
MANAGING ONLINE USER-GENERATED BRAND RISK: AN EXPLORATORY CASE STUDY OF SELECTED SOUTH AFRICAN CELLULAR SERVICE PROVIDER BRANDS

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ABSTRACT

The development of web-based technology has resulted in changing communication models which allows for a shift in the power of voice away from the brand to that of its stakeholders. Consumers have increasingly become creators and disseminators of branded content. This is known as user-generated content (UGC). While collaborative networking can assist in building a brand's reputation, expressive networking can destroy it just as easily. Thus, brand managers are faced with numerous challenges since they no longer retain control over the brand and the conversations affecting it. However, brand managers are ill-prepared for this because it is not clear what brand management looks like when goals of share growth and dominance are replaced by concerns for brand protection, and brand strategies are aimed at brand defence instead of promotion. This exploratory qualitative study utilised a grounded theory approach to determine how brand managers of selected South African cellular service provider brands respond to the online brand reputation risks posed by UGC. Preliminary findings indicate that brand managers need to ensure that online reputation management of UGC forms part of the integrated digital communication strategy of the brand. In addition, UGC should be managed pro-actively as a strategic business tool with the emphasis on generating income and building the brand, and not only as an operational communication tool. A number of management recommendations are made, and possibilities for further research identified.

Keywords: user-generated content, brand management, online brand risks, online brand reputation, integrated digital communication strategy

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INTRODUCTION

The use of Web 2.0 technologies has brought about a shift that places emphasis on user-content where creators and consumers, who were previously split into two worlds, now function in a world where the Internet has given consumers the power to become creators. These consumers have become active participants that contribute to and co-create brand content online. This has created numerous challenges for brand managers as many brand perceptions are now created by user-generated content (UGC). UGC is the generation and sharing of content by utilising social media (Upson 2010: 87). Qualman (2011: 2) argues that the most important purpose of social media is to provide global connectivity to those who are geographically separated. This has particular implications for brand management because it extends the reach of a brand, making it possible to reach various publics across numerous platforms without the limitations of time and space. As such it can offer any brand a competitive advantage by providing the opportunity to engage with customers in real time and interact with a view to developing products and/or finding business solutions. Moreover, social media enables businesses to grow and establish their brand reputation in the online realm.

While social media can be beneficial and a highly effective tool in customer service and brand management, it can pose significant risk, especially in respect of online brand reputation. The collaborative and expressive nature of social media allows users to participate in the content that is being published and disseminated. This gives rise to what Mullins (2011) and Patricios (2011: 20) refer to as the *collaboration economy* where consumers become marketers and co-creators in building (and destroying) brands as they become increasingly involved in the dialogue surrounding a brand. Qualman (2011: 2) refers to this shift from “word-of-mouth” to “world-of-mouth” as *socialnomics*. *Socialnomics* presents numerous challenges to brand managers because information can be disseminated to very large audiences with relative ease.

UGC can pose both financial and reputational risk to a brand; while it can assist in building a brand’s reputation, expressive networking can destroy it just as easily. The problem with UGC for brand managers lies in the loss of control over the management of the brand because it gives consumers and publics the power to influence the brand, as well as its reputation. It is for this reason that not all enterprises are prepared to engage in online brand management. Regardless of these risks, or perhaps because of them, it is important that any brand maintains an online presence and that brand managers manage the powerful effects of UGC through Online Reputation Management (ORM) systems. ORM tracks online conversations about a brand in the online environment so that they can be measured, monitored and shaped to the advantage of the brand.

THE DIGITAL CONSUMER: FROM RECIPIENT TO PARTICIPANT

The evolution of the global economy has seen a rise in the digital market space where consumers are no longer passive, but rather participants in brand building. The development of Web 2.0 has not only led to virtually limitless connectivity and low cost access, but has also resulted in a new communication model in the digital market space. Van den Dam, Nelson and Lozinski (2008: 1) identify two long-term shifts in communication trends as a result of the emergence of social media, namely a shift in communication patterns - from point-to-point, two-way conversations, to many-to-many, collaborative communications - as well as a shift in the control of the communication environment to open platforms. Van den Dam *et al.* (2008: 1-3) contend that the combined effect of these trends is altering the competitive landscape in communication and giving rise to emerging communication models.

The emergence of new communication models, which emphasises many-to-many forms of communication, has transformed recipients into active participants, content consumers into content generators, and recipients into producers (Obasanjo 2007; Dmochowska 2008; Mullins 2011). Mullins (2011) and Patricios (2011: 20) refer to this phenomenon as a *collaboration economy* where consumers collaborate as marketers and co-creators in building (and destroying) brands through their involvement in the dialogue surrounding a brand. Very often this results in a treacherous relationship for the brand, since it has no control over behaviour that previously may have been deemed insignificant, but which become very significant because of the immediacy of access and reach offered by new technologies. As a result the associated risk for the brand may be high, while it is quite low for the consumer. The emergence of these media has empowered individuals and extended their influence in many spheres, including those of businesses or brands (Dmochowska 2008).

These new means of operating and communicating hold both opportunity and threat for both business and brands (Sullivan 2010). One such means of communicating and operating is the use of media technologies in a social and interactive manner, which speaks to the human need for connection by fusing sociology and technology (Obasanjo 2007; Mullins 2011). Social media is primarily about collaboration, users generating content, sharing and connecting (Stokes 2008: 124). This is facilitated through sites such as YouTube, Twitter, Facebook, Wikipedia, LinkedIn, Foursquare, MySpace, Mxit, and blogs. These sites allow for the creation of UGC, also referred to as the “participative web”, which is a main component of Web 2.0 (Wunsch & Vickery 2007: 8). UGC is defined as the generation and sharing of content using digital media (Upson 2010: 87). Since no generally accepted definition of UGC exists, three main criteria for the classification of UGC have been identified by the Organization for Economic Cooperation and Development (OECD 2007):

1. Publication requirement: UGC must be made public on some media platform (e.g. published on a website or on a social networking site);
2. Creative effort: A certain amount of creative effort is required which adds individual value to the work; and
3. Creation outside of professional routines and practices: Typically UGC is created without the expectation of remuneration.

However, these criteria are subject to criticism. Research suggests that not all media users become content generators (Van Dijk 2009: 44), nor does “participation” equal “active contribution” to UGC sites; thus, participation is a relative term when it is estimated that more than 80 percent of all users are in fact passive recipients of content (OECD 2007). Van Dijk (2009: 53) argues that UGC is neither exclusively produced by amateurs nor by professionals, and that the development of media content has always appealed to either as both entertainment and work.

What is not in dispute is that new digital platforms are giving rise to a profound paradigm shift in the manner in which companies approach and engage their customers and conduct their business relations. Fournier and Avery (2010: 2) suggest that participative social web offers a “toolbox of tantalizing technologies” for delivering against brand management goals because Web 2.0 technologies permit two-way conversations with customers, and rare opportunities for the brand to listen to consumers and respond. The emergence of Web 2.0 further facilitates opportunities to collect in-depth information about consumer preferences and lifestyles, thus enabling micro-targeting and addressable, customised messaging. However, Van Dijk (2009: 46) suggests that with the full implementation of Web 2.0 technologies, and the subsequent emergence of many UGC sites, business interest has shifted from consumption activities, and gravitated towards production activities which afford users more power over content which can add or detract from business value. Such power can be exercised through cooperation, compromise, or conflict in order to influence brand behaviour. Consumers that are motivated by common concerns for a particular business or brand issues can efficiently and effectively leverage the support of like-minded people around the world through the use of technology. The driving forces of finance, information, and technology have resulted in an increasingly connected world, which has given rise to increasing consumer activism, and growing threats to corporate and brand reputations.

BRAND MANAGEMENT AND USER-GENERATED CONTENT

There are numerous challenges facing brand managers in managing perceptions that are created as a result of UGC, but the most daunting challenge that UGC presents to a brand is that it can result in malicious content that is developed without any editorial controls and which can pose significant brand risk. Stakeholder theory views the firm as “an organizational entity through which numerous and diverse participants accomplish multiple, and not always entirely congruent, purposes” (Donaldson & Preston 1995: 70).

From a marketing perspective, stakeholder theory focuses the marketing organisation’s efforts on developing and nurturing exchanges with a multitude of constituent groups other than customers and shareholders (Tomas & Hult 2011: 515). It can be argued that a stakeholder perspective requires a broader approach that goes beyond being customer and profit-oriented due to its collaborative orientation. Mitchell, Agle and Wood (1997: 853) suggest that there are three attributes that identify stakeholders as such, i.e. power, legitimacy and urgency. These three attributes are also important when considering the relevance of UGC to the management of brand reputation. It can be noted that the management of UGC is necessary, simply because the participative web affords such power to the individual user to generate content. However, when such content is also deemed desirable, proper, or appropriate within some socially constructed reality, and is viewed as urgent due to time sensitivity (the extent to which a delay is unacceptable to the stakeholder) and criticality (the importance of the demands to the stakeholder), the need for brand and reputation management strategies in responding to UGC becomes evident.

Reputation management, according to Doorley and Garcia (2010: 4) is the combination of performance, behaviour and communication surrounding a brand which is comprised of both tangible and intangible benefits. The professional communicator must engage in stakeholder conversations in order to protect and enhance an organisation’s or brand’s reputation. This has resulted in the development and use of ORM tools and monitoring systems in the online environment (Upson 2010: 87). ORM involves tracking and monitoring search engine results pages, online media and all content in the Internet sphere for all mentions made about a particular organisation or brand (Mullins 2011). This practice has grown in importance, particularly in the online realm which stems from an attempt to regain some control over the brand and its reputation.

This has resulted in an environment where communication professionals have had to develop and assume new roles in order to manage reputation in the online space where brands have become communication platforms. The creation, building and nurturing of a brand community means that organisations are not only participating in conversations that are happening about and around them, but also actively leading

and guiding those conversations (Stokes 2008: 373). While all advertising on the Web is interactive by nature, UGC sites offer a unique and more complex level of engagement. Instead of inviting individual consumers into an environment of their own making, marketers advertising on UGC sites are entering a conversation initiated, maintained, and “owned” by consumers themselves (IAB 2008: 7). This requires those marketers to behave differently, or risk what can be very vocal disapproval from those consumers. Due to disapproval, brands are often hesitant to pro-actively employ UGC strategies in advertising, but if done correctly, it can help brands weave themselves seamlessly into online conversations.

One prevailing method of UGC advertising, according to the IAB (2008: 13), is to produce content that borrows the aesthetic, the attitude and sometimes the distribution modes of actual UGC. However, the IAB (2008: 12) cautions that such a strategy can be a tricky proposition that demands full transparency and respect for the culture of UGC. UGC digital platforms offer flexible means of communication and their connected nature allow brand communicators to follow and track brand opportunities, and provide entry points for all businesses and brands that are responsive to the increased stakeholder demand for brand experience (Khumalo 2010). This has resulted in a bottom-up shift in power towards consumers as online technology has given consumers a voice that can be exposed and heard globally, and where consumers have begun to value “word-of-mouth” information more than what professional communicators may say (Argenti 2005: 15). It is for this reason Van den Dam *et al.* (2008: 4) argue that both traditional mainstream Internet sites and major consumer brands are beginning to recognise the value of social networking, not only for the potential advertising income it may generate, but also for e-commerce and the built-in mechanisms it employs to communicate with customers.

Unfortunately, this trend is not always welcomed. Fournier and Avery (2010: 2) suggest that as more branding activity moves online, marketers are confronted with the realisation that brands are not always welcome in social media, and seem inauthentic and intrusive amongst the cultural conversations of the social media. However, as Fournier and Avery (2010: 4) point out, while brands struggled to leverage social media, consumers learned how to leverage brands for their own purposes and ends, thus turning brand marketers’ own capabilities against them in the form of online public complaints, brand parodies and viral media campaigns. Increasingly marketers have lost control of their content and the reach, frequency and timing of the distribution of their messages (Mangold & Faulds 2009: 359). As a result, branding has become an open source activity where anyone and everyone has a say in matters of the brand (Fournier & Avery 2010: 1).

OPEN SOURCE BRANDING AND REPUTATIONAL RISK

Open source branding takes place when a brand is embedded in a cultural conversation, and implicates participatory, collaborative and socially-linked behaviour in which consumers serve as creators and disseminators of branded content (Fournier & Avery 2010: 4). As a result, stakeholders are no longer passive users, but have become active influencers (Brito, Vanzin, Ferasso & Saldanha 2010: 114). Open source branding is changing some of the fundamental principles of value creation that marketers have taken for granted for decades within previous paradigms. Fournier and Avery (2010: 1) argue that web-based power struggles between marketer and consumer brand authors challenge accepted branding truths and paradigms in that “small, short-term brands can trump large, long-term icons, marketing looks more like public relations, brand building gives way to brand protection, and brand value is a function of risks, not returns”. Stokes (2008: 474) points to the resultant growth of ORM because brands and individuals realise that the combination of search engines and social media mean that brand risk is only a quick search or post away. This has forced marketers to seek strategies aimed at collaborating and positively leveraging the influence of open source branding, and to devise new brand strategies aimed at brand protection rather than brand building. Fournier and Avery (2010: 4) identify three overarching managerial approaches to open source branding, each varying in its risks and rewards:

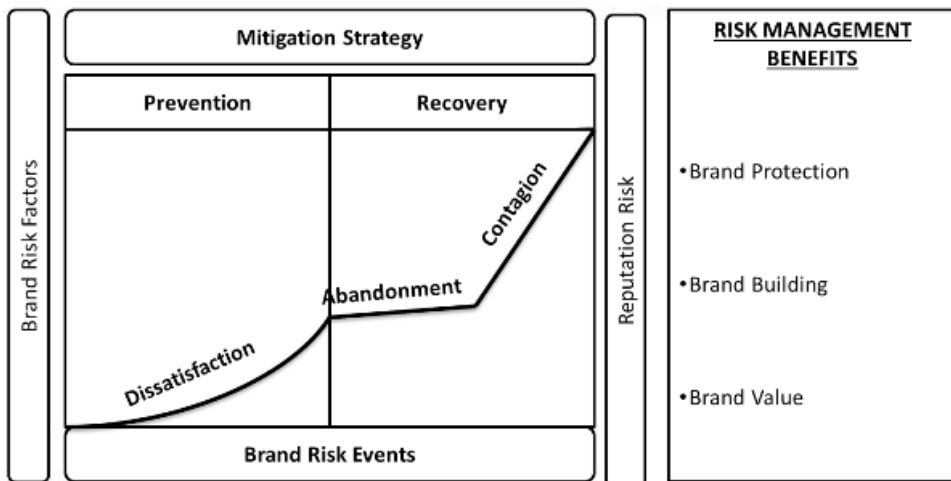
1. *Path of least resistance*: cede control of the brand to consumers, bow to social media pressure, and admit to consumers. This strategy is regarded by many as inevitable in Web 2.0, and the brand can also gain much coveted citizenship credentials as a result.
2. *Gain cultural resonance by being where the action is on social media and fitting in seamlessly with what is going on*. “Playing their game” requires mastery of the nuanced principles, styles and mechanisms governing the new cultural environment such that the brand can dilute its inherent intrusiveness on the people’s web.
3. *Leveraging* the interconnectedness of Web 2.0 consumers and feed into their evolving habits to tip the power scales back to marketers by providing the means to get consumers to work on behalf of the brand.

Van Dijk (2009: 42) argues that the notion of “participatory culture” tends to emphasise the emancipation of the involved individual, who can satisfy their need for self-expression and creativity within digital spaces that are created for this purpose. Tapscott and Williams (2006: 150) refer to this phenomenon as “prosumption” which allows individuals to attain equal participation in the economy, and to co-create value with peers to meet very personal needs, or to engage in fulfilling communities. In this regard, Grannel (2009: 66) argues that

UGC plays a dual role – both enhancing the individual and cementing the collective through the promotion of alliances and allegiances. Klein (1999: 335) argues that this increased connection with brands afforded by participative Web technologies has profound implications for brand reputation as consumers are entangled with the culture and identities of the brands they support and feel complicit in the brand’s behaviour.

However, as Fournier and Avery (2010: 12) point out, the social collective is an inherently self-interested entity whose activities are not necessarily aligned with the best interests of the brand. As a consequence, brands are hesitant to disclose the strategies they engage to manage their reputation. Web 2.0 brand management may now more appropriately be considered as risk management, a discipline focused on risk assessment and risk control. Maucci and Sordi (2011) define reputation as an asset as perceived by stakeholder communities, and reputational risk as a function of the stakeholders’ reaction to the reputational risk events. As emphasised by Maucci and Sordi (2011) and illustrated in figure 1 any reputation risk strategy requires a two-pronged approach: risk prevention and risk recovery.

FIGURE 1: BRAND REPUTATION RISK MANAGEMENT



(Adapted from Maucci & Sordi 2011)

Unfortunately brand managers are ill-prepared for this, because as Fournier and Avery (2010: 28) point out, it is not clear what brand management looks like when goals of share growth and dominance are replaced by concerns for brand protection and are aimed at brand defence. Web 2.0 brand strategies are more likely discovered than they are constructed, governed by serendipity versus pre-planning, uncertainty versus certainty, and a reactive versus a proactive stance (Fournier & Avery 2010: 30). As a result, many brand managers have reverted to

active listening as a strategy to assess online brand risks, hence the proliferation of tracking tools. Such online strategic conversations are monitored not only for content, but also for the sentiments expressed by participants in order to limit both reputational risk and reputational impact due to dissatisfaction/abandonment (Maucci & Sordi 2011).

In support of the aforementioned, existing brand strategies do not accommodate the notion of brands as short-term socio-cultural phenomena. Instead, traditional approaches are focussed on cultivating long-term brand equity and customer loyalty, and brand managers find themselves ill-equipped to deal with the emergent and ever-changing nature of brands as socio-cultural phenomena. Brand relevance has become more important than brand differentiation, and brand loyalty has been replaced by brand reputation. The nature and medium of brand communication are being altered rapidly by the move of users to environments that offer less expensive – but more expressive – capabilities to facilitate both one-to-one and group communications with more people than ever before. These shifts are creating a new brand environment that will require significant and bold changes by brand managers if they wish to remain a relevant part of their changing brand scape.

It was against this background that research was conducted to determine how brand managers of selected South African cellular service provider brands manage online reputation risks posed to their brands by UGC.

RESEARCH METHODOLOGY

Although literature has been published on online reputation management, very little research has been conducted on the reputational risk posed by the use of social media tools that allow for UGC. Thus, this study was exploratory in nature and utilised a qualitative research design, which is referred to as the interpretive approach in social science research. This qualitative research design used a Glaserian Grounded Theory approach to address the research problem. A Glaserian Grounded Theory approach refers to a nonspecific way to refer to any approach, which is used to develop theoretical ideas (concepts, models, formal theories), that somehow begins with data (Tin 2010: 99). It is theory that has been systematically obtained through social research and is grounded in data. Glaser advocated a relatively unstructured method that does not produce a set of definitive findings or a description but instead produces an ongoing conceptual theory, which means that one does not begin with a theory and then prove it, but rather begin with an area of study and what is relevant to that area is allowed to emerge. This approach allowed for a relatively unstructured framework at the onset of the data collection process while attempting to investigate the research question which focused on how brand managers of selected South African cellular service brands manage the reputational risk posed by UGC.

The sub-questions were as follows:

- Does UGC pose a risk to cellular service provider brands?
- How are cellular service provider brands responding to user-generated online brand risk?
- What are regarded as best practices for managing user-generated online brand risk?

The grounded theory approach and theoretical sampling

Grounded theory requires theoretical sampling which means that sampling is an emergent and ongoing process that evolves as the theory develops from the data (Goulding & Saren 2010: 71). This means that rather than predetermining the characteristics and size of the sample, the developing theory directs the researcher to new informants or sources of information (Goulding & Saren 2010: 71).

In light of the aforementioned, the identification of a population was crucial at the start of the study and this was identified as the cellular service provider brands within the context of South Africa. All five existing brands (Cell C, MTN, Vodacom, Virgin Mobile and 8ta) were considered and the three biggest cellular service provider brands were contacted. Both Cell C and Vodacom agreed to form part of the study; however, MTN did not want to participate in the study due to the sensitive nature of its information at the time of the study. Interviews conducted with Cell C and Vodacom led the researchers to the agencies that manage the online reputation for Cell C and Vodacom respectively.

Data collection

Data was collected using semi-structured face-to-face interviews with brand managers from both Cell C and Vodacom. Both these brands have a very strong presence on social media sites such as Twitter, Facebook and YouTube. These interviews directed the researchers to the agencies that manage the online reputation of the respective brands, followed by seven interviews with South African digital and online reputation management experts.

The interview schedule consisted of open-ended questions that were categorised within four sections dealing with the important elements that emerged from the literature. The first section focussed on the gathering of general information pertaining to roles and responsibilities. This was followed by a section dealing with online brand management, UGC and the use within the brand or the agency, and finally, an in-house management section that was only completed in the event where a brand was responsible for managing the online reputation of the brand in-house. The use of open-ended questions allowed for probing and insight to be generated into the approach and strategies used by the various cellular service

provider brands. All the respondents gave consent for the interviews to be recorded. Notes were taken during each interview and recordings were transcribed to assist with the process of data analysis.

Data analysis

Data analysis consisted of thematic content analysis of the transcribed material and this process enabled similar themes, categories or relationships to be identified. This process of analysis is supported by the grounded theory approach which prescribes that analysis of the data involves coding strategies, meaning that the data was broken down into units of meaning and labelled to generate concepts. Then, these concepts were clustered into descriptive categories and subsumed into higher-order categories or one underlying core category (Goulding 1998: 53). The data analysis technique used was that of Huberman and Miles and entailed three linked processes that took place, i.e. data reduction, data display, data conclusion and verification (Robson 2002: 473). This resulted in main themes being identified which pertained to the new brand context and how cellular service provider brands manage UGC.

As with any research undertaken, it is crucial that the research results are reliable. The reliability of the research conducted was strengthened due to the fact that the same interview schedule was utilised for all the brand managers, the agencies servicing the brands and also the expert interviews, and yielded the same results in terms of the issues and themes that emerged. This data collection instrument was tested by means of a pilot study conducted prior to the data collection process.

FINDINGS AND INTERPRETATION

The research conducted resulted in the identification of a number of key themes that highlighted the issues that need to be considered by brand managers when managing their UGC brand risk. These themes have been integrated into four main categories dealing with the new context that brands work within, how they respond to the online reputation risk, the new roles and responsibilities that have been ascribed to brand managers within the cellular service provider brands, and also the agencies that service these brands, and finally, the process of digital strategy development within this new brand context.

A new brand context

The consumer living in the collaboration economy is a highly individualistic person who is value-conscious and experience-orientated. This person places emphasis on being informed and takes control of their relationships with brands in the marketplace. As emphasised by Dmochowska (2008) these individuals are empowered and have extended their influence in many spheres of business and brands. These individuals now function in an environment where the F-Factor

(fans, friends and followers) plays an important role; this refers to the fact that a person interlinked with many other people on social networks may have more power to influence through collective collaboration than others who are less connected. With consumers having more influence in terms of the voicing of opinion and engagement, brands have lost control of consumers and this is one of the pertinent issues that became evident throughout the research.

As highlighted by one of the digital specialist agencies, the loss of control has made it crucial to measure the influence that individuals have when using social media; various tools exist that estimate the influence of the individual on social media platforms. An example hereof is the Net Promoter Score (NPS), which is a tool that divides companies' customers into three categories (promoters, passives and detractors). This is used to calculate whether an individual will recommend or promote a brand to others via social media platforms. Recommendation or promotion by a customer using social media platforms has created an environment where brands can now use their own media to build their brand and relationships. This was highlighted by a number of respondents who emphasised that brands in the current environment need to take note of the concept of owned, bought and earned media.

Owned media refers to all media or communication channels owned by the brand, whereas paid media is all the media that the brand appears on, but this space needs to be bought. The advent and major growth of tools such as social media networks, search engines and digital public relations has given rise to a concept called earned media. Earned media is important in the current field of brand and communication management as it has created an opportunity for brands to get exposure and free publicity. Earned media feeds directly from both owned and bought media; the relevance of managing earned media in an integrated and strategic manner, in the current brand environment, is gaining significant importance.

The research findings illustrate that the cellular service provider brands are attempting to manage this earned media space strategically as the brands are inventing new departments specifically created to focus on social media management and the inclusion of this new communication tool to the brand's mix of messaging tools. The inclusion of social media as a new brand communication tool has resulted in Web 2.0 brand management now more appropriately being considered as risk management (Maucci & Sordi 2011). As indicated by one of the cellular service provider brands, "So your brand is now co-owned with the consumer because they can feed back and everyone else can see what they feed back. You can't control what's happening there and I think it is a big risk". The sentiments of Maucci and Sordi (2011) correlate with the findings as it was emphasised by the majority of the respondents that the use of UGC poses new risks to brands that need to be managed.

Responding to reputation risk

With the increasing relevance of reputational risk and the management thereof, the value of monitoring tools within the social media space has grown in importance. As highlighted by Upson (2010: 87) this has resulted in the development and use of various ORM tools and monitoring systems. The use of these tools have resulted into an environment where the ability to discern brand risk potential has become a valued ability.

The utilisation of monitoring tools by both agencies and cellular service provider brands was highlighted throughout the research. Both the cellular service provider brands indicated that they utilise agencies to assist with the monitoring of online behaviour; these agencies work with in-house teams at the cellular service provider brands. As noted by one respondent, weekly and monthly ORM reports are compiled followed by content plans or conversation plans that are usually developed by the agencies based on these reports. These entail the short-term plan going forward for the brand within this space.

In support of using monitoring tools to manage risk, agencies highlighted the relevance of managing risk and the fact that different models are used to do so. One respondent noted that the agency prescribes to a three-tiered approach, namely low, medium and high risk. Low risk deals with “simple questions that can be answered but if left unanswered they could turn into high risk questions”, medium risk addresses anything that “bears heavily on products or service”, and lastly, high risks refer to whatever “bears risk on share price, on integrity, ethics and governance”.

In support of the aforementioned, respondents from two other digital agencies emphasised that it is crucial to distinguish between low, medium and high risk issues; they added that this could be done by differentiating between complaints lodged and crises discussed on social media platforms. A complaint would be categorised as a low or medium risk, while a crisis would be a high risk issue. This finding resonates with the statement of Maucci and Sordi (2011) who state that any strategy developed to address risk online should have a two-pronged approach: risk prevention (which would be complaints = low and medium risk issues) and risk recovery (which would be crisis = high risk issues).

However, taking into consideration the various monitoring tools available, the research shows that no one-size-fits-all approach can be used as managing brand risk depends upon the nature of the brand. The use of a well-known and frequently used model was highlighted by one of the leading South African online reputation management agencies as a useful model for ORM. This is the Saidwot™ online reputation management model that highlights three basic actions that are important. The actions consist of listening (Where are they hanging out?), analysing (What

are they interested in?), and engaging (Should you be there and what do they want from you?). This model is used to ask important questions, and a four-step approach for the management thereof is adopted. The four M approach consists of monitoring, measuring, management and maximisation. Monitoring refers to the concept of basically monitoring the conversations, behaviour and actions of consumers online. This is followed up with measuring that entails a review of the results produced during the monitoring phase and an interpretation of the behaviour and actions monitored. The next step in the process is management; it consists of the action plan followed by the brand and/or agency to address the results produced and to capitalise on opportunities. The last step is maximisation. This refers to maximising the businesses and the business decisions at a strategic level. The emphasis is on assessing the current situation and brand environment and managing the social media space, while maximising all opportunities available to the brand.

Throughout the research it became apparent that although brands constantly monitor and respond to reputational risks posed by UGC, many brand managers are not prepared for the challenges that risks pose to these brands. As emphasised by Fournier and Avery (2010: 28), brand strategies nowadays are being approached differently from traditional brand strategies. This was confirmed by the research as a number of the respondents referred to the fact that brand management is shifting from the goals of share growth and dominance to being concerned with brand protection and brand defence. This resonates with the statement of Upson (2010: 87) who highlights that the role of the brand manager has shifted as this person now has new roles and role descriptors that are emerging.

Roles and responsibilities

This shift in roles and responsibilities of the brand manager was emphasised by both cellular service provider brands, as well as the agencies interviewed. Throughout the interview process it became apparent that a number of brands developed new departments within the organisational structures that are responsible for the management of social media (which includes UGC). This was reported to be a labour intensive function as it requires real-time responses 24 hours of the day, while building a relationship with customers online by means of relevant engagement.

In light hereof, both cellular service provider brands employed agencies, as well as in-house teams, that assist with social media and reputational risk management. The in-house teams are used to manage and track online activity and deal with complaints and problems on social media. On the other hand, agencies are employed to monitor behaviour on social media such as Facebook, Twitter and YouTube via various ORM tools. The responsibilities of agencies and cellular

service provider brands are blurred and although the responsibilities of both include the management of social media to build brand, these tasks are approached differently. As highlighted by a digital expert, the role of the agency is more consultative whereby risks are identified, management strategies are developed to deal with the risks, brand opportunities are identified, and companies are assisted with the execution of the social media and ORM strategy.

Another significant finding with regards to the aforementioned was that the roles and titles of in-house team members and agencies that manage social media and reputational risks differ. The titles of the managers of social media, situated within the cellular service provider brands, include terms such as senior public media relations manager, executive head of media relations, and digital marketing manager compared to agencies utilising titles such as digital strategist, account manager, content and community co-ordinator, and head of the media division. The change in titles has not only manifested much sooner at agency level, but the titles used within agencies better represent involvement in the digital realm of the brand.

Even though titles differ, it is relevant to note that the individuals responsible for the overall management are in both cases part of middle to senior management. One social media manager from a cellular service provider brand reported that he is the lowest ranking person within the company reporting directly to the Chief Executive Officer. However, it was emphasised that the majority of the individuals responsible for social media used by the brand are positioned at middle management level. This highlights the fact that the function of social media management is primarily managed at an operational level and not at a strategic level. As one respondent noted, the function of social media management is viewed as a communication tool rather than a strategic business tool. This was supported by a digital expert who stated, "I think the biggest risk for our clients is that they don't view social media as a business process, they view it as a communication medium...".

Throughout the research it was clear that with the focus being on the management of social media platforms as a communication tool, brands felt that they needed to manage the communication and engagement with their stakeholders, while the agencies were responsible for the development or co-development of strategy, monitoring and measuring of the social platforms, and the report back on these to the client. Unfortunately these brands do not have structures where management of social media is centralised within a single or set of integrated departments. The function is divided between the brand/marketing and corporate communication and/or media relations departments, while the role of social media management is usually situated within corporate communication. It became evident how both the cellular service provider brands have divided the management of brand on social

media platforms between different departments. For example, the management of the brand in the social media space is being managed by brand and marketing departments, while the reputation of the brand is mainly the responsibility of corporate communication and media relations departments. This has resulted in social media and more specifically the brand's holistic digital strategy not being managed as a strategic tool but being developed in parts and managed by isolated departments within the organisation.

Digital strategy is developed in isolation

The concept of integration, an act or instance of combining into an integral whole, is a familiar term used within the field of marketing and communication; it is crucial that the digital function is addressed as an integrated function within the organisation or agency (Witsepki 2012: 46). The current trend is to ensure that the various specialists from different departments working on a strategy or campaign are united and work as a team. For this to take place successfully it needs to be addressed at the structural level of the organisation taking into consideration all vertical and horizontal levels.

A significant finding highlighted in the research is that none of the cellular service provider brands manage social media (and UGC) as an integrated element of the larger communication mix. Both the cellular service provider brands have responsible individuals and departments with their core focus being on managing social media (which includes UGC) and have employed agencies to assist with the strategising and managing of this function. As highlighted by a digital expert, integration of digital tools with other communication mix elements is crucial; this became apparent through a statement such as "I think social media is just a component of building a brand". In support of this, agencies noted that the lack of integration is a major challenge to brands, but can mostly be attributed to internal business processes.

CONCLUSION AND RECOMMENDATIONS

The results of the research clearly indicate that reputational risk is an existing issue and needs to be managed effectively by brands when using UGC. UGC should be used and managed as a strategic business tool. The management thereof is currently divided between corporate communication, marketing and media relations departments; agencies are employed to assist at a strategic level, but are utilised on an operational level as they have limited involvement in the execution of the strategy, which they usually develop. This leads to fragmented operational management of social media as a communication tool, rather than the management of social media, and more specifically UGC as a strategic business tool.

In terms of online reputation management, the research shows that digital experts and digital agencies are used mainly in a consultative capacity. Even though brands are heavily involved in the development of their online and social media strategies, experts and agencies play a major role in the monitoring and measuring thereof. Furthermore, most brand managers are above-the-line (ATL) communication specialists and some of them lack the depth of knowledge and experience needed to manage social media. They find themselves ill-equipped to deal with the emerging scenario, but as time progresses and tools develop this should become an easier task. However, the research shows that the change in the knowledge and expertise of the individuals managing social media platforms will first be noted within senior management such as marketing and communication directors. The current shift in the responsibilities of marketing and communication directors within brands should be future requirements to be considered for this career.

In conclusion, this study addressed the issue around how brand managers manage the reputational risk of UGC with respect to selected South African cellular service provider brands. It was found that brand managers need to ensure that the online reputation management of UGC forms part of the integrated digital communication strategy of the brand. UGC also needs to be managed as a strategic business tool with emphasis on generating income and building the brand rather than an operational communication tool merely used on an engagement and entertainment level.

A recommendation for future research would be to conduct an international comparative study to ascertain whether the risks posed by UGC within South African cellular service provider brands differ from cellular service provider brands within another selected country or countries. This study should also be extended to other brand categories to determine if different types of brands require different approaches to managing online user generated brand risk.

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