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The Indivisibility of Social Media, Corporate Branding, and Reputation Management

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From 1995 to 2004, the internet hosted static, one-way websites; these were places to visit passively, retrieve information from, and perhaps post comments about by electronic mail. This Web 1.0 was about getting people connected, even if its applications were largely proprietary and only displayed information their owners wished to publish. Today, Web 2.0 enables many-to-many connections in countless domains of interest and practice. People are connected and expect the internet to be user-centric. They generate content, business intelligence, reviews and opinions, products,

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networks of contacts, statements on the value of web pages, connectivity, and expressions of taste and emotion that search engines, not portals, fetch. They hold global conversations in forms dubbed, collectively, as social media.

I. A SOCIAL EXPERIMENT

Social communities now exist in almost every conceivable domain. However, four broad types of online communities have morphed into Web. 2.0 entities in a new, horizontal architecture of participation and connection that prizes credibility. They are relationship-, interest-, transaction-, and fantasy-oriented. Communities of the first type usually organize around intense life experiences that lead to personal bonding between members. In the second type, interactions center on topics of common interest. The third type of community revolves around facilitated buying and selling of products and services and the delivery of information that supports transactions. The chief attraction here is that social media eliminates inefficient middlemen and lowers the cost of products and services. The fourth type plays roles in simulated environments.

These four types of online communities hold significant value-creation potential for users, public sector agencies, non-government organizations, and the private sector. Opportunities to add value through new channels lie pell-mell in content addition; subscription revenues; closer understanding of explicit or latent needs; product or service ideation or creation; and better targeting of market segments. Naturally, the scope for value creation hinges on the particulars of a community and who organizes its space. Nonetheless, well-designed and well-implemented social media brings with it the power of every user on the planet: its influence can only grow because, unlike in the past, control is shared with the crowd and very real feedback is fast.

Users generate content and voice their feelings far and wide. From “wisdom of the crowd” reactions, organizations can collect detailed information on users, build valuable relationships through conversations about people’s experiences, deploy higher levels of engagement, and refine offerings and related messages to better match needs. The uses of social media are boundless: Web 2.0, a.k.a, the Social or Relationship Web, amounts to nothing less than a massive social experiment.

II. GROWING WEB 2.0 ORGANIZATIONS

Social media is not a gimmick. It is revolutionizing the way we live and learn. Many individuals already use Web 2.0 applications every day and consider life without these unimaginable. Over time, a greater percentage of the population will feel the same. Already, younger personnel expect to work in organizations where Web 2.0 is the norm and are dismayed to discover that many of the applications they use in their personal lives are not available professionally. What is more, today’s teenagers will soon enter the workforce. The consolidating phenomenon of Web 2.0 jives with other societal trends. In addition to demographic changes, they include the consumerization of information and communication technology, the empowerment of consumers, the gradual move from hierarchical to network-based forms of organizations, and the growing importance of informal learning. It is no surprise, therefore, that elements of the private sector have begun to thrive on opportunities to forge, build, and deepen relationships with people, both internally and externally.

From the early adoption of Web 2.0 applications such as blogs and wikis, they are expanding the mix of tools and shifting from using them experimentally to embedding them in their business processes. To build Web 2.0–friendly cultures that are transparent, agile, creative, user-centric, and empowering, these high-performance organizations at once asked themselves:

- How can we use Web 2.0 applications to be more successful?
- How can we leverage them to fuse the knowledge, skills, and resources of clients, audiences, and partners?
- How will they change the way we operate?
- How can they help us protect and nurture our brand and reputation?
- How can we use them to identify, recruit, develop, deploy, and retain talent?
- How can we ensure that the information we do not want to share stays in-house?

Driven by internally focused objectives rather than a service-delivery mentality, bureaucratic in decision-making, traditionally slow to change, and saddled with top-down hierarchical structures in which positional authority no longer compels, the public sector is a relative newcomer to social media. On the social technographics ladder, most public sector organizations are inactives that continue to rely on yesterday’s technology to address tomorrow’s problems. Accepting that the internet is increasing the economic and social value of the information they hold, they must stretch mindsets to understand emerging mental models and equip themselves with the right policies, strategies, resources, delivery mechanisms, and management skills to take part in collaborative relationships in the digital economy.

Why should they do so? First, the public sector bears social responsibility for embracing change—else, it faces reputational risk. Second, the social media will soon play a major role in defining how public sector organizations are considered: their accomplishments are measured not just by what they do but also, more and more, by perceptions of that. Third, and most important, Web 2.0 applications offer unprecedented opportunities to achieve more simple, user-oriented, transparent, accountable, participative, inclusive, responsive, joined-up, networked, and efficient government. To reap these, public sector organizations must meet people where they are. Increasingly, that is online.

For Web 2.0 applications, the most favorable context is high trust, collaborative, and knowledge intensive. Three aspects, all having

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to do with management (including that of human resources), favor success on the Social Web: a lack of internal barriers to Web 2.0, a culture that favors cooperation, and early adoption of Web 2.0 applications for communication, interaction, and service. For this, public sector organizations must develop social media strategies across multiple networks, both internally and externally focused: from how their personnel should conduct themselves as employees to what is considered competition. The transition they must accomplish requires strong leadership for engagement by senior managers (whom most surveys discover cannot easily grasp the potential returns from Web 2.0). It also requires competency in forging, building, and deepening relationships on the internet; policies to both protect organizational assets and ensure appropriate personnel behavior; and, finally, training so that everyone understands Web 2.0 applications, how to use them in the context of the organization, and their respective roles.

In the age of the internet, Web 2.0 applications dictate how responsive the public sector must be. A shared vision for the journey necessarily encompasses stakeholders (who to engage with), reason (rationale for acting), activity (what to do), and tools (how to do it). In quick steps, public sector organizations can start with the following:

- Edify the organization by helping personnel at all levels realize what Web 2.0 applications are and how they can help it recognize and manage fast-evolving explicit or latent needs.
- Craft social media policies that capitalize on the benefits of adopting Web 2.0 applications in the organization, including policies for individual departments.
- Formulate social media strategies that delineate clear priorities and determine the opportunity or requirement for online collaboration aligned to evolving organizational mandates.
- Evaluate existing technologies to determine their compatibility with morphing Web 2.0 applications.
- Launch internal and external pilots that, with an eye to authenticity as well as risk and governance frameworks, identify and act on specific opportunities to drive early success and enable departments to familiarize themselves with Web 2.0 applications, understand the management required, and refine their objectives for subsequent initiatives.
- Define broader scopes for online engagement as a new way of working through the lifecycle of listen and identify, inform, consult and involve, and collaborate and empower.
- Measure engagement by focusing on the usability of Web 2.0 applications and the extent of engagement as a result of their use.
- Gauge effectiveness by examining the degree to which Web 2.0 applications help create new relevant knowledge and solve cases.
- Inculcate a culture of collaboration by relentlessly progressing how interactions with clients, audiences, and partners take place inside and outside of the organization.
- Foster organizational learning from pilots and regular initiatives based on measurements of engagement and effectiveness and comments from clients, audiences, and partners.

III. BRAND LOGIC

The core concept in marketing has always been that of transaction, whereby an exchange of values takes place. However, in parallel with changes in cultures, lifestyles, and technologies, the emphasis in marketing has shifted from individual transactions: the new focus is on establishing long-term relationships. If social media is not a gimmick and can drive stakeholder involvement and satisfaction, it follows that corporate branding too must move from the 20th century to the 21st. Until the mid-1990s, brand management—based on the 4Ps of product (or service), place, price, and promotion—aimed to engineer additional value from single brands. The idea of organizational branding has since developed, with implications for behavior and behavioral change.

To meet demand and facilitate transaction, the objectives that a good brand achieves are to deliver the message clearly, confirm credibility, connect emotionally to the targeted prospects, motivate the end users, and concretize user loyalty. Having a strong brand is invaluable as competition intensifies. Brand management—that is, the art of creating and maintaining a brand—now requires that the whole organization support its brand with integrated marketing. The stronger the brand, the greater the loyalty of end users is. The stronger the brand, the more flexible an organization is. Higher staff morale leads to higher productivity and better results.

Brands are customarily associated with the private sector. Nonetheless, public sector organizations should also be aware of the ways they are portrayed and perceived by society, and endeavor to manage these perceptions to demonstrate improved responsiveness to public needs. Logically, this can only involve changing their products or services, or changing perceptions without changing the products or services. Either way, branding should help. Over the last 15 years, public sector organizations have often been asked to bring about dramatic overhauls including process improvements and organizational culture shifts.

A strong brand personality can attract support for their missions. While public sector organizations typically do not see one another as competitors and do not battle it out for clients and attention, it is still critical for them to better define and align vision, culture, and image, and harness the needs of their targeted prospects as commercial marketers do. Brand logic would enable public sector organizations to be perceived as institutions that enable end users to achieve their goals, be relevant to, and consistent with, how end users view themselves and their lifestyles, help end users relate to others they aspire to be like or associate with, and strengthen their identity and sense of well-being.

And so, if relationships—in other words, supply chains—are indeed crucial to marketing and marketing is not an act but a habit, both private and public organizations should:

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- Think in terms of social capital and relationships, which requires that they plan for the long-term and build brand equity accordingly.
- Consider what deep-seated values relate to the behaviors of targeted prospects and ascertain better what value and motivational attributes their products and services have from the perspective of end users.
- Focus, simplify, and organize products and services by emphasizing and facilitating understanding of their unique selling propositions: therefore, for all products and services marketers should look at the who, what, how, where, when, and why of end-user behaviors.
- Bring more and different partners together to initiate and deploy synergies.
- Constantly monitor and evaluate their efforts by surveying the perceptions of end users.
- Visualize marketing as change management, the success of which hinges on explicit consideration of relevant determinants of intraorganizational behaviors throughout marketing activities, institutions, and processes.
- Accept that organizational behavior is central to marketing and branding: it is a management philosophy for organizational practice; a strategy that helps relate with end users; an organizational tool for structuring and infusing teams; a tactic with which to drive inputs; and a measurement of the relevance, efficiency, efficacy, sustainability, and impact of activities, outputs, and outcomes.

Everybody can own a behavior, and that starts with action, not images or words, because clients, audiences, and partners judge organizations by what they do, not what they say. From a marketing perspective, some components of behavior are transparency, authenticity, interactivity, applicability, and sustainability. The attributes of well-regarded brand-owning organizations are leadership, citizenship, pride, talent, innovation, transparency, and having a long-term view.

IV. CORPORATE REPUTATION MANAGEMENT

The primacy of relationships, the recurring operative word in any discussion of social media and Branding 2.0, is also forcing organizations to reconceptualize and manage reputation in knowledge-based economies.

Reputation is not about likability: it is the aggregate estimation in which a person or entity is held by individuals and the public against a criterion, based on past actions and perceptual representation of future prospects, when compared to other persons or entities. Since we cannot develop a personal relationship with every entity in the world, the regard in which a party is held is a proxy indicator of predictability and the likelihood the party will meet expectations, a useful earmark that facilitates sense and decision making against alternatives.

While individuals have often worried about their reputations to a fault, organizations only really began to do so in the 1950s, which saw the materialization of consumer products and growing attempts at product and image differentiation, originally by way of public relations and marketing. These days, however, even successful public relations do not suffice to nurture an organization’s reputation. The convergence of globalization and widespread computing since the 1990s, bringing immediate news and online journalism including by the general public, magnify blunders and wrongdoings.

Social media energizes the groundswell. Beyond corporate images and efforts to realize value from brand equity, beyond more recent endeavors at differentiation through innovation, operational excellence, or closeness to customers, and beyond even exertions to foster key behaviors for a one-company culture, many organizations now also try to nurture reputational capital. Reputational capital is all intangible assets including business processes, patents, and trademarks; repute for ethics and integrity; and quality, safety, security, and sustainability. Put differently, they strive to enhance corporate citizenship in the way they relate to direct clients, audiences, and partners; other stakeholders in society at large; and, more and more, themselves.

High-performance organizations need to (i) reconceptualize reputation as a strategic boundary object—which offers a lens through which to analyze tensions between local values, reputation, and the inputs and outputs needed to uphold coherence across intersecting communities; (ii) clarify expectations and conduct ongoing reflective assessments—which help recognize the increased demands placed on strategic reputational boundary objects by changing trust relationships; and (iii) define their stakes—which, by shifting away from fixed notions of stakeholders, makes possible a social constructivist perspective of stake-making and stake-breaking. This is a tall order, but organizations stand a better chance of delivering on it if they understand, and leverage the newfound indivisibility of social media, corporate branding, and reputation management.

The views expressed in this article are those of the author and do not necessarily reflect the views and policies of the Asian Development Bank, or its Board of Governors or the governments they represent.

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