS PERSPECTIVE

PEDRO CARLOS DA CUNHA TEIXEIRA DA SILVA

SEPTEMBER - 2013



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SEPTEMBER - 2013

Resumo

Este Trabalho Final de Mestrado propõe-se a explorar a Gestão de Crise num ambiente de *Social Media*, da perspectiva dos Profissionais de Relações Públicas. Nos dias que correm, as organizações revelam um problema: Mostram não estar preparadas para a evolução continua do *Social Media*, considerando-a muitas vezes como uma ameaça, quando esta, se bem gerida, poderá ser uma oportunidade. Isto leva a que por vezes surjam crises neste ambiente, que seriam perfeitamente evitáveis.

O nosso objectivo é identificar os mecanismos de Gestão de Crise num ambiente *Social Media*, da perspectiva dos Profissionais de Relações Públicas. Propomo-nos a responder à seguinte questão de investigação: “Como é que os Profissionais de Relações Públicas gerem uma crise num ambiente *Social Media*?”

O método escolhido para responder a esta questão foi um Estudo de Caso exploratório, que ocorreu em três agências de comunicação que trabalham com *Social Media*, gerindo as redes sociais dos seus clientes.

Com este estudo obtivemos um conjunto de sete variáveis consideradas relevantes pelas agências de comunicação, e que permitirão às organizações estarem melhor preparadas para prevenir, gerir e solucionar uma crise num ambiente *Social Media*, proporcionando uma contribuição importante para as empresas com maior dificuldade em fazer esta gestão, ou que ainda não estão presentes no *Social Media*.

Palavras-Passe: *Social Media*, Gestão de Crise, Profissionais de Relações Públicas

Abstract

This Masters Final Work proposes to explore Crisis Management in a Social Media environment from a Public Relations (PR) Practitioners perspective. Currently, organizations are facing a problem: They have shown unpreparedness to the continuous evolution of Social Media, when it can be an opportunity if properly managed. This sometimes leads to crises arising in such an environment, which could be easily avoided.

Our objective is to identify the mechanisms of Crisis Management in a Social Media Environment, from a PR Practitioners perspective. We propose to answer the following research question: “How do PR Practitioners manage crisis in a Social Media Environment?”.

The method chosen to answer the research question was an exploratory Case Study, which win three communication agencies working with Social Media, managing their customer’s social networks.

With this study we obtained a set of seven variables, considered by the communication agencies as relevant, that will enable organizations to prevent, manage and remediate a crisis in a Social Media environment, making an important contribution to companies that are having difficulties in this topic, or that are not yet present in Social Media.

Key Words: Social Media, Crisis Management, PR Practitioners

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I. Introduction

Over the past few years Social Media has achieved great importance in the business environment, having an impact on business processes. This change has happened mainly due to the use of Social Networks, enabling the opportunity to obtain user feedback.

“Crises are unpredictable, but do not have to be entirely unexpected. Thus, while not all can be prevented, managers should develop and embed a wide range of resilience-building processes and activities to enable an organization to both prevent and mitigate the impact or duration of those crises that do occur” (Cockram & VanDenHeuvel, 2012, p.8).

Pre-crisis preparation involves Crisis Management planning and the creation of structures to deliver a crisis response. A Crisis Management Team must be supported by a Crisis Management plan or manuals.

According to the Harvard Business Review (Ennes, 2013), currently fifty eight percent of companies already use Social Media, while twenty one percent are preparing to do so. In fact, Time Magazine (2013) considered it as the most powerful tool any business owner can use to engage customers and drive revenue growth.

Social Networks are also growing and triggering the need to think about Crisis Management, due to their characteristics. Facebook is already part of the 100 most powerful brands in the world (Forbes, 2013), with an overwhelming number of 1.15 billion active members, with a growth of about twenty three percent compared to last year (Facebook, 2013).

Social Media is certainly a part of this crisis equation and is contributing to the increased media scrutiny present today (Gonzalez-Herrero & Smith, 2010).

There is a general consensus in the reviewed literature that crisis communication plans are very important and that companies should implement them (Gonzalez-Herrero & Smith, 2010), and many studies on how to manage a crisis, its phases, tools, or the impact it may have in an organization. However, in a time when Social Media are increasingly taking the lead in communication between a company and its customer, especially through social networks, it is necessary to understand the particularities of this new environment, and adapt the way companies communicate, creating an online action plan. Not only will they be better prepared for future crises, but they'll also be able to avoid many of them.

Our objective is to identify the mechanisms of Crisis Management in a Social Media Environment, from a PR Practitioners perspective. We propose to answer the following research question: "How do PR Practitioners manage a crisis in a Social Media Environment?".

The method chosen to answer the research question was an exploratory Case Study, which occurred in three communication agencies working with Social Media, managing their customer's social networks.

This masters final work is structured in five chapters. The first one is the introduction. In the second chapter, we present the literature review, where we employ a theoretical basis derived from an analysis of collected articles related to Social Media and Crisis Management. The third chapter corresponds to the methodology that was used in this study. The Case Study begins in the fourth chapter, where we begin by presenting the three companies where the interviews were held, and then analyze the most relevant

variables for the research. Finally, in the fifth chapter we draw conclusions and describe the limitations encountered in the preparation of the dissertation, as well as future studies that can be pursued based on the present one.

II. Literature Review

1. Crisis Management

There are several definitions of an organizational crisis. Fearn-Banks (2007, p.1) describes it as “a major occurrence with a potentially negative outcome affecting an organization, company or industry as well as its publics, products or good name”.

But the definition which assembles a broader consensus among authors is that a “crisis can be defined as a short term, undesired, unfavorable and critical state in the company which arose from both internal and external causes and which threatens the further existence and growth of the company” (Dubrovski, 2007).

Jaques (2007) believes that the main causes of a crisis are poor maintenance practice, human error, poor planning, material failure, unethical or dishonest behavior, unresponsive culture, lack of leadership, bad judgment, or insufficient training (not training of the Crisis Management team but perhaps of maintenance workers or designers or accountants).

Organizational crisis must be considered as an inevitable part of business and cannot be separated from regular business activity (Mitroff, 2001), and can threaten the reputation and the survival of an organization (Seymour & Moore, 2000).

Pearson and Mitroff (1993) had already realized that the importance of a strategic crisis preparation was growing, as it was becoming a crucial factor of survival for any

organization and according to Marra (1998) we can find that many crises that have been poorly managed weren't following a crisis plan¹.

As there have been many changes in the Crisis Management panorama, traditional plans and training methods are proving to be ineffective, and therefore, it is necessary to adopt a new Crisis Management approach (Robert & Lajtha, 2002).

Thus, there are some specific tools that can be used during a crisis planning process, so companies can be better prepared and know how to respond effectively and timely to a crisis:

Assessments - Conducting a comprehensive assessment is the starting point to identify loopholes and develop an action plan.

Training – Experience and skills are a key element throughout the process of crisis response, from the switchboard response to callers, to communicating with the mass media effectively and protecting reputation.

Certification - Companies are now adopting the certification of Crisis Management skills for staff and management to ensure everyone in the organization has the required skills, given that workstations can suffer a lot of changes and it's important to routinize training and retraining.

Practice and testing - Regardless of whether crisis plans are used or not, it is important to draft them, because even though many crisis plans were never even tested, companies are still practicing, discovering gaps and solving them (Sapriel, 2003).

¹ “A crisis plan is a manual, a blueprint, a road map out of dangerous woods. It covers everything from A to Z on how to manage types of crises” (Fink 1986, p.56).

As stated by Pearson and Mitroff (1993), there are five Crisis Management phases: (i) signal detection, (ii) preparation/ prevention, (iii) containment/damage limitation, (iv) recovery, and (v) learning. However, some authors only consider a simplified four-stage process of reduction, readiness, response and recovery. 'Signal Detection' and 'Preparation/Prevention' constitute proactive phases of Crisis Management. If done properly and successfully, these activities can prevent many crises from occurring in the first place. 'Containment/Damage limitation' and 'Recovery' are reactive activities carried out after a crisis has happened and together they are called 'Crash Management'. 'The learning phase' points to the interactive aspect of Crisis Management. It can arise either as part of a Crisis Management plan in the absence of crisis or as a result of the experience of a crisis (Elsubbaugh, Fildes & Rose, 2004).

Reilly (1993), has offered further refinements on preparedness when she suggested crisis readiness activities should incorporate both crisis prevention and Crisis Management components. The prevention component involves technology and people focused activities to reduce vulnerability to crisis, while the Crisis Management component involves responding to a crisis. Reilly (1993) suggested that the Crisis Management phase requires the capability for decision response, information flow both internal and external, and resource mobilization and implementation.

More recently, attention has been drawn to behavioral readiness as a crucial element of Crisis Management. Smits and Ezzat (2003), cited by Elsubbaugh *et al.* (2004), showed that leadership and team building were crucial elements of effective handling of crisis and point to the importance of meaningful human infrastructure development. In focusing on the preparation for unforeseen events, Andersen (2003) showed how it

becomes possible to derive a picture of future risks and how an organization can be best prepared for them.

Knowing what can cause a crisis, and after analyzing its process, it's also important to understand its aims, which according to Heath (1998), quoted by Evans and Elphick (2005), are:

- (1) To plan possible crisis events which may occur — the pre-crisis stage;
- (2) To reduce or mitigate the impacts of a crisis by improving the response management — the crisis stage;
- (3) To swiftly and effectively determine the damage caused by the crisis — the post crisis stage.

2. Social Media

This topic is divided into three subtopics. In the first one we introduce the concept of Social Media and its features. Secondly, we then give special emphasis to Social Media tools with greater importance on Crisis Management and consequently for this study, Social Networks. Finally we will contextualize Social Media in a business environment.

2.1. What is Social Media

Marchese (2007) quoted by Wigley & Zhang (2011) believes that Social Media differs from traditional media because of the way information is discovered, distributed and consumed. Others emphasize that Social Media differs from traditional media because it is cheaper and more accessible (Wright & Hinson, 2008).

Social Media was defined by Dykeman (2008), quoted by Wigley and Zhang (2011, p.1) as “a place for humans to use Internet and mobile-based tools for sharing and

discussing information”. Palen (2008, p.76) states that Social Media is related to “blogs, social networking environments, person-to-person broadcasting messaging and other Web 2.0 applications” and Kaplan and Haenlein (2010, p.61), defines it as “a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, allowing the creation and exchange of User Generated Content”.

Social Media, is often called User Generated Content media (Blackshaw & Nazzaro, 2006), because people can create content, share and bookmark content and network at an impressive speed (Asur & Huberman, 2010). According to these authors, Social Media emerges as a phenomenon with a huge impact on tools and strategies within customer’s relationships. This happens due to a great amount of online word-of-mouth forums, such as blogs, company-sponsored discussion boards and chat rooms, consumer-to-consumer e-mail, consumer product or service rating websites and forums, internet discussion boards and forums, moblogs (sites containing digital audio, images, movies, or photographs), and social networking websites (Mangold & Faulds, 2009). Facebook, MySpace, Tripadvisor or Twitter are some well-known examples (Blackshaw & Nazzaro, 2006).

2.2. Social Networks

According to Boyd and Ellison (2007) social networks are sites as web-based services that allow individuals to (1) construct a public or semi-public profile within a bounded system, (2) articulate a list of other users with whom they share a connection, and (3) view and traverse their list of connections and those made by others within the system.

The main singularity of Social Networks is to allow users to articulate and make their social networks visible, making possible connections between individuals that would not exist otherwise (Haythornthwaite, 2005).

According to eMarketer (2013), a digital marketing analysis firm, and shown in figure 1 shows, Facebook is the number one social network by a large margin, followed by Google+, Youtube and Twitter. However, in our opinion, Facebook and Twitter have greater importance for this study in particular, as Google+ is much more recent than the others (2011), and Youtube (video sharing) doesn't offer such great interaction between organizations and consumers.

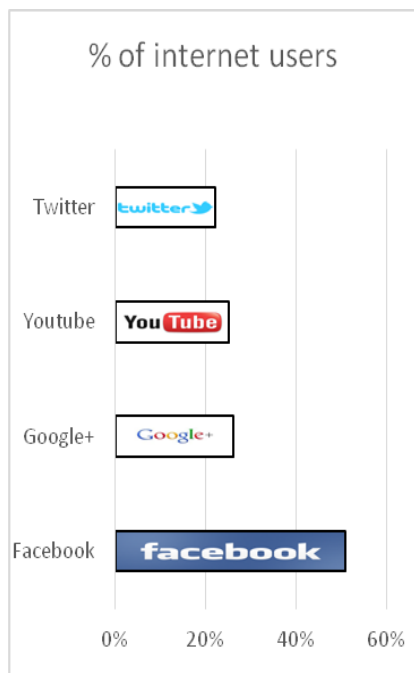


Figure 1 – % of Internet Users Worldwide.

Source: Own Elaboration according to eMarketer's (2013) study.

According Eurostat (2012), Portugal had the highest share of Social Networks users who posted content in Europe. As shown in Figure 2, about ninety six percent of the Portuguese 'online' population uses Social Networks, a higher value than the European average, which stands at eighty two percent. The same study reveals that the Portuguese spend one minute navigating in Social Networks for every four minutes spent on the internet.

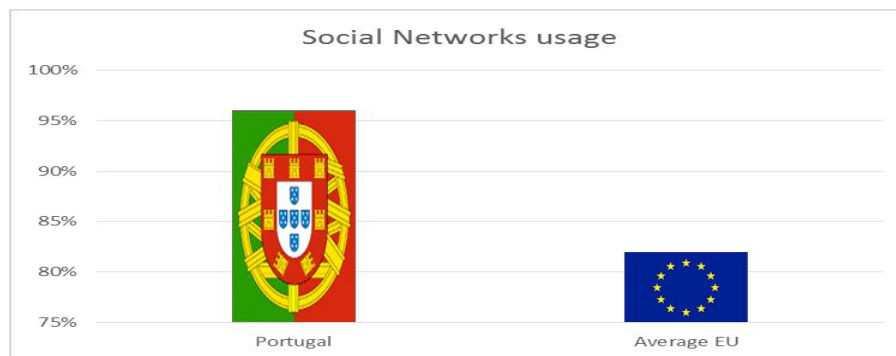


Figure 2 – Usage of Social Networks in the European Union.

Source: Own elaboration according to Eurostats's (2012) study.

These numbers show that the access of Portuguese population to Social Networks is growing. Considering all Social Networks, Facebook is the most popular, with a penetration rate of eighty five percent among the community of internet users, a value that is also located above the global average, which is fifty five percent. In Portugal, nine in ten minutes spent in Social Networks are spent in Facebook (Eurostat, 2012).

Facebook was founded in February 2004 by Mark Zuckerberg and some of his Harvard colleagues, and it was mainly intended to create a network among Harvard students, but as they changed its terms of use, it soon spread to other schools, leading it to be a

worldwide phenomenon, with the mission of “giving people the power to share and make the world open and connected” (Facebook.com, 2013).

Facebook has around 1.15 billion members, and about 699 million daily active users. The company claims the average user has 130 friends, and creates about 90 pieces of content each month, totaling more than 30 billion pieces of content shared each month (e.g. web links, news stories, blog posts, notes, photo albums etc.). People spend over 700 billion minutes per month on Facebook, with more than 200 million active users currently accessing Facebook through their mobile device, meaning they can access it everywhere they go (Heradstveit & Hagen, 2011). To better understand its dimension, if Facebook were a country it would be the third most populated in the world, after China and India (Economist, 2010).

Daily Mail (2011) believes Facebook’s success is due to looking for a more interactive online experience, in the detriment of impersonal search engines like Google or Yahoo.

Twitter was launched in June 2006, and it was intended to be a “real-time information network that connects you to the latest stories, ideas, opinions and news about what you find interesting” (Twitter- about, 2013). The small pieces of information shared on this network (limited to 140 characters) are called tweets, and can be shown as text, photo or video.

Per June 2013, Twitter had more than five hundred and fifty million active registered users, with an average number of fifty eight million tweets per day, with forty percent of Twitters only watching other people tweets.

Twitter is also an important business tool, connecting companies and customers in real time, as companies use it to share quick information about their products and services,

gather real-time market intelligence and feedback, build relationships with customers, partners and influencers, and to track and respond to issues before they become a real crisis (Stewart, 2008).

Twitter's importance at an enterprise level, is proven by a research from October 2010 showing that "four percent of the Tweets are connected to product recommendations/complaints"; the equivalent to two point two million tweets daily (3CSI, 2010).

2.3. Social Media in Business

Social Media purpose is to be used by consumers to educate and inform each other about products, brands, services personalities and issues. This is made easier since it's possible for one person to connect with a large number of other people, sharing information about products and their manufacturers or sellers, thus playing a major role not only in information acquisition, but also influencing awareness, opinions, attitudes, purchase behavior and post-purchase communication and evaluation (Mangold & Faulds, 2009). Customers can also use Social Media to fill a virtual complaint, allowing others to have access to information that may be detrimental to the company (Ward & Ostrom, 2006).

Social Media users take advantage of this communication capability to report their experiences with the company and if the user is an opinion leader, having a large number of followers, either in a blog, Twitter or Facebook, he/she can generate a harmful buzz to the organization, with a single negative comment. On the other hand, by allowing two-way and continuous communication with its stakeholders, it enables the organization to realize what they're doing wrong, and improve upon it, or to provide

a prompt response to a problem that arises, reinforcing relations with stakeholders (Heradstveit & Hagen, 2011).

This feedback between organizations and their customers can help prevent crisis from happening (Perry, Taylor & Doerfel, 2003).

Harrison (2000) highlights that that during the pre-crisis period, organizations needs to be aware of the possible scenarios that may take place.

One drawback relates to the fact that there's a lack of information about Social Media in the popular business press and academic literature, making it a lot harder to marketing managers to incorporate Social Media into their Integrated Marketing Communications strategies (Mangold & Faulds, 2009). Organizations will only be prepared, when they realize the importance of incorporating Social Media into their crisis plans (Ward, 2011).

“Many managers lack a full appreciation for Social Media’s role in the company’s promotional efforts. Even though Social Media is magnifying the impact consumer-to-consumer conversations have in the marketplace, methods for shaping those conversations have not yet been articulated” (Mangold & Faulds, 2009, p.358).

Many companies have regular participation in blogs, using them to update customers, employees and shareholders (Kaplan & Haenlein, 2010), but also social networks to support the creation of market communities (Muniz & O'Guinn, 2001). By using Social Media, companies can connect timely and directly with end consumers with high levels of efficiency and relatively low costs. This makes Social Media relevant not only to large multinational companies, but also for Small and Medium Enterprises (Kaplan & Haenlein, 2010).

Being a constantly changing area, and for companies to succeed, it is essential to follow a set of guidelines and rules, carefully choose the tools and applications needed, making sure they are all in tune with each other. Still, in both traditional and Social Media, the most important part is the integration of the media plan (Kaplan & Haenlein, 2010). According to Burnett (1999) one of their tasks is to produce strategic responses to crises." These planned responses are important for the information to flow quickly if a crisis occurs (Marra, 1998).

In a 2009 study, seventy three percent of 328 public relations practitioners surveyed, revealed they believe that the way they communicate with customers had changed with the rise of Social Media (Wright & Hinson, 2008).

By using Social Media, practitioners can monitor what has been said about organizations and are able to respond immediately to these issues (Porter & Sallot, 2003).

3. Crisis Management in a Social Media Environment

We have already mentioned the impact of Social Media on management processes, and the specific characteristics that distinguish this environment and make it a unique working tool. Therefore, it is important to understand how these characteristics influence the way crisis are managed.

The impact of different types of media on the effects of different strategies in response to a crisis is still understudied (eg, Coombs & Holladay, 2008), while the integration of the internet and networks for crisis communication is discussed extensively. Gonzales-Herrero and Smith (2008, p. 152) agree, stating that "crisis communication has never been as important as it is today, because there has never been so much information

available to as many people at the touch of a button". In fact, Social Media can bring big problems for an organization in the midst of a crisis (Wigley & Zhang, 2011).

Among the various definitions of crisis, we can identify one directly related with media. Fink (1986) defines crisis as an event that increases in intensity and which is given much attention by the media.

According to a study on the websites of organizations, there are several organizations that failed to fully integrate "Social Media" in their efforts to manage crises (Taylor, 2010).

However, according to Wigley *et al.* (2011), crisis communication was defined by Fearn-Banks (2007) as an interaction, whether verbal, visual or written, between a company and its stakeholders. Therefore, according to Heath, Lee and Ni (2009), cited by Freberg (2012), it is important that it includes an effective segmentation of the target audience in order to reach all those potentially affected by it.

In a crisis situation the acceptance of responsibility and apology leads to more positive reactions and raises organizational reputation of the company (Schultz *et al.*, 2011). An organization that takes responsibility and expresses solidarity with the victims is considered more noble and sympathetic (Coombs & Schmidt, 2000). Schultz *et al.* (2011) say that the strategy of apology and sympathy leads to a higher reputation than the information strategy, probably because during a crisis, the share of information is considered a required action (Coombs & Holladay, 2008).

Furthermore, it is important to define which communication tools are being used in the course of a crisis. According to Schultz *et al.* (2011), blogs and Twitter are considered efficient tools to "repair" the reputation and prevent boycott. They're considered by

many authors as instruments with great promptness and interactivity, enabling the building of relationships (Schultz & Wehmeier, 2010).

Kaufman (1988), cited by Schultz *et al.* (2011), argues the information released to the media and their audience must be accurate and timely, and states that failing to disclose certain information is losing part of control over the information flow. This could be "dangerous" as control over the information flow plays a very important role in managing a crisis, and given the current landscape of the media, which is becoming more and more social, allowing millions of people to share information in a short time, this task becomes even more complicated (Schultz *et al.*, 2011).

The comments made by stakeholders with respect to an organization lead to the concept of electronic word-of-mouth (Schultz *et al.*, 2011). If negative, they may also have a negative impact on the reputation of the company (Tucker & Melewar, 2005), and can reach the point of influencing a change on present and future buying intentions (Coombs & Holladay, 2007).

As this information is transmitted at high speed, there is no time to define prevention strategies, and as such, reactive actions should be taken in order to repair the "damage" caused by the crisis itself (Hannah, 2009).

III. Methodology

The choice of the methodology is performed based on the type of research question and the research objectives. In this case, we conducted multiple case studies. According to Yin (2009), case studies are a relevant research method when we are looking to answer “how” and “why” questions.

A literature review, using books, scientific articles and statistical data, allowed: (a) obtaining recompiled information, processed and systematized by other researchers, and (b) the identification of the relevant theoretical concepts.

The research question of this work is: How do PR Practitioners manage a crisis in a Social Media Environment?

The case study is conducted in three communication agencies that offer social networks management services. The three agencies are our research unit. We collected data through interviews (Appendix 1), documentation analysis, and the web site of the companies we interviewed. In each company we interviewed two employees that are closer to the daily basis Crisis Management, and used a data collection protocol to guide the interviews (Appendix 2). We made an exploratory approach, aiming to provide an overview of the topic under study.

In the first agency, GuessWhat, we interviewed a Founder and Managing Partner, and the Communication Director. In the second company, StepValue, we interviewed the Content Marketing and Social Media Manager, and a Community Manager. Lastly, we interviewed two Community Managers from HavasMedia.

The interviews were scheduled after contacting the company by e-mail, in July 2013. They were open and in depth, with an average length of forty five minutes, recorded

with the consent of the interviewees and transcribed in their entirety, and then summarized in short excerpts with the most relevant content to the study.

The data was analyzed without the aid of software, because we considered that it wouldn't bring any added value, since the interviews its content were "easy" to analyze, combining the excerpts and literature. To this end, we faced the most relevant excerpts from interviews with the theory, and set aside the similarities between the agencies, and the most important points of divergence.

The script was developed with the assistance of the reviewed literature and the final version was obtained after the first interview, in which the conversation was more open, which allowed us to get to some of the key points we were looking for.

IV. Case Study

1. Companies Presentation

1.1. Guess What

GuessWhat is a Portuguese communication and activation media company. It is currently present in Europe, America, Oceania, Africa and Asia, through local partners and global networks of communication companies. This company is the only Portuguese *communications consulting* and *public relations* agency, member of the GLOBALHealthPR and InfiniteLatitude™ international networks.

GuessWhat offers holistic solutions for public relations, media relations, reputation management, events, digital engagement and buzz marketing. Its services are divided into four main areas: public relations, digital, publishing and events.

GuessWhat established five key steps in their method of operation:

1. Communicate differentiation - Find the most "interesting" way to attract the attention of the target audience;
2. Communicate relevant information – Things you say and do must have impact on the target audience;
3. Promote contact with the brand and positive relationships - "You've hit the target. Your target audience is in direct contact with the brand, to absorb the messages and their specific characteristics. The participants of the action are in charge of operations, properly oriented in perceptions created. "
4. Develop evaluation processes – It is important for brands / companies to have a clear idea of perceptual reputation that audiences have about them;

5. Create ambassadors - Connection with the most loyal to the brand, as they share their experiences and convey the brand to new groups of people from various spheres of activity.

1.2. StepValue

StepValue started its activity in 2007 and up to date maintains its concept of "Web Intelligence" in daily tasks. The Lisbon-based agency works like an extension of the marketing, communication and sales team to its customers and focuses primarily in Digital Marketing to generate value for its customers, using advanced digital marketing solutions , including the design of online presence, awareness campaigns and sales activation, mobile, email marketing and social marketing. The impact on business decisions are taken in conjunction with the brand, and the company (client) follows the entire process, since StepValue prepares and provides detailed reports permanently.

Internationally, StepValue partnered with NetBooster, a network of 19 worldwide agencies.

StepValue is important for companies to have an effective strategy in online channels, using the right and easy to understand solutions to be found by your customers, because if the contact experience with the brand is memorable, customers will speak positively of it.

The Digital Marketing campaigns are intended to have an impact on two types of users:

- Active Visitors (intercepting Google searches) - People who are actively looking into the issue that is communicated in the campaign, or related topics. They're impacted mostly by text ads used in the actions of Search Marketing, placed in search engines, or through ads on sites with affinity for their interests.

- Passive Visitors (to impact with e-mail marketing and visual advertising) - People who are not actively looking at the campaign. These people are impacted by the campaign actions using text ads and image ads placed by Facebook Ads, according to the user profile and the network on Google sites, selected according to the interests of the target.

1.3. Havas Media

Havas Media Group gathers together the media talent within Havas, one of the leading global communications and marketing groups. It is made up of two media brands, Havas Media and Arena both of which work alongside Havas Sports & Entertainment, the industry's largest global brand engagement network.

All three main brands are able to benefit from the expertise within the Havas Media Group including Artemis (the group's global data management network), Mobext (mobile network), Socialyse (Social Media) and Affiperf (Havas's global trading desk). On the content marketing side they have Havas Sports & Entertainment, Cake (Paris, London, New York), Havas Hospitality and Havas Productions.

This simple corporate structure aligns with their client's needs by creating a unified culture with teams that are able to focus on delivering client value rather than reporting into large brand hierarchies.

As a result they are more agile, nimble and fast as integration to this level speeds up the flow of information.

All teams and clients have fast and full access to their specialist knowledge through their range of digital, branded content, experiential and sports brands.

2. Analysis on how companies deal with Crisis Management in a Social Media Environment

This section presents the studied communication agencies' approach about how companies deal with Crisis Management in a Social Media environment, with the assistance of a study of sixteen Communication Agencies, in Portugal, through electronic questionnaires, by GuessWhat (2012). We organize this discussion in seven topics: Prevention, Causes, Cost, Crisis Communication in Social Media (Honesty, Timing and Sensitivity), Training, Crisis Plans/Guidelines, and the importance of Social Media in Crisis Management. These topics were chosen based on the analysis of the interviews, mentioned by respondents as the most important concepts in the subject under study.

To perform this analysis we combined the reviewed literature and the excerpts of the transcribed interviews.

2.1. Prevention

According to Elsubbaugh, *et al.* (2004, p.113) “The prevention component involves technology and people focused activities to reduce vulnerability to crisis, while the Crisis Management component involves responding to a crisis”. Reilly (1993) suggested that the Crisis Management phase requires three components: the capability for decision response, internal and external information flow, and resource implementation and mobilization.

“If done properly and successfully, these activities can prevent many crises from occurring in the first place.” (Elsubbaugh, *et al.*, 2004, p.113).

According to GuessWhat's Communications Director, prevention is done by having a system for brand monitoring. "What we have is brand awareness - a monitoring system of the brand, allowing us to know what is being said about the brand, making somewhat of a "tag cloud "of the concepts which are more often associated with the use of a brand. Allows us to detect e.g. who are the opinion leaders, who became more active voices either for or against, but still talking about the brand, and to identify the media where these people manifested themselves".

The Community Manager, from StepValue, gives an example of what's being done to prevent crisis, talking about the importance of meticulously choosing the content that will be shared on social networks. "I'll start by giving an example of one of the first clients I was assigned for, Cabovisão, which had some comments about content that would pass on a particular channel, that day. We knew from the outset that the post wasn't going to generate a lot of interaction, because we didn't ask questions, to avoid having answers that could generate dissatisfaction. And yet, in a comment in which we said 'Today, sit in your living room, warm, with some popcorn', automatically generated some negative comments like 'I don't want any popcorn, all I want is to see all channels working', ie, we had to be very careful on how we should communicate. So the only prevention we did was analyzing these possible scenarios".

This is confirmed by the Community Manager of Havas Media, pointing out the importance of having standard replies ready to a given complaint. "Each plan, despite its specificities, consists in having a set of standard replies created and properly constructed towards a user complaint in a social network".

2.2. Causes

Jacques (2007) believes that the main causes of a crisis are poor maintenance practice, human error, poor planning, material failure, unethical or dishonest behavior, unresponsive culture, lack of leadership, bad judgment, or insufficient training (not training of the Crisis Management team but perhaps of maintenance workers or designers or accountants).

GuessWhat's Founder and Managing Partners believe the lack of communication skills is the main cause for the appearance of a crisis. "The main crisis situations happened not by itself but by how the brand responded".

On the other hand, Content Marketing and Social Media Manager from StepValue highlight the importance of having a good Customer Service, in order to avoid the customers from dragging their frustrations to social networks. "When a brand has a customer support service that doesn't work well, from which the client doesn't obtain a result that he likes, these dissatisfied customers use Facebook to channel all their questions and all their anger".

2.3. Cost (service cost)

All companies agree that this value depends on the services requested. It starts at five hundred euros per month, and there is a wide range of extra services that may increase this price.

"It depends, but the values are between 500 and 1000 euros depending on the number of posts they want to do a month, on whether we build content or if the client already provides it, or if the client already gives you a conducive line , or simply doesn't give

you anything, and the service becomes more creative" (StepValue, Community Manager).

"It depends on the services contemplated, the strategy set of brand integration in social networks and the number of social networks in which the brand will be present. The integration of this promotion with special actions or management of a specific project may also change prices. The minimum will be 500 euros for simple management of a Facebook website, with the strategy outlined, with a content plan and without monitoring in the week-ends. For the maximum...sky is the limit" (Havas Media, Community Manager).

2.4. Crisis Communication in Social Media

2.4.1. Sensitivity

As we mentioned earlier, in a crisis situation the acceptance of responsibility and apology leads to more positive reactions and raises organizational reputation of the company (Schultz *et al.* 2011).

An organization that takes responsibility and expresses solidarity with the victims is considered more noble and sympathetic (Coombs & Schmidt, 2000).

The Communication Director from GuessWhat tells us that the fact that someone is behind a computer or a tablet, changes the way they react to what's said by an organization. "It's an area where sensitivity, gut feeling, instinct or the sixth sense occupy a very important role, because we're always talking in very emotional territories, where people have the emotions close to the surface, where people are hiding

behind a computer or a tablet, which also causes very exacerbated reactions, very often”.

From another perspective, the Content Marketing and Social Media Manager of StepValue believe that an apology is a valuable “tool” that should only be used in special circumstances. "In my personal opinion, "apologize" shouldn't be a recurring action, so it can be used in most severe situations, where there is a major error from the brand, and to have the proper underlying strength and humbleness".

2.4.2. Timing

Kaufman (1988), cited by Schultz *et al.* (2011), argues that information released to the media and their audience must be accurate and timely, and states that failing to disclose certain information is losing part of control over the information flow.

It is generally agreed by the agencies interviewed, that timing is one of the key elements of Crisis Management in a Social Media environment.

One of the community managers from Havas Media emphasizes the importance of timing to prevent spreading the impact of a negative message. "One of the key points is surely the ease of messages propagation. In one minute, you can make a comment that generate thousands of other comments, and spread the negative impact for many people, without the brand having proper control over it! In traditional media, this spread, although it is also efficient, takes some time to take these proportions, which leaves some "free" time to think about how the brand should act”.

The Content Marketing and Social Media Manager from StepValue introduce the concept of “immediate response” as a differentiation factor for traditional media. “Online, we have a completely different timing. We have the immediate response”.

2.4.3. Honesty

According to Seeger (2009), a significant body of crisis communication research emphasizes honesty as a best practice. As noted earlier, honesty is necessary to build credibility and trust before and during a crisis.

According to the Founder and Managing Partner of GuessWhat, companies shouldn't try to hide information from customers, because that can generate a much bigger problem, if someone finds out. “There has to be honesty, transparency, and when there is a mistake, assume it. In Portugal there's always a way to ‘work around’ the issues”. “Communication is a channel for the consumer, so brands have to be transparent and honest”.

StepValue's Community Manager has the same opinion. "The type of response we give is also very important. It must be a clear answer without circling and without artifices, because that will immediately generate complaints”.

2.5. Training

There have been many changes in the Crisis Management panorama and its traditional plans and training methods are showing themselves ineffective and improper as a result, proving that a new Crisis Management approach is required (Robert & Lajtha, 2002).

Experience and skills are a key element throughout the process of crisis response, from the switchboard response to callers, to the leadership and strategic planning skills of the

Crisis Management Team, to the capability to provide support to victims and relatives and to communicating with the mass media effectively and protecting reputation (Sapriel, 2003).

Both Havas Media Community Manager, and GuessWhat's Founder and Managing Partner agree that experience and working in the field is the best training in this environment.

"I've had to deal with some crisis communication, derived from errors in contests, or ambitious projects of brands in social networks, entailing a high degree of programming a microsite which could easily lead to access errors and complaints from customers. Besides the presence of conferences and academic training, regular consultation of the scientific literature in the field of digital marketing and daily experience are the best training that a professional in this area may have to react the best way to crisis situations in a social network" (Havas Media, Community Manager).

"We do management, monitoring, evaluation, and activation of Crisis Management in social networks, because we transpose our know how of traditional media and the world of communications and public relations to the digital world" (GuessWhat, Founder and Managing Partner).

"Because we find that there's a structure, if there's a type of business that is better prepared to intervene in the digital world, it's the communication agencies and public relations practitioners. We're used to grab the same content, and direct it to various types of target, ie, even in the sphere of press relations, targets are different"(GuessWhat, Founder and Managing Partner).

2.6. Crisis Plans/Guidelines

There is a general agreement in the literature that crisis communication plans are very important and companies should have them (Gonzalez-Herrero & Smith, 2010). Furthermore, we can find that many crises that have been poorly managed weren't following a crisis plan (Marra, 1998). According to StepValue's Content Marketing and Social Media Manager, managing a crisis in Social Media demands great flexibility, even though they have a set of guidelines.

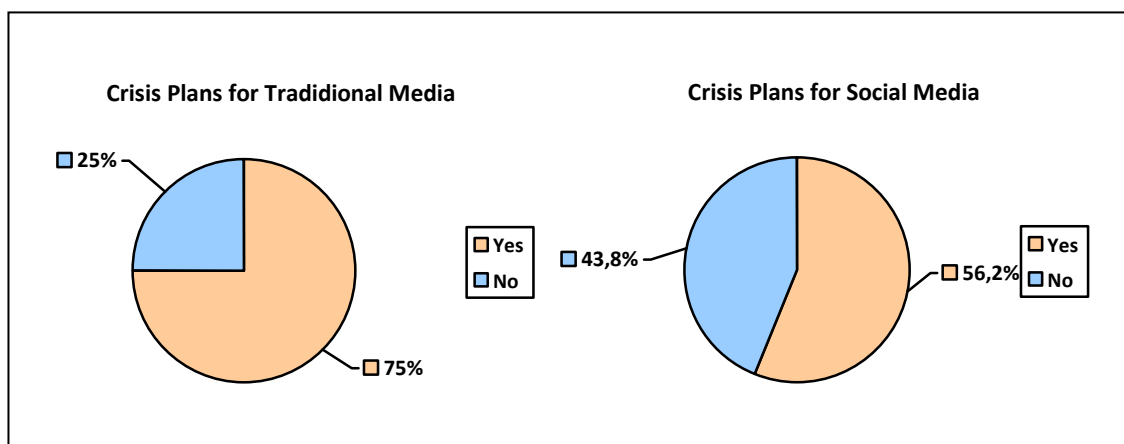


Figure 3 – Crisis plans usage in Portugal (Comparison between Traditional Media and Social Media).

Source: Study conducted in sixteen Communication Agencies, in Portugal, through electronic questionnaires, by GuessWhat (2012)).

As shown in Figure 3, there's a significant difference between the use of crisis plans in Traditional Media, comparing to Social Media, and it it's important to highlight that only almost half of the respondents admitted having Crisis Plans for Social Media.

"Let's say that we have a manual for the use of Facebook, our daily basis practice forces us to be much more flexible than what was written in the guide".

"If I find that we can decide at that moment for sure, because we have the standard reply and customer specifications, we respond immediately. If I have questions about this response, I call someone in a higher rank, so we check together with the company which is the best answer to that problem. Once you find an answer, this response is always validated by our client".

GuessWhat has a more formal process, and follows the crisis plan, even when the crisis transcends to traditional media.

"Thinking about a normal process, it involves analysis of potential scenarios, developing the digital Crisis Management dossier, definition of key messages according to the scenarios. There is an assumption that we have, which is, within an hour there must be an answer in the Facebook website. It has to be transparent. We condemn deleting posts, and we think it's the worst thing that can be done, because our digital footprint will still be there" (GuessWhat, Founder and Managing Partner).

"Development of timely responses. Analysis and monitoring during the day, which can then transcend the digital world. If you go to traditional media, it is driven a process of Crisis Management for traditional media. There is a Crisis Management team that is enabled, and that involves members of the agency and members of the company, with the communication or marketing direction. Even when we are investigating, there is always an answer" (GuessWhat, Founder and Managing Partner).

To finish this analysis, we take a look at the study conducted by GuessWhat (2012), which asked the sixteen Communications about the global importance of Social Media today, in a crisis situation. In a scale from one to ten, Communication Agencies gave an average value of seven point twenty five. Sixty two point six percent have given eight

amounts, and twelve point six percent considered Social Media as not being very important in Crisis Management with three amounts.

V. Conclusions

As we concluded by reviewing the literature, it is different to manage a crisis in a Social Media environment, compared with the traditional. There are a number of features of this tool, which requires a rethinking on how organizations communicate.

Therefore, as we decided to do interviews to executives in three communication agencies, which are PR Practitioners, with lots of experience in communication, and a portfolio of very significant brands as clients, we analyzed what makes Social Media' environment different, and how should we act to prevent, manage and solve a crisis.

After reviewing all six interviews, we are able to answer our research question: How do PR Practitioners manage a crisis in a Social Media environment?

Starting in the pre-crisis, what is being done as prevention is essentially monitoring social networks using specific software to know what is being said online about the brand, and make scenario analysis, considering answers that may arise as a response to a brand comment, and creating standard answers to prevent the spread of a negative comment. Even at this stage it is important to understand what are the main causes for the emergence of a crisis, and we've identified two as the most frequent. One cause is the dissatisfaction with a poor customer support service, leading to feelings of anger and frustration that will likely lead to a negative comment on a social network, or in the company's blog, because the customer knows that his/her message will be heard by many, and feels safer to complain, standing behind a computer or tablet. The other main cause that may be exclusive to Social Media is the companies lack of ability to communicate. This happens because this tool gives you the power to have clash of

ideas, and forces organizations to answer, knowing that what is said will be followed up by a community that may have dozens or millions of followers, and because the response has to be provided quickly. If the response is not adequate, or an answer is not even provided, that can generate a crisis which could be entirely avoidable.

Within this communication crisis, we were able to identify three key elements that must be handled carefully and particularly by companies in Social Media: Timing, Sensitivity, and Honesty.

Timing has undoubtedly gathered more consensus among respondents as the most important variable when we are communicating in an Social Media environment. This is due to the virality when subjects go online, with messages propagating at a truly frightening speed, demanding an answer, and although the answer has to be appropriate and in line with the client's vision, it must be given in record time. If it isn't, there's a risk of the message no longer making sense at the time, or having already spread as a wave of negative comments.

Sensitivity is important, as people sometimes forget what the real matter of debate is. They start getting very emotional, trying to somehow "protect the weak". Quoting GuessWhat's Communications Director: "They like to see a fight between David and Goliath," leaving the companies "defeated". To prevent this, it is necessary to choose the right words to use, avoiding ironies, and don't be afraid to accept the recognition of mistakes and then apologize, because apologizing might lead to customers feeling a greater sympathy for the brand, and may even lead to other community members to soften the effects of a potential crisis.

Lastly, we identified Honesty as another key element. We had already mentioned the importance of how you communicate, but message content must also be disclosed very carefully. In a comment seen by a community, the likelihood of someone detecting a lie or omission is much easier, and if that is shared, it will generate a rush of outrage. As such the message has to be honest, but also very clear, in order not to raise doubts and suspicion.

In the reviewed literature, we've identified four tools that should be included in the crisis plans: Assessments, Training, Certification and Practice / Testing, and after comparing this information with the one gathered from communications agencies, we found that the one that may be considered more relevant to managing a crisis in Social Media is the Training tool. If on one hand there is a consensus on the importance of experience in Social Media content management, it is also considered as important, to consult digital marketing scientific literature, attend conferences, and mainly dealing with daily basis situations.

With regard to Crisis Plans, opinions are not as consensual. On one side, we have agencies with a more formal, well defined and transversal plan, with a set of steps to be mandatorily complied, but on the other side, there is also a flexible "plan", in which there's a group of key steps, and several optional ones. This is in some ways confirmed by the study conducted by GuessWhat, which reveals that only about half of the agencies surveyed had Crisis Plans for Social Media. But there's one thing everyone agrees: each case is different, and what is adequate for one company today, may not serve the same company tomorrow.

Regarding the importance of Social Media while managing a Crisis situation, the numbers presented by the study concluded that the great majority of Communication Agencies in Portugal consider this environment as being very important, with only a small number considering it hardly important.

It is also interesting to notice how much agencies charge to provide their services, and still here, the answers converge. There is a base value of 500 euros which is charged at the outset, for managing a social network with a set of conditions defined in advance, (for example: number of posts). With a handful of services that customers can subscribe additionally, making it impossible to set a standard price, since it's suited to the needs of each company.

This dissertation has made a contribution to the Academy, as to our knowledge, it is the first one to address this topic in our country, and so we used an exploratory approach, opening doors to future studies in many singularities that this subject may have.

The dissertation's contributions to professionals, or the market, will allow them to understand different views and approaches, as it's very difficult to analyze competition as mentioned earlier, and provide them the opportunity to have a set of guidelines to act in a Social Media environment, knowing the variables that make it unique, and transforming them, as they often are considered threats to the organization, when they can be great opportunities to create a solid and trustful relationship with consumers, increasing the likelihood of them becoming loyal to the brand.

Initially the plan was to investigate an organization that had gone through a crisis whose relevance had dragged the situation into traditional media. However, the companies we

contacted with the most interesting cases were not available to support this study because it is a very a sensitive topic, and they don't want to see it exposed.

Regarding the market in which the interviewed agencies operate, it wasn't possible to analyze the direct competition accurately, since according to the respondents, it is difficult to find companies that offer exactly the same services, and while some have experience in traditional media, and the possibility to "transfer" that knowledge to Social Media, others work one hundred percent within the digital world.

Based on the limitations mentioned above, we can conclude that it would be interesting to conduct a study with a larger sample, with organizations of various sectors, with a quantitative component, and try to understand how these enterprises are facing crisis in a Social Media environment and compare this information with the one obtained from communication agencies.

On the other hand, it might be interesting to study companies that operate only in our country, and to compare it with information obtained from multinational companies, trying to realize how the guidelines coming from the "main" company influence the activities and management of multinational companies in our country.

We also believe that it would be interesting to examine the evolution of Social Media to date, as well as Social Media trends for the future.

At a time when Social Media is increasingly linked to the business world, it is important to do more research on this issue, which contains a component of virality, giving this topic a great importance, especially in business to consumer relations, from the impact of a crisis in Social Networks, to the dilemma that many companies are currently facing, which is in which Social Media platforms they should be present, how to do it, and why should they do it.

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Attachments

Appendix 1 – Interview Analysis Tables

Respondents / Variable	<u>Prevention</u>
<p>Founder and Managing Partner (GuessWhat)</p>	<p>"If we are not working on a daily basis, as we work with 3 or 4 clients, it's very tricky because we're only called when the process is already very stilted"</p> <p>When we work every day, we have an activation program, almost like a crisis management insurance that is associated with the activation of Digital PR and so we can know which fans are the most critical, who participate more actively, who is writes worse, who is best writer, about a particular brand or certain company, so we can predict crisis trends."</p>
<p>Communications Director (GuessWhat)</p>	<p>"We have a mindset of management and crisis prevention that is a very similar to all our customers, online or offline, which has to do with monitoring certain subjects and certain topics that are critical."</p> <p>"What we have is ideally a monitoring system of the brand, brand awareness, allowing us to know what is being said about the brand, making somewhat of a " tag cloud "of concepts which are more frequently associated to the use of brand. Allows us to detect, for example, who are the opinion leaders, who became the most active voices either for or against, but talking about the brand, and identify media where these people manifest themselves. "</p> <p>"We draw preventive crisis scenarios "</p>
<p>Content Marketing and Social Media Manager (StepValue)</p>	<p>"What we do in practice is being permanently monitoring the "pages", customers digital assets, like twitter, Facebook, comments on blogs, or comments on the news websites with real time alerts. "</p>
<p>Community Manager (StepValue)</p>	<p>"I'll start by giving an example of one of the first clients I was assigned for, Cabovisão, which had some comments about content that would pass on a particular channel, that day. We knew from the outset that the post wasn't going to generate a lot of interaction, because we didn't ask questions, to avoid having answers that could generate dissatisfaction. And yet, in a comment in which we said "Today, sit in your living room, warm, with some popcorn," automatically generated some negative comments like "I don't want any popcorn, I want all channels working", ie, we had to be very careful with how we should communicate. So the only prevention we did was analyzing these possible scenarios."</p>
<p>Community Manager (HavasMedia)</p>	<p>"Each plan, despite its specificities, is to have a set of standard replies created and properly constructed, within the context of a complaint towards a user's question in a given social network. In this case, it's important to understand the formal and institutional type of communication of the brand, privacy policies and global communication that exists, and, given this information, evaluate the worst possible scenarios and issues that might cause some kind of disorder to the brand, and then define the best answer to these situations. "</p>

<p>Community Manager (HavasMedia)</p>	<p>“There are several precautions that we have! Enumerating some: not lying, it is now very easy to pick up a brand "lying", so they should assume it in a transparent and sensible way, try not to ignore followers opinion, because an unresolved complaint can generate a crisis, try not to cover up what appears bad. If it’s there it has to be answered and solved in the best possible way, because people don’t like to see their comments deleted. ”</p>
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Respondents / Variable	<u>Causes</u>
<p>Founder and Managing Partner (GuessWhat)</p>	<p>"Many brands look to social networks the same way they look for advertising they’ve developed, ie, one-way communication. “I am the brand, I’m communicating and you'll have to hear what I have to tell you.” “The main crisis situations happened not by itself but by how the brand responded"</p>
<p>Communications Director (GuessWhat)</p>	<p>"I think most of the crises that occur are related to the service chain, when there is a link in that chain with flaws, and it can happen at a service or product level, such as the frustration when something offered by a product is promised, and the promise fails, or a stock failure at the selling point, on sale service, and after-sales.”</p>
<p>Content Marketing and Social Media Manager (StepValue)</p>	<p>When a brand has a customer support service that doesn’t work well, from which the client doesn’t obtain a result that he likes, these dissatisfied customers use Facebook to channel all their questions and all their anger".</p>
<p>Joana Ribeiro (StepValue)</p>	<p>"When a service is bad, raises many questions, or it’s very irregular, it’s probably better not to be present in Social Networks like Facebook."</p>
<p>Community Manager (HavasMedia)</p>	<p>"The main causes, in my opinion, may have various catalysts: the wrong choice of content to communicate" "Another issue that can lead to the emergence of a crisis in Social Networks is the delay or lack of response to complaints made in the organizations site." "Other important causes to arise a situation of crisis are: a bad reaction to some kind of content or lack of training of professionals responsible for the management and promotion of brand’s Social Networks."</p>
<p>Community Manager (HavasMedia)</p>	<p>Deleting a comment can generate a crisis itself. A poor response or lack of any kind of response can also generate a crisis. Carelessness preparing content may also generate a crisis. Mismanagement of a contest, the lack of honesty, some attitude of the brand (even if not in Social Networks) may also generate a crisis. Attention, sometimes brands nature of business may itself generate a crisis.</p>

Respondents / Variable	<u>Cost</u>
Founder and Managing Partner (GuessWhat)	"It depends. Nowadays we don't make Social Media communication projects with less than four posts per week . With daily monitoring, daily intervention, monthly reports that cross data from Facebook with our analysis. May vary, going between 700 and 1500 euros . For crisis management, it takes a crisis management expert (crisis management consultant) and he is paid by the hour . " (Founder and Managing Partner)
Communications Director (GuessWhat)	
Content Marketing and Social Media Manager (StepValue)	"It depends, but the values are between 500 and 1000 euros depending on the number of posts they want to do a month, on whether we build content or if the client already provides it, or if the client already gives you a conductive line , or simply doesn't give you anything, and the service becomes more creative " (Community Manager)
Community Manager (StepValue)	
Community Manager (HavasMedia)	"It depends on the services contemplated, the set strategy of brand integration in social networks and the number of social networks in which the brand will be present. The integration of this promotion with special actions or management of a specific project may also change prices. The minimum will be 500 euros for simple management of a Facebook website, with the strategy outlined, with a content plan and without monitoring in the week-ends. For the maximum ... sky is the limit"
Community Manager (HavasMedia)	

Respondents / Variable	Crisis Communication in Social Media
Founder and Managing Partner (GuessWhat)	"Timing is a key element that must be activated immediately. There has to be honesty, transparency , and when there is a mistake, assume it. In Portugal there's always a way to 'work around' the issues. Communication is a channel for the consumer, so brands have to be transparent and honest "
Communications Director (GuessWhat)	"I would say timing without a doubt, but also honesty , allied to a comprehensive analysis of variables . Sometimes timing can be tempting, and in order to "satisfy" our urgency, it can lead to a more superficial variable analysis , and this usually goes wrong. If we are not exhaustive and think "ok, but why did this happen? And what might happen next? And what are the timings possible? But what if we say this, which is going to be is the feedback from the community? And regarding that feedback , what can we do about it? ". Without making this work it is complicated and the risk of something going wrong is much higher. I'd say timing, the human question, but also a well-structured variables analysis , precisely because we don't to be behind crisis." "It's an area where sensitivity, gut feeling, instinct or the sixth sense occupy a very important role , because we're always talking in very emotional territories, where people have the emotions close to the surface , where people are hiding behind a computer or a tablet, which also causes very exacerbated reactions , very often"

<p>Content Marketing and Social Media Manager (StepValue)</p>	<p>"In my personal opinion, apologize shouldn't be a recurring action, so it can be used in most severe situations, where there is a major error from the brand, and to have the proper underlying strength and humbleness" "Online, we have a completely different timing. We have the immediate response". "In the traditional media we don't have the chance of clashing arguments, while online, a post on Facebook, the comments are there, the first, the second, the third, and they are all visible for everyone to see. Moreover, it allows to "open doors" for more explanation. You can make link someone to a website, where the proof of what you are saying is." "Nowadays, what's said on Social Networks earn more virality than what's said in traditional media. It is more immediate."</p>
<p>Community Manager (StepValue)</p>	<p>"Timing, without a doubt. Here, the sooner, the better." "The type of response we give is also very important. It must be a clear answer without circling and without artifices, because that will immediately generate complaints".</p>
<p>Community Manager (HavasMedia)</p>	<p>"The main key element of crisis management in Social Networks is the existence of a very active and alert community." "When there is a claim in the "wall", users (page fans), can help to sacrifice the brand and transform an almost unimportant subject in the most viral content" "Be aware that people are there and see everything that the brand says, and that they somehow personify the brand in what is said in Social Networks is the main difference from traditional media."</p>
<p>Community Manager (HavasMedia)</p>	<p>"One of the key points is surely the ease of messages propagation. In one minute, you can make a comment that generate thousands of other comments, and spread the negative impact for many people, without the brand having proper control over it! In traditional media, this spread, although it is also efficient, takes some time to take these proportions, which leaves some "free" time to think about how the brand should act"</p>

<p>Respondents / Variable</p>	<p><u>Crisis Plans / Guidelines</u></p>
<p>Founder and Managing Partner (GuessWhat)</p>	<p>"Thinking about a normal process, it involves analysis of potential scenarios, developing the digital Crisis Management dossier, definition of key messages according to the scenarios. There is an assumption that we have, which is, within an hour there must be an answer in the Facebook website. It has to be transparent. We condemn deleting posts, and we think it's the worst thing that can be done, because our digital footprint will still be there" "Development of timely responses. Analysis and monitoring during the day, which can then transcend the digital world. If you go to traditional media, it is driven a process of Crisis Management for traditional media. There is a Crisis Management team that is enabled, and that involves members of the agency and members of the company, with the communication or marketing direction. Even when we are investigating, there is always an answer"</p>
<p>Communications Director (GuessWhat)</p>	<p>"We're asked to draft crisis management plans, to define procedures manuals, to train internal staff." "Typically, what we do is trying to understand if internally we have a typified crisis to that customer, and if we've already defined some guidelines about what we have to do." "The work process turns out to be similar to offline, so the analysis situation, possible scenarios, stakeholders involved, message definition and channels definition."</p>

<p>Content Marketing and Social Media Manager (StepValue)</p>	<p>"Let's say that we have a manual for the use of Facebook, our daily basis practice forces us to be much more flexible than what was written in the guide". "If I find that we can decide at that moment for sure, because we have the standard reply and customer specifications, we respond immediately. If I have questions about this response, I call someone in a higher rank, so we check together with the company which is the best answer to that problem. Once you find an answer, this response is always validated by our client".</p>
<p>Community Manager (StepValue)</p>	<p>"Let's say someone today is saying much bad things about a brand. The first thing to do is to meet with my four elements team; Then we discuss what happened, and what we should do. Depends on the client, as if he intends to have participation, we'll talk to them and explain what happened. On the other hand, the customer may want us to resolve the situation ourselves. We prepare a response for the client, as well as some standard responses, since we know that after such claim another may arise soon. The process is not very stiff, so it is important to discuss the solutions with the team and the client. "</p>
<p>Community Manager (HavasMedia)</p>	<p>"The plans of action for crisis management are specific to each brand. However, there are action conduits and good practices in situations of crisis we can consider as transversals. "</p>
<p>Community Manager (HavasMedia)</p>	<p>"The work on crisis management is increasingly done in conjunction with the client, according to the knowledge and experience of the Social Media team, and with the information provided by the company. So yes! There are plans of action with some specifics, according to company / brand that we have "in hands".</p>

<p>Respondents / Variable</p>	<p><u>Training</u></p>
<p>Founder and Managing Partner (GuessWhat)</p>	<p>"We do management, monitoring, evaluation, and activation of Crisis Management in social networks, because we transpose our know how of traditional media and the world of communications and public relations to the digital world"</p>
<p>Communications Director (GuessWhat)</p>	<p>"Because we find that there's a structure, if there's a type of business that is better prepared to intervene in the digital world, it's the communication agencies and public relations practitioners. We're used to grab the same content, and direct it to various types of target, ie, even in the sphere of press relations, targets are different" (Jorge Azevedo)</p>
<p>Content Marketing and Social Media Manager (StepValue)</p>	<p>"Professionals in this area are better prepared to decide the best way to face a crisis. First, because they have specific training for this, and also because they have lots of experience."</p>
<p>Community Manager (StepValue)</p>	<p>"In this area the most important thing is experience. Initially, I was somewhat self-taught, and the training I had was following some processes which took place at the time. There are cases, and mine is one of those, on which we work in client's headquarters, because management becomes more effective, as we are living our client's daily culture and more easily perceive the kind of response we should give. This way we grow up, and learn a lot. "</p>
<p>Community Manager (HavasMedia)</p>	<p>"Besides the presence of conferences and academic training, regular consultation of the scientific literature in the field of digital marketing and daily experience are the best training that a professional in this area may have to react the best way to crisis situations in a social network"</p>
<p>Community Manager (HavasMedia)</p>	<p>I haven't had exactly what we call crisis management training! Actually, I've learned from reading various articles, looking at other crises and managing mine. Each crisis is a crisis and the best we can do is to have a good "background" to manage them, because they have a dose of unpredictability for which it is impossible to have training for "</p>

Appendix 2 – Interview Script

<h3>Interview Script</h3>

Management Crisis Strategy

- 1) Do you have a plan for crisis prevention to Social Media? What constitutes this plan?
- 2) What is the cost for a company wishing to have their Social Networks managed by you?
- 3) What are the key elements of Crisis Management in Social Media when compared to traditional media?
- 4) Do you have a plan of action or guidelines to face a crisis in a Social Media Environment? Are those specific to each company?

People

- 5) For you, which kind of training seems more appropriate for someone who manages a Social Network?

Technology

- 6) Which tools do you use in Crisis Management and for monitoring Social Networks?

Agency Data

- 7) How many clients do you have?
- 8) Are you aware of how many direct competitors do you have?