UNIVERSITY OF OREGON

APPLIED INFORMATION MANAGEMENT

Evaluating Best Practices for Addressing Customer Complaints in Social Media

CAPSTONE REPORT

Stephen W. Kooyman

University of Oregon
Applied Information
Management
Program

May 2016

Approved by

_____

Dr. Kara McFall
Director, AIM Program

Evaluating Best Practices for Addressing Customer Complaints in Social Media

Stephen W. Kooyman

Abstract

The number of complaints and negative feedback delivered via social media continue to increase, and marketing, public relations and customer service leaders need to develop comprehensive, integrated corporate plans to successfully monitor and respond to these customer issues. This annotated bibliography presents selected literature on understanding customer social media usage, its impacts on customer complaint interactions, and the best practices for successfully addressing customer complaints in social media.

Keywords: complaint handling, customer relationship management, electronic word-of-mouth, online complaints, social media, social networking, webcare

Table of Contents

Introduction to the Annotated Bibliography

Problem

Because social media provides numerous opportunities for consumers to voice issues and complaints about organizations in public (Einwiller & Steilen, 2014), it is increasingly important for companies to adequately address concerns and communicate to their customers in a quick, detailed manner. Social media is defined as "a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of User Generated Content" (Kaplan & Haenlein, 2010, p. 61). The two largest social media sites, also called *social networking sites* (Kim, Kim & Nam, 2014) are Facebook, with 1.6 billion monthly active users (Facebook, 2016), and Twitter, with over 340 million monthly active users (Twitter, 2016), with additional applications like YouTube, LinkedIn and Google+ offering social and business opportunities for their members (Kim et al., 2014).

Social media has become a popular forum for consumers to share complaints about products and services, and they expect interactions not only with other people in their personal networks, but with businesses as well (Rapp, Beitelspacher, Grewal, & Hughes, 2013). Because customers are aware that companies are increasing their social monitoring efforts, this online venting can be done away from a company's social media pages and still lead to expectations by customers that their issues will be addressed (Van Noort & Willemsen, 2012). This negative word of mouth (Einwiller & Steilen, 2015) can grow quickly online if a company's response, or what Van Noort and Willemsen (2012) describe as "webcare," is not adequate, timely or perceived as being authentic.

This change is a challenge for corporations, who are ill prepared to move from talking *at* customers to instead listening to, engaging with, and responding *to* them (Kietzmann, Hermkens,

McCarty, & Silvestre, 2011). In a study by Maritz Research (Larsen, 2011) about Twitter

complaints, nearly 50% of the respondents said they expected the company to read their tweet

but only 33% received a response from the company. Of those who did not receive follow-up

communication, 86% stated they would have appreciated hearing from the company about their

complaints, providing evidence of the opportunity for companies to improve their customer care

communications (i.e., apologies) made via Twitter (Page, 2013), and, in return, bolster their

reputations and brands.

Most Fortune 500 corporations have a presence on Twitter and Facebook, but many

suffer from ambiguous social media policies, inconsistent messages, and the lack of a defined

social media strategy to adequately support this developing usage and address a growing level of

complaints that are posted across social media channels (Rapp et al., 2013). Kietzmann et al.

(2011) observe that corporate communications have been democratized, meaning discussions

about brands (and companies) happen with or without permission of the firms in question,

especially online. Schivinski and Dabrowski (2014) confirm that consumers are now influencing

these brand communications previously controlled by marketing and brand teams. Company

leaders are raising questions about these impacts on established business processes and strategies

(Hennig-Thurau et al. 2010), indicating that there are opportunities to assess the best practices of

companies that successfully resolve social media-based complaints and reduce negative word of

mouth and to document lessons learned from public instances of customer interactions that

failed.

Purpose

Customer engagement with companies through social media is constantly evolving and

there is no single measure of the financial impact of social media for a corporation, making it

difficult to justify increasing resources to the channel (Divol, Edelman, & Sarrazin, 2012). As

companies continue to invest in their Twitter and Facebook presences, the importance of

defining and utilizing successful social media monitoring and response strategies is vital to

maintaining customer relationships and preserving brands and reputations (Malthouse, Haenlein,

Skiera, Wege, & Zhang, 2013). The purpose of this annotated bibliography is to present selected

literature that examines the characteristics and effects of online complaints and negative *word of

mouth* (Einwiller & Steilen, 2015) and explores ways companies can successfully address and

mitigate these complaints.

Sources are selected that provide insights into the short history of social media; the

changing usage patterns by customers, including the growth in the use of social media to

complain about companies; and techniques companies can employ to build customer service

resolution strategies for online complaints. Additionally, case studies in the resolution of online

customer complaints are provided to lend specific detail to the challenges of social media

management.

Research Question

As the amount of customer complaints and negative feedback delivered via social media

continue to increase, how can companies develop comprehensive, integrated plans to

successfully monitor and respond to these customer issues that may involve numerous lines of

business to adequately resolve?

Audience

Because social media complaints can damage a company's reputation and impact sales,

the intended audience for this research is anyone whose job is tied to customer buying behavior

and satisfaction, as well as corporate reputation. This set of stakeholders includes Marketing and

Public Relations management teams as well as Customer Service Managers and Digital Channel

Managers. These stakeholders will benefit from this study through the literature that explains

social media impacts on companies and identifies best practices in responding to customer

complaints lodged via social media.

Search Report

       Search strategy. The search strategy involves using Google Scholar and the University

of Oregon's LibrarySearch page to investigate literature and identify supporting articles. After

numerous keyword variable inputs, key patterns emerge in the topics of social media use and

adoption for online complaints, identifying social media behavior trends and corporate

engagement of customer complaints (or "webcare"). Bibliographies and lists of keywords of

selected references help guide and articulate additional search terms. Additionally,

Elsevier/Science Direct offers the ability to see and evaluate additional articles that are related to

the article under consideration, either by citation volume or inclusion in the same issue of a

particular journal.

       A large number of peer-reviewed articles that attempt to critically assess the fast-growing

phenomena of social media begin appearing around 2008 and continue to grow as the amount of

customer data and experiences grow. Date filters in Google Scholar are set to return articles

published in 2012 or later to enable the identification of relevant articles, and searches in the

University of Oregon are limited to peer-reviewed books and journals. Results over the past few

years show not only an increase in direct, *reactive* company responses to customers on company

websites, but also the implementation of monitoring capabilities that are *proactive* and are

employed to capture issues and sentiments on many platforms. Additionally, search results point

towards an increase in the omni-directional impact of online or negative customer word of mouth messaging that is difficult for firms to contain.

Key terms. The research focus is on keywords and phrases that produce relevant, current articles. The key terms used are as follows:

- Complaint Behavior;

- Complaint Management;

- Consumer Interactions;

- Corporations and Social Media;

- Customer Relationship Management (CRM);

- Customer Revenge;

- Electronic Word-of-Mouth (EWOM);

- Facebook and Customer Complaints;

- Managing Social Media;

- Negative Word-of-Mouth (NWOM);

- Online Complaints;

- Public Relations and Social Media;

- Relationship Management;

- Social Media Analytics;

- Social Media and Brand Impacts;

- Social Media Communications and Consumer Perception;

- Social Media Complaints Handling;

- Social Media Impacts on Companies;

- Social Media Monitoring;

- Social Networking;

- Social Service;

- Twitter; and

- Webcare.

Search engines and databases. Search activities leverage the University of Oregon's Library system as well as the VPN client experience, allowing for authenticated querying of many topical research databases.

The following systems, search engines, journal collections and databases are part of the search scope)

- Academic Search Premier;

- DOAJ – Directory of Open Access Journals;

- EBSCOHost eBook Collection;

- eMarketingBot.com;

- Electronic Marketing;

- Google Scholar;

- International Bibliography of the Social Science (IBSS);

- JSTOR;

- LLRX.com;

- ProQuest Social Science;

- Sage Knowledge;

- ScienceDirect (Elsevier);

- Springer Link; and

- Summit Union Catalog (OneSearch/Primo).

The updated Reference section includes results that support the paper's focus on customer complaint behavior in social media and factors that influence the mitigation or successful resolution of these issues or sentiments.

Documentation approach. References are documented and tracked via several methods. First, all online references are saved on a local PC drive in Adobe Acrobat PDF (portable document format), which is backed up weekly. Microsoft's OneNote software tool is the primary repository for capturing document information and notes via its ability to mix content and allow search terms, keywords and category notations to be placed freely on the page. Each reference is stored on its own tab; hyperlinks to digital object identifier (DOI) versions of the file are included on the page to provide additional access in case local PDF files are lost, and this OneNote information is stored automatically in the Microsoft Cloud and secured by password. Finally, search results are also stored on the University of Oregon LibrarySearch tool, which provides a library of searched articles and search dates, as well as Google Scholar.

Reference evaluation criteria. Sources are selected for this study using the evaluation criteria established by the University of Florida's Center for Public Issues in Education (2014), which includes authority, timeliness, quality, relevancy, and bias.

Authority. This study uses authoritative sources, which means they are peer reviewed, cited in other articles, or came from consulting sources with pedigree in the field of social media.

Timeliness. The timeliness of the literature is a key component to the study: Facebook (2016) launched in 2004 and Twitter two years later in 2006 (Jansen, Zhang, Sobel, & Chowdury, 2009). Corporate use of social media begins to appear as a topic in articles in 2009, and starting around 2012 social media article content evolves from an introductory tone to one that acknowledges the importance of the medium for company communications and the customer

patterns that have emerged. Preference is given to new studies within the last seven years, though earlier foundational work is reviewed for inclusion and applicability to the specific focus on the origins of online complaints that preceded social media.

     Quality. The quality of the literature is reviewed for relevancy in the areas of science, marketing, and business, as well as checked to ensure that the presentation, grammar, punctuation, and flow are professional and do not indicate errors.

     Relevancy. Relevancy is determined by the appropriateness of the source to the research topic of identifying best practices in addressing customer complaints in social media. Sources are also considered relevant if they provide foundational understanding on the growth of the media channel. Academic sources that focus on specific company responses to customer complaints are given priority over business- or technology-based sources.

     Bias. Sources are analyzed for bias by evaluating whether the authors appear to have a goal of persuading the reader to a certain viewpoint, or whether the source was funded by an entity with a known bias such as a vendor.

Annotated Bibliography

The 15 references selected for the Annotated Bibliography are organized into categories that relate to the business usage of social media and best practices for addressing customer complaints. References are selected to help marketing, social media, and customer experience managers understand the factors that contribute to customer complaint behavior and their expectations in social media, as well as document actions to consider when employing solutions to address these issues. References are presented in three categories identified in the literature: (a) foundational elements of customer interactions on social media, (b) social media's impact on customer complaint interactions and influence on the client/customer relationship, and (c) best practices and considerations in the use of social media to handle customer complaints.

Each annotation consists of three elements: (a) the full bibliographic citation, (b) an abstract, and (c) a summary. The summaries present an overview of the increasing usage of social media and its impact as a tool for raising and resolving customer complaints.

Foundational Elements of Customer Interaction on Social Media

Divol, R., Edelman, D., & Sarrazin, H. (2012, April). Demystifying social media. *McKinsey & Company Quarterly.* Retrieved from http://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/demystifying-social-media

Abstract. As the marketing power of social media grows, it no longer makes sense to treat it as an experiment. This article explains how senior leaders can harness social media to shape consumer decision making in predictable ways.

Summary. This article provides insights into customers' social media interactions with corporations. The work is important to this research study because it identifies and addresses two major concerns about social media activities typically raised by senior

leaders: (a) how can corporations successfully engage in diverse and dispersed customer discussions, and (b) how can companies measure the financial impact of their efforts? Intended for senior executives who have a passing knowledge of social media but not a deeper understanding of the breadth and impact of customer experience efforts in the channel, the article identifies a framework to help explain customer *touch points* and recommended steps to help successfully monitor and measure social media efforts. The stated importance of successfully moving from passively listening to customers to creating direct, personal responses is relevant to this research study.

The authors also find that consumers pay attention to social media postings by and about companies, forming opinions that will likely impact the success of later customer service interactions. The key takeaway is for companies to begin and sustain an engaged, sincere, and transparent social media presence before, during, and after a consumer becomes a customer.

Regarding the financial measurement of social media activities, the authors advise coordinating data, technology, tools and human resources efforts across multiple lines of business and functions to recognize purchasing behavior of customers and, by extension, complaints and sales declines. As a complement to sales information, online analytics tools can provide data on web traffic, favorable online feedback, and improved or decreased search engine placement. A case study mentioned in the article states that a telecommunications company's social media efforts and results delivered a higher return on investment than its traditional marketing efforts. The authors conclude that social media is blurring the distinction traditionally made between marketing and other business functions, essentially making all employees marketers.

Kietzmann, J., Hermkens, K., McCarthy, I., & Silvestre, B. (2011). Social media? Get

serious! Understanding the functional building blocks of social media. *Business*

Horizons, *54*(3), 241-251. http://dx.doi.org/10.1016/j.bushor.2011.01.005

Abstract. Traditionally, consumers used the Internet to simply expend content: they read

it, they watched it, and they used it to buy products and services. Increasingly, however,

consumers are utilizing platforms—such as content sharing sites, blogs, social

networking, and wikis—to create, modify, share, and discuss Internet content. This

represents the social media phenomenon, which can now significantly impact a firm's

reputation, sales, and even survival. Yet, many executives eschew or ignore this form of

media because they don't understand what it is, the various forms it can take, and how to

engage with it and learn. In response, we present a framework that defines social media

by using seven functional building blocks: identity, conversations, sharing, presence,

relationships, reputation, and groups. As different social media activities are defined by

the extent to which they focus on some or all of these blocks, we explain the implications

that each block can have for how firms should engage with social media. To conclude,

we present a number of recommendations regarding how firms should develop strategies

for monitoring, understanding, and responding to different social media activities.

Summary. This article frames the review of social media in terms of scope and

functionality, discusses the democratization of corporate communications and provides a

warning about the changes in communication between individuals and companies, and

between social media and traditional media. A framework of seven categories is

introduced to assess the characteristics of the user experience and impacts on the

corporation on a particular social media site: (a) identity, (b) conversations, (c) sharing,

(d) presence, (e) relationships, (f) reputation, and (g) groups. Some or all of these facets may exist on a social media page, and the authors introduce guidelines for monitoring and managing these activities: (a) recognizing how your customers are interacting with your brand and understanding what your competitors are doing on social media, (b) ensuring a firm's social media functionalities align with the needs of the business, (c) developing a plan to curate social media engagement and action with its customers, and (d) engaging with customers and reacting to voiced issues. This last item addresses the key research area of understanding corporate social media usage and customer interactions on which to build complaint resolution best practices.

Peters, K., Chen, Y., Kaplan, A. M., Ognibeni, B., & Pauwels, K. (2013). Social media metrics – a framework and guidelines for managing social media. *Journal of Interactive Marketing, 27*(4), 281-298. http://dx.doi.org/10.1016/j.intmar.2013.09.007

Abstract. Social media are becoming ubiquitous and need to be managed like all other forms of media that organizations employ to meet their goals. However, social media are fundamentally different from any traditional or other online media because of their social network structure and egalitarian nature. These differences require a distinct measurement approach as a prerequisite for proper analysis and subsequent management. To develop the right social media metrics and subsequently construct appropriate dashboards, we provide a tool kit consisting of three novel components. First, we theoretically derive and propose a holistic framework that covers the major elements of social media, drawing on theories from marketing, psychology, and sociology. We continue to support and detail these elements–namely 'motives,' 'content,' 'network structure,' and 'social roles & interactions'–with recent research studies. Second, based

on our theoretical framework, the literature review, and practical experience, we suggest

nine guidelines that may prove valuable for designing appropriate social media metrics

and constructing a sensible social media dashboard. Third, based on the framework and

the guidelines we derive managerial implications and suggest an agenda for future

research.

Summary. This article proposes an approach for analyzing, understanding, and

managing social media. The authors describe key online elements of user behavior,

interactions, and personal networks, and then propose nine guidelines that leaders

charged with creating social media metrics and dashboards should consider:

- transition from control to influence;

- shift from states & means to processes & distributions;

- shift from convergence to divergence;

- shift from quantity to quality;

- leverage transparency and feedback-loops on metrics;

- balance the metrics;

- cover general to specific;

- shift from urgency to importance; and

- balance theory & pragmatism.

This article is useful to this research study because these concepts can help marketers and

customer service managers establish the right metrics to manage a firm's overall social

media performance, including problem and complaint behavior, that is the focus of this

research study. The authors caution that their study is a top-down conceptual approach

that does not include the "bottoms-up" data driven approach that companies often use in

conjunction with free site data from Facebook Insights or Google Analytics, and note that future research should consider ways to blend the two.

Ramsay, M. (2010). Social media etiquette: A guide and checklist to the benefits and perils of social marketing. *Journal of Database Marketing & Customer Strategy Management, 17*(3-4), 257-261. http://dx.doi.org/10.1057/dbm.2010.24

Abstract. Business involvement in social networking, in all its forms, is on the rise. This increase has been typified by a number of noisy and much-publicised failures, as well as less publicised successes: as always, it is embarrassment that makes the news, rather than business processes going well. 20:20 has been building its experience of the key factors that help to distinguish success from failure in these areas over the past few years, and this article is a summary of the core lessons it has learnt, summarised as a checklist of dos and don'ts in the social networking sphere.

Summary. This article provides a guide on the risks and benefits of social marketing, complete with general advice on dos and don'ts coupled with specific considerations for Facebook, Twitter, YouTube and LinkedIn. The author reiterates the challenges of companies engaging with customers and controlling the narrative about their brand while responding quickly and credibly to customer complaints or inquiries.

This article provides additional foundational understanding in support of this study, helping inform leaders or marketers new to social media about previous success stories and missteps while providing analysis etiquette guidance. The section on Twitter, for example, provides specific recommendations on tone, engagement, use of tools to shorten URLs, and other best practices that are informative but may not be well known by leaders charged with formulating a social media complaint strategy.

Social Media's Impact on Customer Complaint Interactions and Influence on the Client/Customer Relationship

Gelbrich, K., & Roschk, H. (2011). A meta-analysis of organizational complaint handling and

customer responses. *Journal of Service Research, 14*(1), 24-43.

Abstract. Service recovery is a crucial success factor for organizations. Thus, many

studies have addressed the issue of post-complaint behavior. Conducting a meta-analysis,

the authors test the following path model: ''organizational responses (compensation,

favorable employee behavior, and organizational procedures) → justice perceptions

(distributive, interactional, and procedural justice) → post-complaint satisfaction

(transaction-specific and cumulative satisfaction) → customer behavioral intentions

(loyalty and positive word of mouth [WOM]).'' The results confirm this model as well as

the mediating role of justice perceptions and post-complaint satisfaction. Surprisingly, the

results also show that the common contention of distributive justice as the salient driver

of service recovery is only true for transaction-specific satisfaction, which in turn

reinforces positive WOM. Cumulative satisfaction, however, which is the primary

antecedent of customer loyalty, even slightly more depends on interactional justice than

on distributive justice. Further, the results show that the relationships between justice

perceptions and satisfaction constructs depend on several moderators such as target

group, industry, and complaint type. A major managerial implication is the fact that

organizations should pay particular attention to distributive justice when complainants are

students and to interactional justice when failure is nonmonetary or occurs in service

industries. The authors discuss theoretical implications and provide suggestions for future research.

Summary. This article provides meta-analysis results of empirical studies on organizational responses to complaints and the customer reactions to these responses. Because social media complaints are a recent extension of complaint behavior and can quickly lead to negative word of mouth, this work is foundational in helping marketers and customer experience managers understand underlying elements that impact customer perception, post-complaint satisfaction, and benefits (i.e., loyalty or positive word of mouth). The authors state that customers perceive fairness in three dimensions: (a) distributive justice, which is the effort or resources spent by an organization to benefit a customer for his or her convenience; (b) procedural justice, which is the ease a customer experiences in controlling how the issue is raised and resolved; and (c) interactional justice, which is how customers perceive they are treated (ideally, in a polite and respectful manner). The study coded relevant relationships identified in their literature review and examined the correlation between the customer dimensions and variables like loyalty, positive word of mouth, and satisfaction. This study's intended audience of marketing and customer experience managers should consider the authors' conclusions, which are framed within the goal of positive word of mouth and customer repurchase: to successfully remediate customer complaints, companies should reimburse customers for their losses, treat them with respect and facilitate prompt handling of issues.

Hennig-Thurau, T., Malthouse, E. C., Friege, C., Gensler, S., Lobschat, L., Rangaswamy, A., & Skiera, B. (2010). The impact of new media on customer relationships. *Journal of Service Research, 13*(3), 311–330. http://dx.doi.org/10.1177/1094670510375460

Abstract. Recent years have witnessed the rise of new media channels such as Facebook, YouTube, Google, and Twitter, which enable customers to take a more active role as market players and reach (and be reached by) almost everyone anywhere and anytime. These new media threaten long established business models and corporate strategies, but also provide ample opportunities for growth through new adaptive strategies. This paper introduces a new ''pinball'' framework of new media's impact on relationships with customers and identifies key new media phenomena which companies should take into account when managing their relationships with customers in the new media universe. For each phenomenon, we identify challenges for researchers and managers which relate to (a) the understanding of consumer behavior, (b) the use of new media to successfully manage customer interactions, and (c) the effective measurement of customers' activities and outcomes.

Summary. This article focuses on the changing nature of new media, including social media, and that the framework for customer interactions is now scattered and influenced by positive and negative inputs (like a pinball machine). It is important for companies to understand these interactions and leverage them to create active communication plans for customers, as the continued growth of social media will lead to more public information that supports or interferes with a company's marketing and customer service efforts. Though user-generated content, opinions, and even business opportunities have disrupted the traditional business model, brands are still key to new media online discussions. Based on the results from an extensive literature review, the authors observe the challenges in adequately measuring the fiscal or reputational impact of negative word of mouth, encouraging additional research in this area. For this research study on social

media complaints, identifying all the factors impacting consumer engagement and

problem resolution is key to gaining further insights into both the nature of the

complaints and best practices on how to address them.

Malthouse, E. C., Haenlein, M., Skiera, B., Wege, E., & Zhang, M. (2013). Managing

customer relationships in the social media era: Introducing the social CRM house.

Journal of Interactive Marketing, 27(4), 270-280.

http://dx.doi.org/10.1016/j.intmar.2013.09.008

Abstract. CRM has traditionally referred to a company managing relationships with

customers. The rise of social media, which has connected and empowered customers,

challenges this fundamental raison d'etre. This paper examines how CRM needs to adapt

to the rise of social media. The convergence of social media and CRM creates pitfalls and

opportunities, which are explored. We organize this discussion around the new "social

CRM house," and discuss how social media engagement affects the house's core areas

(i.e., acquisition, retention, and termination) and supporting business areas (i.e., people,

IT, performance evaluation, metrics and overall marketing strategy). Pitfalls discussed

include the organization's lack of control over message diffusion, big and unstructured

data sets, privacy, data security, the shortage of qualified manpower, measuring the ROI

of social media marketing initiatives, strategies for managing employees, integrating

customer touch points, and content marketing.

Summary. The authors examine the impact social media is having on the traditional

customer relationship management (CRM) framework for companies based on a review

of relevant literature. CRM typically encompasses the management of customer

relationships from the beginning purchase phase (initiation) through to mature

maintenance efforts done through service and support contact channels (retention), and

ultimately termination. Social media, however, impacts this relationship by offering tools

to customers to become more engaged, empowered and informed about a company and

its competitors. No longer limited to a passive role, customers can actively spread

positive and negative word of mouth, filter out advertising content, and compare prices at

any point in the relationship. Assessing social media's impact on this process, including

the actions and customer contact points companies must consider, is part of a new

framework the authors propose called the *social CRM strategy.*

This article is important to this research study because of its findings of the increase in

the number of highly engaged customers and their desires for and abilities to publicly

share details of their company experiences. The authors caution that new customer

acquisition efforts and existing customer retention activities cannot be isolated from each

other, as in traditional CRM. For example, a lower interest rate or reduced annual fee

created to entice new customers will quickly become known by existing engaged

customers, who will likely complain or share negative word of mouth if they do not

receive the same offer. An equitable resolution for new and existing customers, however,

can have long-term positive impacts on customer loyalty and satisfaction, and should be

considered by companies in their social media strategies. For the marketing manager

audience of this study who will establish social media complaint resolution or customer

service plans, these challenges related to the public sharing of customer redress need to

be considered so that equitable responses are created or senior leaders are cautioned

about potential negative word of mouth from different customer interactions.

Rapp, A., Beitelspacher, L., Grewal, D., & Hughes, D. (2013). Understanding social media

effects across seller, retailer, and consumer interactions. *Journal of the Academy of*

Marketing Science, *41*(5), 547-566. http://dx.doi.org/10.1007/s11747-013-0326-9

Abstract. In this research, the authors propose a contagion effect of social media use

across business suppliers, retailers, and consumers. After developing and validating

social media usage measures at three levels-supplier, retailer, and customer-the authors

test social media contagion effects and their ultimate impact on multiple performance

measures. The conceptual framework and empirical results offer new insights into the

contagion effects of social media usage across the channel of distribution as well as

important social influence mechanisms that enhance these effects. Consistent with the

predictions, social media use positively contributes to brand performance, retailer

performance, and consumer-retailer loyalty. Also, the effect of supplier social media

usage on retailer social media usage and in turn on customer social media usage is

moderated by brand reputation and service ambidexterity. With the ever-increasing

growth and adoption of social media applications and similar technologies, this research

provides a framework to promote usage by supply channel partners that ultimately

influences performance-related outcomes.

Summary. This article provides a review of social media effects on consumer

interactions, proposing a contagion theory (impacts across channels) that can positively

and negatively contribute to brand performance and customer loyalty. Understanding

how the marketing environment has changed amidst the increasing collaborative nature

of social media is an important concern for this research study, as marketing and

customer experience managers gauge the level of resources needed to adequately engage

with and respond to customers. The authors posit that consumers may interpret the brands with which they interact as extensions of their identities, leading to increased two-way communications and heightened expectations for interaction.

The authors used a multi-level approach to modeling, sampling suppliers, retailers and customers as part of their empirical analysis. The results highlight the importance of a firm's ambidexterity; that is, successfully handling existing competencies while exploring growth opportunities. In terms of customers and complaints, the implication is that successfully resolving complaints in social media can help drive growth by monitoring the effects and post-complaint sentiment of customers to find new customers who observe and acknowledge the interaction.

Best Practices and Considerations in the Use of Social Media to Handle Customer Complaints

Einwiller, & Steilen. (2015). Handling complaints on social network sites – An analysis of complaints and complaint responses on Facebook and Twitter pages of large US companies. *Public Relations Review, 41*(2), 195-204. http://dx.doi.org/10.1016/j.pubrev.2014.11.012

Abstract. Social media provide numerous possibilities for consumers and other stakeholders to voice their complaints about organizations in public. While this can damage the reputation of an organization, effectively handling complaints also bears considerable opportunities to win back complainants and to win over observers of the interaction. This study analyzes how large companies handle complaints on their Facebook and Twitter pages. Results reveal that the companies are not fully embracing the opportunities of social media to demonstrate their willingness to interact with and

assist their stakeholders. Organizational responsiveness is only moderate, and companies often try to divert complainants away from the social network site. The most frequently applied response strategy is asking complainants for further information, which does not appease complainants. Response strategies that foster complaint satisfaction are used less often. They comprise offering a corrective action, connecting the complainant with someone who can provide a problem solution and thanking the complainant.

Summary. This article focuses on the effectiveness of companies' handling of customer complaints raised through social media. The authors performed content analysis on the Facebook and Twitter social network accounts of 34 large companies, leveraging a complaint framework (Davidow, 2003) established for traditional media that categorizes corporate responses into six dimensions: (a) timeliness, (b) redress, (c) apology, (d) credibility, (e) attentiveness, and (f) facilitation. The authors report that 47% of complaints voiced on these social networks did not receive a response, with lower response rates seen on corporate information sites versus sites with a dedicated servicing option. The authors report that the act of responding to a social media complaint is more impactful to satisfaction than the speed of a response or a company asking for more details in order to resolve the issue. Surprisingly, apologies and expressions of regret by companies are not as impactful to customer satisfaction as detailed responses and public mention of next steps. The authors recommend that companies adopt response time guidelines and specific next steps for customers in their social media response strategies.

Grégoire, Y., Salle, A., & Tripp, T. M. (2015). Managing social media crises with your customers: The good, the bad, and the ugly. *Business Horizons, 58*(2), 173-182. http://dx.doi.org/10.1016/j.bushor.2014.11.001

Abstract. Social media (SM) are transforming the ways in which customers communicate with firms following service failures. While there is a positive side to this phenomenon, there is also a negative side, which can lead to serious social media crises. In light of this duality, the current article addresses the good, the bad, and the ugly uses of SM in the customer complaining process. Herein, we identify six different types of SM complaining situations. The good represent opportunities: (1) when customers complain to the company online immediately after a first-service failure, or (2) when consumers publicize extraordinary recoveries. The bad involve risks: (3) when customers discuss a failure without complaining to the firm, or (4) when consumers reach out to online third-party complaint intercessors. The truly ugly represent the peak of online threats and public crises: (5) when customers spread negative publicity through user-generated content SM following a double deviation, or (6) when competitors respond to this content to steal customers. As a takeaway for managers, we formulate specific recommendations to deal with each type of online complaining.

Summary. Social media makes complaining easier and cheaper than ever before, empowering customers to complain online and punish those companies that ignore or mishandle these requests. This article looks at customer complaints made via social media and organizes these initial service failures into six types spanning the categories of good, bad, and "ugly." Of specific interest to this study is the authors' provision of examples and recommended actions to deal with each of the following complaint types: the good, which includes customer complaints to a company right after a service failure, as well as customer publicity of extraordinary company efforts to resolve an issue; the bad, which includes customer discussion of the failure without complaining to the

company itself, as well as customer engagement of third parties (like the Better Business

Bureau) regarding the complaint; and the ugly, which includes spreading negative word

of mouth through user generated content to get revenge, as well as competitors

amplifying the situation by trying to steal customers.

The authors strongly advise that companies create a strong system that can spot service

failures quickly and document communication plans that can quickly and successfully

address complaints made online. The authors also recommend responding in a manner

appropriate to each customer situation, which requires careful monitoring of social

media. Tools like Google Alerts and TweetDeck are mentioned as ways to monitor social

media mentions, and other tools can help classify online sentiment and posts into

positive, neutral or negative categories. Also important to this study is the observation

that companies need to devote adequate human and financial resources to monitor and

address complaints. Of special note is the need to hire social media savvy employees who

can gauge nuance and who are familiar with communication norms in social media – this

is a critical best practice that should be a part of any recommendation of next steps of this

study. In the end, the authors observe that angry customers have been and will be a

constant factor; social media just gives them a louder voice.

Ma, L., Sun, B., & Kekre, S. (2015). The squeaky wheel gets the grease–an empirical analysis

of customer voice and firm intervention on Twitter. *Marketing Science, 34*(5), 627-645.

http://dx.doi.org/10.1287/mksc.2015.0912

Abstract. Firms are increasingly engaging with customers on social media. Despite this

heightened interest, guidance for effective engagement is lacking. In this study, we

investigate customers' compliments and complaints and firms' service interventions on

social media. We develop a dynamic choice model that explicitly accounts for the evolutions of both customers' voicing decisions and their relationships with the firm. Voices are driven by both the customers' underlying relationships and other factors such as redress seeking. We estimate the model using a unique data set of customer voices and service interventions on Twitter. We find that redress seeking is a major driver of customer complaints, and although service intervention improves relationships, it also encourages more complaints later. Because of this dual effect, firms are likely to underestimate the returns on service intervention if measured using only voices. Furthermore, we find an "error-correction" effect in certain situations, where customers compliment or complain when others voice the opposite opinions. Finally, we characterize the distinct voicing tendencies in different relationship states, and show that uncovering the underlying relationship states enables effective targeting. We are among the first to analyze individual customer level voice dynamics and to evaluate the effects of service intervention on social media.

Summary. This article reviews customer compliments and complaints on a Twitter microblogging site, evaluating how these comments are driven by the customer relationships and company service interactions, among other factors. Based on the examination of a data set of 714 customer comments captured over 310 days, the authors found that whether a customer has a positive, neutral or negative relationship with a company will often lead to different inclinations to complain and compliment. Additionally, what customers say in social media should be kept distinct from their relationships with firms. Though these two areas often align in sentiment, the levels can differ significantly when it comes to complaint resolution.

The authors recommend that marketers and social media managers – the intended

audience of this study – keep several observations in mind when prioritizing complaint

management: (a) focus on the depth of relationship a customer has with the firm and not

the number of followers they may have in social media; (b) a customer's perceptions

about a brand is formed by his or her experiences with a firm, the firm's response, and

exposure to other expressed opinions; and (c) an initial service interaction with a positive

outcome will likely lead to more service interactions, along with more positive

comments.

Page, R. (2014). Saying 'sorry': Corporate apologies posted on Twitter. *Journal of Pragmatics,*

62(Feb), 30-45. http://dx.doi.org/10.1016/j.pragma.2013.12.003

Abstract. Twitter offers companies an influential environment in which to enhance their

reputation and build rapport with existing and potential clients. One important aspect of

the emerging customer care discourse is the apologies made by companies via Twitter in

response to customer complaints. The analysis focuses on 1183 apologies, and considers

their distinctive components (the Illocutionary Force Indicating Device, Explanations,

Offers of Repair (Blum-Kulka et al., 1989)) and their rapport building potential (as

indicated through opening and closing moves, such as greetings, nominations, discourse

markers and emoticons) as a form of image repair (Benoit, 1995) shaped by the media

affordances of Twitter (Hutchby, 2001). Corporate apologies are distinctive for their

relatively infrequent use of Explanations (as a form of mitigation) and their

comparatively greater use of Offers of Repair (as a type of corrective action), which are

typically combined with follow up moves such as imperatives and questions. They are

also distinctive in their repeated, somewhat formulaic use of greetings and signatures which did not appear in the apologies posted by ordinary Twitter members.

Summary. This article focuses on the linguistic challenges of companies apologizing or addressing customer complaints on Twitter. Based on the analysis of a dataset of 1183 Twitter apologies, the authors explore social media response patterns that work within the behavioral norms of Twitter. Companies must consider the entirety of their social media response, and that conventions like greetings and use of customers' names can actually be interpreted as distancing measures. Conversely, employing emoticons and other personal or whimsical items/abbreviations that can seem non-corporate can be impactful and engaging for customers, along with sincere, specific responses. However, the authors conclude these considerations may not be enough – even a sincere apology or offer of resolution may not meet the needs of the customer and lead to further online complaints. This article ties to this research study because it confirms the importance of timeliness, sincerity and proper tone when considering best practices for remediating online complaints.

Schamari, J. & Schaefers, T. (2015). Leaving the home turf: How brands can use webcare on consumer-generated platforms to increase positive consumer engagement. *Journal of Interactive Marketing, 30*, 20-33. http://dx.doi.org/10.1016/j.intmar.2014.12.001

Abstract. The level of brand-related consumer engagement is considered to be a key determinant of successful social media activities. However, due to the commonly high levels of consumers who merely consume instead of being actively engaged, companies seek strategies to increase consumer engagement. Additionally, a large part of consumers' engagement does not occur on platforms controlled by the brand, but on consumer-

generated platforms. Based on social learning theory we propose webcare as a reaction to positive engagement to be an effective marketing tool for reinforcing observing consumers' engagement intentions, especially on consumer-generated platforms. In an experimental online study we reveal that webcare can be used to increase engagement intentions on consumer-generated platforms, and that consumers' surprise explains this reinforcing effect. Moreover, we show that in these consumer-dominated spaces, personal webcare is more effective in driving consumer engagement intentions than impersonal webcare, and that this effect is explained by consumers' perceptions of a brand's conversational communication style. The results indicate that brand managers should leave their home turf and use webcare on consumer-generated social media platforms outside of their direct control.

Summary. This article investigates the impact of a company's response to online consumer engagement, or webcare, on improving the engagement of observers of the action in social media. The authors propose and validate a theory through a study of 188 participants that confirms webcare not only addresses the customer issue at hand but also enhances the experience of those who are observing the interaction in social media. This is a critical point to remember in any strategy based on findings from this study: namely, that companies are always "on stage" in their customer interactions, and that these successful webcare instances lead to more brand-engaged and willing customers who can successfully be targeted for future marketing efforts.

Several managerial recommendations are noted in the study:

- Companies should not just monitor social media platforms for complaints to remediate; they should also look for evidence of positive brand engagement like

comments, photos and videos and use webcare to thank the customers and
encourage positive engagement.

- Marketers should apply webcare outside of their own social media sites (e.g.,
  corporate Facebook or Twitter pages) and monitor platforms outside of their
  control like consumer forums, opinion sits, and digital communities for
  remediation opportunities.

- Webcare that is provided in response to positive engagement should be a surprise
  or offer unexpected rewards to participants.

- Webcare responses should be personalized/humanized and reveal the identity of
  the responder; if possible; these employees should also publish social media
  content, helping customers make the connection that the brand is more open to
  conversations.

Van Noort, G., & Willemsen, L. (2012). Online damage control: The effects of proactive versus
reactive webcare interventions in consumer-generated and brand-generated platforms.
Journal Of Interactive Marketing, 26(3), 131-140.
http://dx.doi.org/10.1016/j.intmar.2011.07.001

Abstract. Web 2.0 has empowered consumers to voice complaints with reduced costs
(physical and psychological), and to share these with a multitude of other consumers on
the Internet. As a public phenomenon, online complaints have a negative impact on
consumers' evaluations of brands that are under attack in online complaints. By means of
an experiment, we study the most effective means for companies to counter complaints as
expressed in negative electronic word of mouth (NWOM). The results show that negative
brand evaluations engendered by NWOM can be attenuated by webcare interventions

dependent on type of strategy (proactive vs. reactive) and platform used (consumer-generated vs. brand-generated blog). This effect appeared to be mediated by conversational human voice. The findings are discussed in the light of practical implications for online complaint management.

Summary. This article studies the effect of webcare in responding to negative word of mouth (NWOM) in social media. In addition to a review of literature, the authors conducted an experiment with 163 participants that confirmed consumers react more favorably to a brand that responds to NWOM than one that is silent. This article is important to this study because it reinforces the need for positive engagement with customers exposed to NWOM and that companies should not remain silent or attempt to privately address a publicly raised issue.

The authors note there is resistance by companies in expending resources to engage in diffusing NWOM, even though sites like Amazon.com, TripAdvisor.com and epinions.com offer the opportunity for companies to directly respond to customer complaints. This hesitation is likely due to a perceived lack of evidence supporting positive results through this customer engagement; the article provides evidence that supports the idea that continued engagement activities produce positive results for companies and should be considered as part of best practices for addressing complaints in social media.

Additional findings in the article include the following:

- Webcare requires a strategic approach in order to be successful, and a distinction should be made between reactive and proactive webcare actions in order to capture important complaint response details.

- The platform is important to the success of resolving NWOM. Webcare on corporate/marketer sites is more effective than on consumer-generated sites, with the implication that companies should prioritize their webcare efforts based on platform.

- Results of the experiments were consistent with previous findings that showed positive impacts in using a conversational human voice or tone along with personalized information when responding to complaints.

Zhang, Y., & Vásquez, C. (2014). Hotels′ responses to online reviews: Managing consumer dissatisfaction. *Discourse, Context & Media, 6*, 54-64.

http://dx.doi.org/10.1016/j.dcm.2014.08.004

Abstract. In this study we investigate the generic structure of hotel responses to customer complaints posted on popular travel website, *TripAdvisor*. Extending the genre analytic notion of rhetorical moves (Swales, 1981 and Swales, 2004) to this computer-mediated text type, we analyzed 80 hotel replies that were posted in response to online consumer complaints. Our analysis of the responses of 4- and 5-star hotels located in 4 popular urban tourist destinations in China indicates that ten move types are commonly found in this genre, with eight of these appearing in the majority of reviews. These results suggest that online responses from businesses replying to user-generated reviews tend to be highly formulaic and conventionalized, with thanking and apologizing among the most common moves identified. However, we also found considerable variation with respect to how specific hotels were about addressing the problem(s) discussed in the original customer complaint, as well as the extent to which hotel management indicated having taken actions to correct those problems. Finally, our study found that in this set of

responses, hotel personnel tended to emphasize a corporate (rather than personal) identity when constructing responses to complaints. The study's findings provide insights into some of the ways in which businesses are managing consumer dissatisfaction online.

Summary. This article reviews 80 customer complaints on a popular travel website, TripAdvisor.com, examining tone and content to obtain insights into ways corporations are managing customer dissatisfaction. Of interest to this study is the authors' categorizing and tallying of company response components or "moves" (p. 57), including the two most prevalent response components, expressions of gratitude and apologies. This information is beneficial for social media managers to understand the dynamics involved in publicly accessible responses. The authors identify an area for further review regarding the risk of consistency in messaging: sincere responses that are replicated on a site and easily viewed in succession may impact the level of sincerity interpreted by the customer. Additional studies are needed to assess if any impacts to individual customers are offset by the repeated examples of engagement by companies when others observe the discussion.

Conclusion

The number of customer complaints made in social media continues to grow, and it is important for companies to successfully address these public concerns efficiently and sincerely. The challenge is not as direct as traditional letters or emails sent privately to companies or submitted through secure online forms; customers publicly express complaints about products not only on companies' social media sites, but on outside sites as well, and 60% of these customers still expect a response from the company in return (Van Noort & Willemsen, 2012). The 15 references selected for this Annotated Bibliography assist corporate marketing and customer service leaders in understanding (a) customer social media interactions, (b) the growing importance of social media as a complaint management channel, and (c) best practices and considerations in using social media to address complaints.

Foundational Elements of Customer Interactions on Social Media

As of 2015, 65% of adults are using social media sites, nearly ten times as many as a decade ago (Perrin, 2015). This increased usage has grown to include discussions, including complaints, about companies and their products and services. Senior leaders know what social media is, but few understand how to successfully engage in a range of discussions with customers, from marketing and brand building to complaint handling, nor how to measure the financial impact of their efforts (Divol et al., 2012).

Kietzmann et al. (2011) state that corporate communications have been impacted and democratized by social media because of the public nature of the interactions, and this shift requires new ways of thinking about social media activity. Ramsay (2010) confirms that customers have more power to influence companies than ever before due to the connected nature of social media, and that specific actions should be incorporated into overall social media plans

as well customized actions for each specific application like Twitter, Facebook, LinkedIn and YouTube.

To address this more open customer forum in social media, Kietzmann et al. (2011) suggest four guidelines for monitoring and managing customers: (a) recognizing how your customers are interacting with your brand and your competitors' brands, (b) ensuring your social media functionalities align with your business needs, (c) curating social media engagements and actions with customers, and (d) engaging with customers and reacting to voiced issues.

While companies are taking a more active role in utilizing social media to facilitate customer interactions, company executives do not always view social media expenditures as necessary investments. According to McKinsey, social media accounts for less than one percent of an average marketing budget (Divol et al., 2012), citing senior executives' lack of comfort with social media efforts that go beyond the simple and which are seemingly difficult to measure. Divol et al. (2012) believe that customer online activity can be measured, whether it is search counts, site traffic, or brand buzzwords, and that metrics can be devised to measure the cost of these activities against total costs to provide results that can justify increased social media efforts and spending. Peters et al. (2013) propose guidelines that can facilitate the design of appropriate social media metrics and dashboards based not only on marketing theories, but psychology and sociology literature as well.

Social Media's Impact on Customer Complaint Interactions and Influence on the Client/Customer Relationship

Social media provides insights into complaints raised by customers as well as their reactions to companies' responses to their original inquiries. Hennig-Thurau et al. (2010) believe that social media has disrupted the traditional management of customer relationships, making it

scattered and impacted by both positive and negative inputs, and that adaptive strategies are needed to address customers' growth from subject to online partner and influencer. Customer relationship management, or CRM, typically tracks customer engagement from initial purchase through ongoing service maintenance, but social media impacts this relationship by offering the ability for customers to become more engaged, empowered and informed about a company's offerings and those of its competitors (Malthouse et al., 2013). Customer acquisition and customer retention, remediation, and complaint resolution efforts cannot be isolated from each other in this new framework; generous discounts to lure new customers, as well as refunds or fee reductions to remediate existing customer complaints, will likely become known to current customers, requiring a holistic approach and strategy for customer care (Malthouse et al., 2013).

Gelbrich and Roschk (2010) observe that fairness plays an integral part in forming online perceptions and satisfaction, and that customers perceive three dimensions of fairness in social media: (a) distributive justice, or resources spent by an organization to benefit a customer for his or her convenience; (b) procedural justice, which is the ease a customer experiences in controlling how an issue is raised and resolved; and (c) interactional justice, which is how customers perceive they are treated. According to Gelbrich and Roschk (2010), companies should reimburse customers for their losses, treat them with respect and facilitate prompt handling of issues if they want to successfully remediate complaints raised in social media.

Consumer interactions on social media can also have a contagious effect, both positive and negative, on brand performance and customer loyalty (Rapp et al., 2013). In this instance, consumers may interpret brands as extensions of their identities, leading to more communications with companies and an expectation of responses. Hennig-Thurau et al. (2010) observe that the visibility and endurance of social media influences the interaction between

customer and company; not only can consumers share information in real time in tweets and blogs, but these interactions remain permanently online for future review by both customer and company.

Best Practices and Considerations in the Use of Social Media to Handle Customer Complaints

While approximately 60% of customers complaining in social media expect a response from a company (Van Noort & Willemsen, 2012), less than 50% of companies typically respond, with an even lower rate from corporate sites versus those with servicing options (Einwiller & Steilen, 2015). This misstep should be avoided, as Einwiller & Stellen (2015) observe that a company's act of responding to a social media complaint is more impactful to satisfaction than the speed of a response or a company asking for more details in order to resolve the issue. Van Noort and Willemsen (2012) confirm that consumers react favorably to companies that respond to negative word of mouth more than those that remain silent or attempt to move resolution out of the public eye of social media.

Though there is resistance by companies to engage in diffusing complaints and negative word of mouth, companies like Amazon, Trip Advisor and epinions.com offer the opportunity for companies to directly respond to complaints (Van Noort & Willemsen, 2012). Schamari and Schaefers (2015) confirm that online consumer engagement efforts, or webcare, not only address the issue at hand but also enhance the experience of those observing the interaction. Schamari and Schaefers (2015) make several managerial recommendations:

- Companies should not just monitor social media platforms for complaints to remediate; they should also look for evidence of positive brand engagement.

- Marketers should apply webcare outside of their own social media sites to address content directed at their companies that appears on other sites.

- Webcare that is provided in response to positive engagement should be a surprise or offer unexpected rewards to participants.

- Webcare responses should be personalized and humanized and reveal the identity of the responder.

Grégoire et al. (2015) group social media complaints into three categories: (a) the good, which includes customer complaints to a company right after a service failure, as well as customer publicity of extraordinary company efforts to resolve an issue; (b) the bad, which includes customer discussion of the failure without complaining to the company itself; and (c) the ugly, which includes spreading negative word of mouth through user generated content to get revenge, as well as competitors amplifying the situation by trying to steal customers. Grégoire et al. (2015) recommend monitoring efforts that can spot service failures and capture complaint trends online and hiring social media savvy employees who are experienced in navigating the norms and nuances of social media communications. For Twitter especially, which limits responses to 140 characters, there are linguistic challenges in responding to complaints that can be positively influenced by the use of emoticons and other abbreviations that can be seen as personal and engaging (Page, 2014).

Webcare is influenced by both the location of the customer complaint – on a company's branded social media page versus independent consumer-generated sites or forums like YouTube – and the type of response the company uses (Van Noort & Willemsen, 2012). Reactive responses by companies typically occur on a company's own social media page, where an interaction is expected from a customer. Proactive webcare responses, however, occur when

customer complaints are identified and a response is provided away from a company's social

media page, typically on consumer-generated sites (Grégoire et al., 2015). This reactive response

interaction may be expected and even appreciated by customers aiming to draw attention to their

negative word of mouth, but can potentially lead to customer perceptions that the company is

being intrusive (Van Noort & Willemsen, 2012). In both cases, conversational tones and

personalized information can positively impact the response reception by the consumer (Van

Noort & Willemsen, 2012).

Ma et al. (2015) provide three recommendations to keep in mind when prioritizing

complaints: (a) focus on the depth of the relationship a customer has with the firm and not the

number of followers they may have in social media; (b) a customer's perceptions about a brand

are formed by his or her experiences with a firm, the firm's response, and exposure to other

expressed opinions; and (c) an initial service interaction with a positive outcome will likely lead

to more service interactions, along with more positive comments.

Even the best social media complaint remediation efforts face challenges. Zhang and

Vásquez (2014) state that consistency is important in response strategies, but there are risks in a

well-honed message being repeated online and seen as insincere by the complainant and

observers. And, while timeliness, sincerity and proper tone are key to online complaint success,

these considerations and efforts may still not be enough to meet the needs of the customers

(Page, 2014).

Summary

Social media offers numerous ways in which customers voice their complaints (Einwiller

& Steilen, 2015), substantially changing the steps companies need to consider to successfully

address this feedback (Van Noort & Willemsen, 2012). These interactions between customer and

company offer significant challenges, but also opportunities for companies that coordinate their marketing and social media strategies (Divol et al., 2012). Taking steps to understand consumer social media practices and interactions with companies, the changing nature of customer relationship and online complaint management, and detailed best practices for responding to customers will benefit business leaders of these companies going forward.

References

Blanchard, O. (2011). *Social media ROI: Managing and measuring social media efforts in your organization* [Kindle version]. *Que Publishing*. Retrieved from Amazon.com.

Center for Public Issues Education. (2014). Evaluating information sources. Retrieved from http://www.piecenter.com/wp-content/uploads/2014/08/evaluateinfo.pdf

Davidow, M. (2003). Organizational responses to customer complaints: What works and what doesn't. *Journal of Service Research, 5*(3), 225-250.

Divol, R., Edelman, D., & Sarrazin, H. (2012, April). Demystifying social media. *McKinsey & Company Quarterly.* Retrieved from http://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/demystifying-social-media

Einwiller, & Steilen. (2015). Handling complaints on social network sites – An analysis of complaints and complaint responses on Facebook and Twitter pages of large US companies. *Public Relations Review, 41*(2), 195-204. http://dx.doi.org/10.1016/j.pubrev.2014.11.012

Facebook. (2016). Company info. Retrieved on April 14, 2016 from http://newsroom.fb.com/company-info/

Gelbrich, K., & Roschk, H. (2011). A meta-analysis of organizational complaint handling and customer responses. *Journal of Service Research, 14*(1), 24-43. http://dx.doi.org/10.1177/1094670510387914

Grégoire, Y., Salle, A., & Tripp, T. M. (2015). Managing social media crises with your customers: The good, the bad, and the ugly. *Business Horizons, 58*(2), 173-182. http://dx.doi.org/10.1016/j.bushor.2014.11.001

Hennig-Thurau, T., Malthouse, E. C., Friege, C., Gensler, S., Lobschat, L., Rangaswamy, A., & Skiera, B. (2010). The impact of new media on customer relationships. *Journal of Service Research, 13*(3), 311–330. http://dx.doi.org/10.1177/1094670510375460

Jansen, B., Zhang, M., Sobel, K., & Chowdury, A. (2009). Twitter power: Tweets as electronic word of mouth. *Journal of the American Society for Information Science and Technology, 60*(11), 2169-2188. http://dx.doi.org/ 10.1002/asi.21149

Kaplan, A.M., & Haenlein, M. (2010). Users of the world, unite! The challenges and opportunities of Social Media. *Business Horizons, 53*(1), 59-68. http://dx.doi.org/10.1016/j.bushor.2009.09.003

Kietzmann, J., Hermkens, K., McCarthy, I., & Silvestre, B. (2011). Social media? Get serious! Understanding the functional building blocks of social media. *Business Horizons*, *54*(3), 241-251. http://dx.doi.org/10.1016/j.bushor.2011.01.005

Kim, D., Kim, J., & Nam, Y. (2014). How does industry use social networking sites? An analysis of corporate dialogic uses of Facebook, Twitter, YouTube, and LinkedIn by industry type. *Quality and Quantity, 48*(5), 2605-2614. http://dx.doi.org/10.1007/s11135-013-9910-9

Knox, G., & van Oest, R. (2014). Customer complaints and recovery effectiveness: A customer base approach. *Journal Of Marketing*, *78*(5), 42-57. http://dx.doi.org/10.2139/ssrn.1427265

Larsen, J. (2011). Maritz research and evolve24 – Twitter study. Retrieved from http://www.maritzresearch.com/~/media/Files/MaritzResearch/e24/ExecutiveSummaryTwitterPoll.ashx

Ma, L., Sun, B., & Kekre, S. (2015). The squeaky wheel gets the grease–an empirical analysis of customer voice and firm intervention on Twitter. *Marketing Science, 34*(5), 627-645. http://dx.doi.org/10.1287/mksc.2015.0912

Malthouse, E. C., Haenlein, M., Skiera, B., Wege, E., & Zhang, M. (2013). Managing customer relationships in the social media era: Introducing the social CRM house. *Journal of Interactive Marketing, 27*(4), 270-280. http://dx.doi.org/10.1016/j.intmar.2013.09.008

Matejic, N. (2015). *Social media rules of engagement: Why your online narrative is the best weapon during a crisis.* Milton, Australia: John Wiley & Sons.

Page, R. (2014). Saying 'sorry': Corporate apologies posted on Twitter. *Journal of Pragmatics, 62*(Feb), 30-45. http://dx.doi.org/10.1016/j.pragma.2013.12.003

Perrin, A. (2015, October 8). Social media usage: 2005 – 2015. *Pew Research Center*. Retrieved from http://www.pewinternet.org/files/2015/10/PI_2015-10-08_Social-Networking-Usage-2005-2015_FINAL.pdf

Peters, K., Chen, Y., Kaplan, A. M., Ognibeni, B., & Pauwels, K. (2013). Social media metrics – a framework and guidelines for managing social media. *Journal of Interactive Marketing, 27*(4), 281-298. http://dx.doi.org/10.1016/j.intmar.2013.09.007

Ramsay, M. (2010). Social media etiquette: A guide and checklist to the benefits and perils of social marketing. *Journal of Database Marketing & Customer Strategy Management, 17*(3-4), 257-261. http://dx.doi.org/10.1057/dbm.2010.24

Rapp, A., Beitelspacher, L., Grewal, D., & Hughes, D. (2013). Understanding social media effects across seller, retailer, and consumer interactions. *Journal of the Academy of Marketing Science*, *41*(5), 547-566. http://dx.doi.org/10.1007/s11747-013-0326-9

Saffer, A. J., Sommerfeldt, E. J., & Taylor, M. (2013). The effects of organizational Twitter

interactivity on organization–public relationships. *Public Relations Review*, *39*(3), 213-

215. http://dx.doi.org/10.1016/j.pubrev.2013.02.005

Schamari, J. & Schaefers, T. (2015). Leaving the home turf: How brands can use webcare on

consumer-generated platforms to increase positive consumer engagement. *Journal of

Interactive Marketing, 30*, 20-33. http://dx.doi.org/10.1016/j.intmar.2014.12.001

Social media [Def. 1]. (n.d.). In *Oxford Dictionaries.* Retrieved February 20, 2016, from

http://www.oxforddictionaries.com/us/definition/american_english/social-media

Twitter. (2016). Twitter usage/company facts. Retrieved on April 14, 2016 from

https://about.twitter.com/company

Van Noort, G., & Willemsen, L. (2012). Online damage control: The effects of proactive versus

reactive webcare interventions in consumer-generated and brand-generated platforms.

Journal Of Interactive Marketing, 26(3), 131-140.

http://dx.doi.org/doi:10.1016/j.intmar.2011.07.001

Van Noort, G., Willemsen, L. M., Kerkhof, P., & Verhoeven, J. W. (2015). Webcare as an

integrative tool for customer care, reputation management, and online marketing: a

literature review. In P.J. Kitchen & E. Uzunoglu (Eds.), *Integrated communications in the

postmodern era* (pp. 77-99). Retrieved from

http://link.springer.com/chapter/10.1057/9781137388551_4

Zhang, Y., & Vásquez, C. (2014). Hotels′ responses to online reviews: Managing consumer

dissatisfaction. *Discourse, Context & Media, 6*, 54-64.

http://dx.doi.org/10.1016/j.dcm.2014.08.004