Brand personality as a predictor in the product/firm relationship as it relates to brand loyalty during periods of brand stress, catastrophic events or recalls

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Abstract: Social networks are increasingly becoming a dynamic force in firm or brand reputation management. Managing social networks is, however, not without cost and thus it is reasonable to assume that larger companies would have better defined strategies for social network reputation management than smaller ones. The research explores this assumption by presenting the results of the social network activities of 144 companies taken from the two major world stock markets representing North America (NYSE) and the London Exchange (FTSE). Results support that larger companies are slightly more responsive but smaller firms seem to respond more quickly. It was interesting that few firms had social network sites that could be responded to directly and that few firms seemed to monitor their sites in spite of having one. It was suggested that Intimacy-Loyalty influenced and these relationships could hold up better under periods of brand disruptions. While a brand relationship, such as passion, can stimulate sales Intimacy-Loyalty may directly contribute to consumer devotion during difficult times.

Keywords: relationship strength; brand disruption; business continuity.

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1 Introduction

Recognition of the importance of brand and company image, how that image is established as well as factors that might influence the bond (to include word of mouth campaigns, catastrophic events and product recalls), is of increasing importance. This is highlighted by such recent events as Sony’s identity theft problem in 2011 when hackers obtained personal information about millions of game station users; the McDonald’s Twitter ad campaign (Bradshaw, 2012) which backfired causing consumers to express anger through the social media site; as well as Verizon wireless dropping plans (Bensinger, 2012) to charge a fee for customers paying their bill online after social networks called on individuals to drop Verizon service and established an online petition on change.org which massed 100,000 signatures through social network communications.

Each of these occurrences resulted in significant negative image effects and serves as a reminder that the nature of a consumer relationship, and how it is developed or maintained, can directly affect whether it will withstand long- or short-term disruptions. With the increasingly popularity of social online communities, it is clear that companies need to take cautionary measures in protecting reputations and brands. Prior to social networks, word of mouth complaints were quickly isolated leaving the dissatisfied individual a lone voice. With the aid of viral networks these single voices now have the ability to quickly garner the attention of millions.

The consequences of a disastrous corporate crisis on a firm’s reputation can linger for decades. It is highly likely that how the brand relationship is developed or reinforced will affect whether it will withstand short- or long-term disruptions. Sheth and Patvatiyar (2002) have argued that companies attempt to promote relationships with consumers to insulate them from market whims. Decisions concerning whether to maintain a brand relationship repurchase or switch brands may often, however, be a more emotional/behavioural than based on facts. It is often the loyal consumer-brand relationship bonds, not the crises themselves that can have the most severe consequences for a firm. The case of BP oil disaster provides an excellent example of how the
mishandling of a crisis escalated into a serious degradation of the company (brand) name. In many cases what differentiates those firms that thrive following a crisis from those that do not is the loyal consumer-brand relationship displayed throughout the process.

The idea that social interaction can be a powerful marketing force is not new. While firms have been striving to understand how to best use influencers of social networks to their marketing advantage it is important to additionally appreciate that these same powerful systems can turn against a firm and possess the ability to damage productivity and reputation. These sources of instant communication have made it possible, due to widespread and low cost information, for rapid disruptions to a firm’s image to occur for legitimate or less than legitimate reasons. Such disruptions can put long-term pressures on the company–consumer relationship by altering consumer perceptions of the brand and/or the company. Firms that appreciate this new force can often avoid, or lessen, the impact of potential social network damage. It is essential that firms continually monitor, and when appropriate respond to, social media sites to attempt to increase the effect of positive and decrease the effects of negative comments. Appreciating the dynamics of the brand personality, and how those dimensions support a brand relationship, is essential when considering the firm’s reaction options to a social network threat.

The ever-changing competition in the information age pushes brands to find more creative and flexible means to retain their customers. “With focus on brand personalities, one can articulate a theory of how the brand relationship role is constructed and begin to envision ways in which the brand, acting as an enlivened partner in the relationship, contributes to the initiation, maintenance or destruction of loyal consumer-brand relationship bonds” (Fournier, 1998, p.345). How the bonds are established and maintained can ultimately determine the degree of success that a firm will have when attempting to mitigate catastrophic events.

Broadly the fears of companies, resulting from numerous actual incidences over the past few years and the often disorganised responses to them, have resulted in an increased awareness of the need for corporate social network business continuity programmes designed to mitigate threats to the brand and company image. The importance of including social networks in an overall business strategy plan as well as in a firm’s business continuity programmes cannot be overstated.

The study therefore while discovering that the number of firms have accounts, investigates how the firms use these tools or if they were part of an organised communications strategy. It also attempts to answer the following questions:

- Who monitors and controls the company social media sites?
- Who is responsible for observing what people are saying on the internet (chats, ratings and social networks)?
- How posts noted and what are the guidelines for response?
- What is in place to monitor and act to influence reputation externally?
- What kind of information is collected and how/to whom is it forwarded for consideration?

These issues are essential as having a website or social media presence is one thing, it is quite another to use those resources in an engaged efficient manner. Solely having a profile will not in itself establish consumer relationship or trust.
Extensive research has investigated how consumers are different in perceiving brands through brand equity (Aaker, 1991; Keller, 1993; Keller, 2003) and brand extensions (Reddy et al., 1994). More recently, researchers have noted that consumers differ not only in how they perceive brands but also in how they relate to brands (Fournier, 1998; Muniz and O'Guinn, 2001). This line of research has suggested that relationship principles virtually replace short-term exchange notions in both marketing thought and practice (Fournier, 1998). In addition, sociologists remind us that business dealings are transacted within the broader realm of personal relations and structures or imbedded within the networks of such relations (Granovetter, 1985). As such, the use of a relational approach may provide a better, and broader, understanding of the bond that develops between customers and brands (Fournier and Yao, 1996) and how that knowledge can be used in social network and consumer management.

2 Brand personality dimensions

Outcomes of the work of Fournier and Aaker suggested that brand personality significantly influences relationship strength and can help in predicting the strength of consumer-brand relationships. They tested the effects of two contrasting brand personalities: sincerity and excitement (Aaker, 1997) as these two classes of relationships were reported to be related to different brand personalities. In 1997, Aaker (1997) operationalised brand personality dimensions in terms of human characteristics through the development of a scale inspired by five factors of human personality (Goldberg, 1993). To investigate the product relationship a brand personality model was designed and represented five factors (sincerity, excitement, competence, sophistication and ruggedness). According to the author, the brand personality dimensions are a reliable framework for any kind of product category.

Aaker et al. (2004), building on his earlier work (Aaker, 1997), attempting to explain consumer-brand relationships, tested the effects of the two opposed brand personalities of sincerity and excitement. They concluded that (a) sincere brands tend to facilitate strong and stable relationships based on trust but they are more susceptible to the transgression effects which may be irreversible. They also noted that (b) the brands of excitement tended to nurture less stable relationships but that customers are more benevolent with their transgression acts and the reparation of problems may actually serve to reinforce the relationship. Thus, two types or classes of relationships were identified, respectively: (a) ‘close, increasingly intimate, long-term oriented friendships’ and (b) ‘initially enthused, but subsequently declining flings’. That of intimacy-loyalty (Fletcher et al., 1999) and that of passion (Nobre, 2010). The ideal relationship of intimacy-loyalty can be characterised with adjectives such as: caring, respectful, honest, trusting and support. The ideal relationship of passion can be defined through adjectives such as: exciting, fun and independent.

From the accumulated prior research findings, the authors identified two personality dimensions (sincerity and excitement) of the consumer-brand relationship they considered as being potentially highly significant to the attributes of intimacy-loyalty and passion (Nobre et al., 2010). This identification of those brand characteristics, as well as the importance of defining brand relationship bonds that could be useful in developing, strengthening or maintaining consumer-product/firm relationships, during periods of brand stress is clear. A multiple regression analysis using the dimension of intimacy-
loyalty of consumer-brand relationship as the dependent variable and the dimensions of the brand of excitement, sincerity, sophistication, peacefulness were studied and when taken together, the effect of these predictors on the criterion variable was statistically significant. Sincerity, accounted for the greatest contribution to the relationship with the intimacy-loyalty relationship (followed by sophistication). The analysis additionally demonstrated that excitement and passion accounted for the greatest contribution to the relationship with the passion relationship. Table 1 provides the general results for these two regression analyses (Becker and Nobre, 2010).

Table 1  Brand personality as predictor of consumer-brand relationship

<table>
<thead>
<tr>
<th>Brand Personality Dimensions</th>
<th>Intimacy-Loyalty Relationship</th>
<th>Passion Relationship</th>
</tr>
</thead>
<tbody>
<tr>
<td>N = 731, R = .76, R^2 = .58,</td>
<td>N = 731, R = .80, R^2 = .63,</td>
<td></td>
</tr>
<tr>
<td>p &lt; .001</td>
<td>p &lt; .001</td>
<td></td>
</tr>
<tr>
<td>Excitement</td>
<td>Non-significant</td>
<td>Beta = .35, t = 8.212, p &lt; .001</td>
</tr>
<tr>
<td>Sincerity</td>
<td>Beta = .60, t = 15.54, p &lt; .001</td>
<td>Beta = .10, t = 2.695, p &lt; .01</td>
</tr>
<tr>
<td>Sophistication</td>
<td>Beta = .21, t = 4.867, p &lt; .001</td>
<td>Beta = .11, t = 2.674, p &lt; .01</td>
</tr>
<tr>
<td>Peacefulness</td>
<td>Beta = .10, t = 2.238, p &lt; .05</td>
<td>Non-significant</td>
</tr>
<tr>
<td>Passion</td>
<td>Non-significant</td>
<td>Beta = .28, t = 6.346, p &lt; .001</td>
</tr>
<tr>
<td>Relationship explained by</td>
<td>Sincerity, Sophistication,</td>
<td>Excitement, Passion,</td>
</tr>
<tr>
<td></td>
<td>Peacefulness</td>
<td>Sophistication, Sincerity</td>
</tr>
</tbody>
</table>

Source: Nobre et al. (2010)

In terms of relating brand characteristics to brand maintenance, Figure 1 provides an overview of the brand personality dimensions to the loyalty and passion relationships which were determined to be the two major relationships.

Figure 1  Brand personality as predictor in the consumer-brand relationship
As a result of this work the brand personality characteristics that are most relevant to positioning and maintaining a brand would be intimacy/loyalty and passion. With this understanding it would seem that managers could use this information to management programmes directed at maintaining brand reputation.

In order to shape and protect their image companies must have well-conceived online social network strategies that call for implicit collaboration between a company and the social network environment. The need to influence social networks, to the degree possible, is highlighted within *The Rising CCO III*, an annual survey conducted by global executive search firm Spencer Stuart and global public relations firm Weber Shandwick (Spencer and Shandwick, 2010). The survey found that 34% of global chief corporate communications officers report that their companies experienced a social-media-based reputation threat during the previous year. That firms have yet to incorporate social networks into their monitoring or business continuity plans are clear as the same report noted that approximately 33% of the companies stated that they were not prepared for managing social network reputational threats. This low figure raises questions. Without a defined strategy of how to respond and an appreciation of the characteristics of the brand bond between product/company, firms remain vulnerable to attacks and can only operate in a defensive manner.

Argenti’s (2005) recommendation that companies prepare for potential problems; plan company responses; analyse constituencies and provide as much certainty as possible are sound advice for social networks as well as it is clear that small firms as well as large ones are increasingly aware of the power of social media and some, to varying degrees of sophistication, are incorporating these tools in their communications portfolios. One aspect of ‘certainty’ would be the understanding of the most important constructs supporting a brand reputation and how those constructs can be used to overcome threats coming from social network communications. One would assume that large companies, by virtue of their resources, would be more prepared and active than smaller ones. A recent study (McCann, 2010) conducted by communications firm Burson-Marsteller noted “65% of the largest global companies have Twitter accounts, 54% had Facebook fan pages, and 50% have YouTube video channels”. The study also noted that while financially significant for large firms a social media campaign can be ‘less than 1% of their overall marketing budget’.

The research addresses the consumer initiated integrity model’s aspect of social media monitoring by directly monitoring the responses to the postings to company sponsored social networks sites (Facebook and Twitter). Facebook and Twitter postings were made to companies. Firms, selected from large, medium and small capitalisation firms in the USA and Europe. The postings asked for a response indicating the postings had been observed in order to determine if: (a) firms have social network platforms in place, (b) these platforms are monitored and responded to, and (c) the length of time to took a firm to respond related to the firm’s size. The study therefore explores the tenets that: (a) large firms would have more active presence in social media activities than small firms, (b) that these large firms would recognise the importance of an on-going vigilance of their sites and be in a better position understanding both the dynamics of the brand as well as having trained personnel knowledgeable in how best to make an appropriate response. To this end the following three hypotheses were formulated:
Hypothesis 1: Large firms will respond to social network (Facebook and Twitter) posts at a greater frequency than small firms.

Hypothesis 2: Large firms will respond more quickly to social network posts (Facebook and Twitter).

Hypothesis 3: Large firms will post more positive category posts than small firms.

3 Methodology

3.1 Firms studied

One hundred forty-four companies were investigated from two major world stock exchange markets. These were the New York Stock Exchange (99 stocks from NYSE) and the London Stock Exchange (45 stocks from FTSE). Responses were classified into three categories: active, neutral and no response. Companies were considered to have responded to researchers actively if they not only replied to the post but also offered further help are considered ‘active response’. If a firm responded with a value-added contribution (e.g. ‘interesting research’, ‘can I help more’) the response was considered active. A firm that responded with simply doing what was requested (note the posting) was considered neutral and firms that failed to respond were classified, no response.

A post was made to the Facebook page of each firm and to the firm’s Twitter site. The time of the posting was noted as was the time of a response (if there was one). The Facebook site and the Twitter site of each firm was monitored every 5 min for the first hour and then on a systematic basis for a total period of 75 h. The posting on each company site was standard. The posting on Facebook was “Boston University Research Project in Reputation Management. Could the company Facebook site manager respond to let us know this post was seen. Thank you” and the posting to the Twitter site was “Boston University Research Project in Reputation Management. Could you respond to let us know this post was seen. Thank you”. The Twitter posting was modified slightly from the text on the Facebook posting due to the limit of 140 characters.

4 Social network site ownership

Table 2 displays the results of Facebook ownership of 99 firms listed on the NYSE and 45 firms listed on the FTSE. Ninety-two per cent (92 out of 99) firms listed on the NYSE have Facebook ownership, while 29% (13 out of 45) of the firms listed on the FTSE have Facebook ownership. As for large size firms on the NYSE, 90% (30 out of 33) have Facebook ownership while 40% (six out of 15) of large firms listed on the FTSE have. As for medium firms listed on the NYSE, 100% have Facebook ownership while medium firms listed on the FTSE have 20% Facebook ownership. As for small firms listed on the NYSE, 88% have Facebook ownership while small firms listed on the FTSE have 26% Facebook ownership. The percentage of firms listed on the NYSE with no Facebook owner ship is 8% (7 out of 99) while the percentage of firms listed on the FTSE with no Facebook ownership is 71% (32 out of 45).
Brand personality as a predictor in the product/firm relationship

Table 2 also displays the results of Twitter ownership of 99 firms listed on the NYSE and 45 firms listed on FTSE. Ninety per cent (90 out of 99) of firms listed on the NYSE have Twitter pages while 44% (20 out of 45) of firms listed on the FTSE have. As for large firms listed on the NYSE, 97% (32 out of 33) have Twitter pages while 73% (11 out of 15) of large firms listed on the FTSE have. Ninety-one per cent of medium-sized firms listed on the NYSE have Twitter pages while 33% of medium-sized firms listed on the FTSE have. As for small firms listed on the NYSE, 85% have Twitter pages while 26% of small-sized firms listed on the FTSE have. The percentage of firms listed on the NYSE with no Twitter ownership is 10% (nine out of 99) while the percentage of firms listed on the FTSE with no twitter ownership is 56% (25 out of 45).

Table 2  Social network ownership

<table>
<thead>
<tr>
<th>Social networks</th>
<th>NYSE</th>
<th>FTSE</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ownership</td>
<td>Large</td>
<td>Medium</td>
<td>Small</td>
</tr>
<tr>
<td>Yes</td>
<td>30</td>
<td>33</td>
<td>29</td>
</tr>
<tr>
<td>No</td>
<td>3</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>33</td>
<td>33</td>
<td>33</td>
</tr>
</tbody>
</table>

5  Social network response

Table 3 displays the results of Facebook responses of firms listed on the NYSE and FTSE. Out of the 92 firms listed on the NYSE, 29% responded (26 out of 92) while out of the 13 firms listed on the FTSE, 38% (five out of 13) firms responded. As for the large firms listed on the NYSE 33% (ten out of 30) responded while 50% (three out of six) of large firms listed on the FTSE did. Thirty per cent (ten out of 23) of medium-sized firms listed on the NYSE responded while 33% (one out of three) of medium-sized firms listed on the FTSE have. As for small-sized firms, 20% (six out of 29) of firms listed on the NYSE responded while 25% (one out of four) of firms listed on the FTSE did. Out of the 92 firms listed on the NYSE, 71% (66 out of 92) did not respond while out of the 13 firms listed on the FTSE, 61% (eight out of 13) did not respond.

Table 3 also displays the results of Twitter response of firms listed on the NYSE and FTSE. Out of the 90 firms listed on the NYSE that have Twitter pages, 43% (39 out of 90) responded while out of the 20 firms that have Twitter pages on the FTSE, 25% (five out of 20) responded. Forty-seven per cent (15 out of 32) of large firms listed on the NYSE responded while 27% (three out of 11) of large firms listed on the FTSE did. As for the medium-sized firms listed on the NYSE, 50% (15 out of 30) responded while 40% (2 out of 5) of medium-sized firms listed on the FTSE did. As for small-sized firms listed on the NYSE, 32% (nine out of 28) responded while 0% (zero out of four) of firms listed on the FTSE did. Out of the 90 firms listed on the NYSE that have Twitter pages, 56% (51 out of 90) did not respond while out of the 20 firms that have Twitter pages on the FTSE, 75% (15 out of 20) did not respond.
Table 3  Social network response

<table>
<thead>
<tr>
<th>Social networks</th>
<th>NYSE</th>
<th>FTSE</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>Response</td>
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<td>Medium</td>
<td>Small</td>
</tr>
<tr>
<td>Facebook Yes</td>
<td>10</td>
<td>10</td>
<td>6</td>
</tr>
<tr>
<td>No</td>
<td>20</td>
<td>23</td>
<td>23</td>
</tr>
<tr>
<td>Total</td>
<td>30</td>
<td>33</td>
<td>29</td>
</tr>
<tr>
<td>Twitter Yes</td>
<td>15</td>
<td>15</td>
<td>9</td>
</tr>
<tr>
<td>No</td>
<td>17</td>
<td>15</td>
<td>19</td>
</tr>
<tr>
<td>Total</td>
<td>32</td>
<td>30</td>
<td>28</td>
</tr>
</tbody>
</table>

6 Average time of reply

Table 4 displays the average time of reply (Facebook and Twitter) for firms listed on the NYSE and FTSE. Firms listed on the NYSE replied to Facebook as follows, ten large firms replied in 7.66 h, ten medium-sized firms replied in 3.53 h and six small firms replied in 2.80 h. As for the firms listed on the FTSE, three large firms replied in 11.03 h, one medium firm replied in 15.00 h and one small firm replied in 12.00 h. The average time of reply for Twitter messages for firms listed on the NYSE was as follows, 15 large firms replied in 8.71 h, 15 medium-sized firms replied in 5.53 h and nine small firms replied in 1.27 h. As for firms listed on the FTSE, the average time of reply was as follows, three large firms replied in 1.18 h, two medium-sized firms replied in 0.67 h and there was no reply from small-sized firms. When we analyse the average time spent to respond to the post, the results of observation indicate that the companies respond faster on their Twitter pages than they do on their Facebook pages. The smaller the companies are, the faster they tend to reply.

Table 4  Average time of reply

<table>
<thead>
<tr>
<th></th>
<th>NYSE</th>
<th>FTSE</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Large</td>
<td>Medium</td>
<td>Small</td>
</tr>
<tr>
<td>Facebook Hour</td>
<td>7.66</td>
<td>3.53</td>
<td>2.8</td>
</tr>
<tr>
<td># of firms</td>
<td>10</td>
<td>10</td>
<td>6</td>
</tr>
<tr>
<td>Twitter Hour</td>
<td>8.71</td>
<td>5.53</td>
<td>1.27</td>
</tr>
<tr>
<td># of firms</td>
<td>15</td>
<td>15</td>
<td>9</td>
</tr>
</tbody>
</table>

Table 5  Attitudes of tonality

<table>
<thead>
<tr>
<th></th>
<th>NYSE</th>
<th>FTSE</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Large</td>
<td>Medium</td>
<td>Small</td>
</tr>
<tr>
<td>Active</td>
<td>10</td>
<td>12</td>
<td>0</td>
</tr>
<tr>
<td>Neutral</td>
<td>15</td>
<td>13</td>
<td>15</td>
</tr>
<tr>
<td>Total</td>
<td>25</td>
<td>25</td>
<td>15</td>
</tr>
</tbody>
</table>
7 Results – social network

The first hypothesis that large firms would respond to social networks at a greater frequency than small firms was supported. Forty-one per cent (31 out of 75) of the large-sized firms responded to postings on either their Facebook or Twitter pages while only 21% (16 out of 75) of the small firms did. The relative size of the firm was related to the frequency of response as large firms had the most responses, followed by medium with small the fewest. While most social network sites surprisingly did not allow for interaction, the majority of Facebook pages were well organised with news of products and services posted regularly. Without interaction, however, one could question if these sites are not really ‘social media’ sites but extensions of the firms static webpages. Twitter’s less organised and more informal (and less expensive) display appeared to make a more efficient two-way communications platform for firms of all sizes than Facebook.

The second hypothesis that large firms will respond more quickly to social network posts (Facebook and Twitter) than small firms was not confirmed and the opposite was observed. The average time of reply for the large firms was 7.14 h while the small firms replied in 5.35 h. It is interesting that when small firms responded they did so quicker than large firms. The average time to respond to the post indicated the companies respond faster on their twitter pages than they do on their Facebook pages. Contrary to expectations, the smaller the size, the faster they responded as the small companies were the shortest, the medium ones took longer, and the largest companies were the slowest. All companies responded to postings faster on twitter than Facebook. The reason could be that twitter offers a more instant-message like environment that encourages immediate communication. When small firms did respond they tended to use Twitter, not Facebook, and responded quicker than large firms. The use of Twitter might account for the lack of value-added responses as fewer characters (140) are available to respond. It might also point to the use of mobile devices for small firm monitoring which makes longer messages more cumbersome and thus less likely.

The third hypothesis that large firms will post more positive category posts than small firms was supported. Large firms posted 20% (15 out of 75) positive responses while small had no such postings (0 out of 75). It is important to note that medium-sized firms also had the posts of 17% (13 out of 75) positive responses in this category. It is interesting to note that the difference between small and large firms is found, not in the number of neutral response as the responses of large, medium and small firms were relatively the same for the neutral category (large 21%, medium 20% and small 21%), but in the number of value-added responses. Given that no small firm provided anything other than a neutral response might further indicate that small-sized firms in general are not devoting resources to maintain a professionally trained staff so as to quickly and personally reply to social posts. It is interesting to note that the positive response rate by medium firms (17%) was slightly lower than large companies (20%). One might wonder if medium firms are better positioned for change having more funds to devote to social network activities than small firms but are, at the same time, not as encumbered with massive slow moving bureaucratic processes as the larger ones.
8 Discussion and managerial implications

The purpose of the research was to investigate some of the behaviours linked to the management of online social media site posts for three different size firms and how that management could relate to managing a company’s online reputation. It is interesting to note that, at times, companies behaved in a similar manner regardless of size and in some areas there was a difference. In contrast to Twitter which remained open (when available) to posts by consumers, companies imposed controls on their Facebook pages. For an individual to post a comment on any of the company sites surveyed one first had to ‘like’ or become a ‘fan’ of the company. A significant number of companies would not allow individuals to comment on their home Facebook pages. Normally when they did the comments went to a second level page. Most of the small and medium cap companies acted the same as Fortune 500 companies in not allowing individuals’ comments being shown on their Facebook pages. In our investigation, regardless size of capitalisation, companies listed on NYSE dominant in number of ownership on both Facebook and Twitter pages.

Only 25% (36 out of 144) firms from all categories have social media sites while 75% (108 out of 144) firms did not have social media sites. Company size is in direct proportional to its ownership of Facebook page, that is large companies own the most, medium companies own less than those of larger ones, and small companies own the least.

The overall response rate was as low as 35% (about 75 cases out of 215). This is consistent with the findings of research conducted by two media firms who found that while 34% of global chief corporate communications officers reported their company had experienced a social-media based reputation threat in the past 12 months approximately 33% of the companies stated that were not prepared for managing social network types of online reputational and had yet to incorporate social networks into their monitoring or business continuity plans. When we analyse the average time spent to respond to the post, the results of survey indicate that the companies respond faster on their Twitter pages than they do on their Facebook pages. The smaller companies are, the faster they tend to reply.

About 75% (108 out of 144) of companies, large and small, did not have social network sites that could be directly responded to which would seem to indicate that while some firms have recognised the need to establish social network sites, most do not know what to do with them. Small companies, in particular, give less emphasis on establishing social network sites or joining the discussion of their clients. Generally there appears to be a lack of a strategic framework for thinking about communities as most firms were not monitoring, engaged, integrating and leveraging social media adequately. An unexpected finding was the number of non-monitored social networks and that, regardless of category, few firms were actively involved with their own social media to the extent one would expect. The overall poor response rate is a worrisome finding. It tends to indicate that while the business world is aware of the power that social networks can yield companies of all sizes remain naïve as to how to establish truly interactive personal relationships. This is interesting given the increasing importance of social networks in developing and maintaining a reputation and image. While surprising, the general lack of appreciation of the increasing importance of social networks has been previously noted. Murphy (2006) found an overall lack of either presence or response to sites pointing out that some traditional marketers believe that they have nothing to gain from customer
empowerment and that blogging only results in brand bashing. Singh et al. (2008) provided some insight into why many firms have taken a rather passive approach to social networks stating that, “Marketers have been accustomed to telling the customer the message they want the customer to hear, rather than the message the customer truly cares about” (p.282).

Reinforcing that firms are unclear how to properly use social networks, of those firms included in this study, a significant number did not respond to postings on the firm’s Facebook or Twitter sites (60% large and medium, about 91 cases out of 148, and 74% small, about 49 cases out of 65). This is a worrisome finding, given the increasing importance of social networks to the development and maintenance of a brand or company image. The high non-response rate for both small and large firms indicates that all size firms have yet to seriously focus on the use of social networks as a part of an overall integrated communications strategy. Given the increased exposure and number of examples citing the importance of recognising the power of social networks this is surprising.

Recognition of the importance of brand relationships, how they are established and factors that might influence the bond during situations of brand disruption, to include catastrophic events and product recalls are of increasing importance. Fournier and Lee (1995) point to the need to fashion a flexible brand relationship that allows individuals to adopt new roles as lives, ages and values change. The author’s model would suggest that, while needing to be adaptable to life and company changes, for the consumer brand relationship to be maintained, the company must be vigilant to ensure that both the consumer’s personality and the brand’s personality remain in equilibrium over during specific instances of brand disruption and longer time frames. Reinforcing the importance of the consumer as a partner in the relationship, firms must have a comprehensive understanding of how the personalities of their consumer relate to partner quality and the consumer brand relationship. An aspect of the brand relationship was noted by Fullerton 2005) in his focus on brand commitment loyalty in what he describes as affective commitment and continuance commitment. Fullerton describes affective commitment as “rooted in shared values, identification and attachment” and continuance commitment as binding consumers to brands as a result of a difficulty “in getting out of a relationship or perceiving few alternatives outside the relationship” (2005, p.99). Here we would note the importance in the difference in intimacy-loyalty and passion-driven relationships. Consistent with Fullerton’s findings, the authors found that intimacy-loyalty bonds served to maintain the relationship through developed partner quality while passion bonds were to a much lesser extent associated with relationship strength.

One might argue that in an intimacy-loyalty brand relationship the brand adds value to the consumer through partner quality in a manner similar to the way that loyalty adds value to the personal relationship. It provides a type of psychological glue that secures the bond between partners. When difficulties arise it is this glue that serves to secure relationships, whether personal or brand. The authors’ earlier findings were that intimacy-loyalty bonds have a higher association with relationship strength than passion bonds. As such it would seem that passion bonds would create a heightened sense of excitement and ‘in the minute’ product support. If, however, a disruption in that passion were to occur (due for example to product disappointment or a new passion was developed for another brand) that repurchase could be questionable. Under intimacy-loyalty, however, the nature of the bond could be considered more mature/stable and thus would be more secure under situational adverse brand conditions to a better extent than
relationships which have focused on passion. What is important to recognise is that how a firm organises the brand relationship prior to disruptive events will directly relate to how that brand image is positioned to withstand situational disruptions. One significant contribution of the study was to promote an understanding that while a brand relationship, such as passion, can stimulate sales a relationship such as intimacy-loyalty can serve to directly support on-going business continuity during times of firm or brand image uncertainty.

References


