The Role of Online Reputation Management in Strategic Business Decisions in Ericsson

Master's thesis within Informatics
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Abstract

With this immensely and immeasurably growing Internet technology, the need for online reputation management (ORM) is also growing accordingly. It is increasingly seen as an important means by firms to create stronger alliance between customers and the firm (Beal and Strauss, 2008). ORM is relatively new which theoretically and empirically very young phenomenon in which very few researches have been made around the area ever since. Hence, the intention of this research is to fill the knowledge gaps recognized and use Ericsson Company to conduct an exploratory qualitative research to give empirical value to the study.

The purpose of this study is to explore how ORM can play role in making strategic business decisions through branding and construct a model that shows relationship among ORM, branding and strategic business decision. The relevant research concepts that are discussed in the literature review are linked through logical links depicted in the model. After the model is constructed Ericsson Company was taken as a case and qualitative study was made using an in-depth interview with the company’s expert in this area in Ericsson global to see how the concept of ORM, branding and strategic decisions in the model are interlinked to each other. This research has answers on how this company perform its ORM, how ORM can influence branding, how branding can influence strategic business decision and in the end how ORM can influence strategic business decision. From the finding of this research, ORM has influence on branding and brand has influence on strategic business decision. Finally, it can also be concluded that ORM has impact on strategic business decisions through branding.
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1 Introduction

In today’s world a strategy plays key role in this competitive dynamic business environment as a strategy informs companies to realize what they are doing and where they are heading to. It is difficult to imagine large organizations that have to coordinate and manage many resources, performing well in the world without having strategy. As (Mintzberg, Lempel, Quinn, Ghoshal, 2003, p.10) a strategy and strategic decisions respectively are:

“A strategy is the pattern or plan that integrates an organization’s major goals, policies, and action sequences into a cohesive whole. A well-formulated strategy helps to marshal and allocate an organization’s resources into a unique and viable posture based on its relative internal competencies and shortcomings, anticipated changes in the environment, and contingent moves by intelligent opponents”

“Strategic decisions are those that determine the overall direction of an enterprise and its ultimate viability in light of the predictable, the unpredictable, and the unknowable changes that may occur in its most important surrounding environments”

Firms face several decision-making challenges starting from daily routine decision-making to long term or strategic decision-making. In order to make long-term decisions successful it is essential to understand what factor plays role in it. As Schwenk (1995), points out that strategic decision-making and understanding the factors that affect it could let firms to better recognize and advance the processes of businesses. Therefore, the same analogy goes that, Online Reputation Management (ORM) could also be one factor that influences strategic business decisions and knowing how it influences long-term decisions in business would help advance business processes. When companies make strategic business decisions several factors play role such as capital, financial status, brands, reputation, human resource, the way the company communicates with its stakeholders etc… in fact, numerous factors can be listed for making such decisions. However, little is known on how ORM, can play role in companies’ long-term strategy. Jones, Temperley and Lima (2009, p.934) defined ORM as:

“On-line reputation management is the process of positioning, monitoring, measuring, talking and listening as the organization engages in a transparent and ethical dialogue with its various on-line stakeholders”.

In addition, most scholars agree that ORM is management of corporate reputation on the new environment, which is the social media.
This phenomenon is managing and monitoring of what stakeholders are saying and keeping track of their dialog about industry information and follow up of different sharing of ideas on social media. Therefore, how ORM can play role on such infrequent business decisions such as decisions concerning market share expansion, customer satisfaction and retention, etc. With this immensely and immeasurably growing Internet technology, the need for online reputation management is also growing accordingly. It is increasingly seen as an important means by firms to create stronger alliance between customers and the firm (Beal and Strauss, 2008).

How can ORM influence companies’ long-term strategy? There are many things that could shape companies strategies however, how ORM can play role is essential to know whether to give focus for the process of ORM or to know how essential the process of ORM is towards making better strategies in a company.

1.1 Background

Hennig-Thurau, Malthouse, Friege, Gensler, Lobschat, Rangaswamy, Skiera (2010), has made a research on the impact of new media on customer relationship. From their research they have come up with a new “pinball” framework of impact of new media’s such as new channels like Facebook, Twitter, MySpace and LinkedIn that make possible for stakeholders to actively engage and allow them to be part of brand shaping process and the relationships with customers in general. The researchers also found that the new channel has impact on the already existing corporate strategies and business models. The existing models such as newspaper and magazine are facing serious challenges as problems on building of brands arises because of many brand hoax websites such as united airlines and united.com. However, their research also suggests that the new media also provides plenty of chances for new strategies and growth for firms by extremely allowing, users to participate and engage on the new environment and produce user generated contents such as through blogs. Their research leave challenges for areas for future research by leaving blank on “Can consumers’ behavior in virtual worlds be used for “real world” predictions?” , “how existing brand relationships are affected by new media services” and “to what extent can customer and brand equity be influenced by communications on social media.”

This research uses the above research as a starting point and tries to explore how Ericsson company manages its online reputation, how management and monitoring of social media or online reputation management in firms can influence branding, how branding can influence
strategic business decisions and how online reputation management can influence strategic business decisions.

For the purpose of this research, the author has searched different sources to find literatures around similar area of study. As a result, could be able to find the above-mentioned research article that best suited to the subject matter to use it to fill the knowledge gap. However, the author cannot guarantee that this is the only literature that is existed.

1.2 Problem Statement

How ORM can influence a long-term strategy had not been explored ever since. The emergence of ORM has become significantly important for companies. This is because companies should always keep up with what the outside world is saying about them. They should also convey their messages and react accordingly for responses they get from other industry professionals and customers as well as their influencers.

The need for ORM arises and many companies are starting to be conscious about the need to manage and monitor what is happening on the online world concerning their brands recently especially after the introduction of the new technology, which is the Web 2.0 technology. The Web 2.0 platform increasingly allows the participation of online communities without time and space limit. Eventually, this online environment is significantly playing role in allowing communities to participate, collaborate, and play its part in shaping the process of businesses. As Solomon et al. (2006, p.354) describes it “virtual community of consumers” that exchange ideas and collaborate as well as share knowledge of particular situation is influencing the process of businesses.

It is not an exaggeration if we say that the relative new technology (Web 2.0) is a game changer as it allows a two-way communication instead of a one-way communication that happens between firms and their consumers as well as their influencers in relatively facilitated way.

Jones et al (2009, p.935) points out the change of communication from “broad casting” era to “social casting” era to indicate the shift from the age that marketers sending out their marketing communication mix to manage their brands, to the age of messages spread by society, within the society, back to the marketers for shaping brands.
As we know, strategic decisions are critical for firms as they have long-term implications on the direction of the firm such as what the firm would like to be or perceived. If we take specific strategic business decisions such as decisions for expanding market share then how can ORM, influence expanding market share decisions through branding is the problem to be studied in this research. Similarly, particular questions such as how can ORM influence decisions related to strategic decisions such as tapping in to new business, customer retention and satisfaction.

Particularly, an empirical study is conducted on a case Company, Ericsson, to give empirical value to the constructed generic model. This Company utilizes ORM as a route for reaching out the outside world, as well as to react accordingly for comments and opinions that the Company receives from customers and industry society.

The questions asked in this study are: how this Company manages its online reputation, how can ORM influence branding, how can branding influences strategic business decisions and how ORM can influence strategic decisions?

The overall concepts used for the problem investigation in this research are interlinked to each other as follows. All these concepts further explained in the theoretical framework.

![Diagram](source: Created by the author for the purpose of this study)

### 1.3 Purpose

The purpose is to explore how ORM can play role in making strategic business decisions through branding and to construct a model that shows the relationship among ORM, branding and strategic business decision.
1.3.1 Research questions

In order to realize the purpose of the study the following research question is set.

1. How can ORM influence branding and strategic decisions in Ericsson?
   a. How Ericsson performs ORM?
   b. How can ORM influence branding?
   c. How can branding influence strategic business decisions?
   d. How can ORM influence strategic business decisions?

1.3.2 Perspective

The perspective of this research is from a manager standpoint. The study views, how some specific long-term decisions can be influenced by ORM from a manager perspective.

1.4 Delimitation

This research focuses on concepts, that is used to reveal how online reputation management be able to influence some specific strategic business decisions such as expanding market share, strategy to tap in to new business, decisions for creating incontinent environment and customer satisfaction. Because of the sensitivity of the nature of area of subject, for example decisions for creating unfavorable environment for competitors may not be convenient subject to discuss with the case company. However, such issues are handled in a way that do not reveal the company’s secrete during data collection. In addition to that, ORM concept is not only handling social media but also about knowing about Search engine optimization (SEO) nevertheless, this research does not focus on SEO.

1.5 Ericsson background

Ericsson is one of biggest communications and network equipment supplier in the world (ericsson.com (a)) with a market share of 35% (reuters.com). The company was first found in 1876 from a parent company Telefonaktiebolaget LM Ericsson. Its headquarters bases in Stockholm Sweden. The Company has net sales SEK 63.7 billion with operating income of SEK 4.1billion for the year 2011(ericsson.com(b)). Currently, the company’s network equipments are used by 180 countries. Moreover, more than 1000 networks used by these countries utilize Ericsson’s network equipments ibid. Ericsson networks handles around 40%
of world’s mobile traffic. This company provides compatible solutions for most end-to-end communication in the world *ibid*. The company is also 5th largest software company in the world.

The author has looked for companies that can give empirical value to the generic model constructed in this study. She sent out requests to different companies. However, due to the fact that ORM is a new phenomenon, not many companies has incorporated ORM to their system besides some of the companies that already has implemented were not willing to give any information due to many reasons since the topic is sensitive by itself. At the end, positive response from Ericsson headquarter in Stockholm has made the study possible to see how relationships in the model looks like in the reality. The author believes that Ericsson serves as a good example in this study as it is active in ORM and has good brand name, therefore, due to this fact it makes it interesting to know how this Company is handling its online reputation management, how ORM can influences branding and strategic decisions?

According to (CNN, 2011) report the study made by FORTUNE GLOBAL 500 list, Ericsson has second rank in most admired companies in Sweden. It has also fifth rank in the world in network and other communications’ equipment sector. As said by the same source, it had fourth rank for the year 2010 in Fortune Global 500 list for similar sector. One of Fortune’s Global 500 criteria for setting this rank is brand strength. Where does Ericsson bring this quality of having relatively higher brand strength? It is a result of efforts from many factors such as wise strategic decisions. However, how the strategic decisions, that can turn the direction and focus of the company significantly is influenced? How can ORM influence such long-term strategic decisions?

The empirical study to achieve the purpose of this research in the example company helps to see how the concepts in the model constructed in the framework of the research section influence one another. From this thesis, one can see how Ericsson manages its online reputation and can do their own research in another company and compare the result to see if there are similarities or differences. The same applies for the other concepts too.

The author believes that keeping people updated on what the company is doing and trying to keep up their attitudes via social media in a more structured way through ORM is an important, conscious, strategic measure for mid to long-term company strategy for a company in similar industry like Ericsson as opposed to stable industries. Therefore, it is important for telecom companies to keep up with what the outside world in
general think and try to predict how they should react on different rumors and trend shifts and accordingly have this in mind when they decide on both all short, medium and long term strategic decisions. They have to continuously build their brand and therefore, the ORM function could be more important for making strategic decisions in the telecom industry than in any other more stable industries.

Moreover, Ericsson Company seems to be involved in different social media, including their own website and blog in order to reach out and send messages to its customers and influencers. As well as it would be interesting, also to find out how and why this Company perform ORM to compare it to available literatures and see the similarities and differences.

In addition, research made by European brand institute-Vienna shows that, Ericsson ranked 14th for having high brand value among single brand companies in Europe (iconvienna, 2010). Moreover, consistent with (Branddirectory, 2011), the company has estimated brand value of 6,735 USD $ millions for the year 2012.

The fact that Ericsson has strong brand and huge market share, does not come overnight rather it is the product of “good” strategic decisions, visions and many other factors. As well as it is motivating to know, how online reputation management can influence some specific strategic decisions.

As a result, the foundation for all these successes could be their well-informed strategic decisions and to settle such long-term decisions that help the company for greater brand value and market share, many inputs could be used to inform the decisions that can greatly change the direction and focus of the company’s resources. For these decisions, one of the influencing factors could also be inputs from ORM. Therefore, to explore the purpose of the research the author thinks that Ericsson serves as a good example.
2 Literature Review

The objective of this part of the document is to assess different literatures that are significant to develop theoretical framework and achieve the purpose of the research. The literature review part is divided into six sections. The first section discusses about the concept of corporate reputation and management for a general understanding of what needs to be managed. Consequently, review about ORM definition, process and Web 2.0 concepts are discussed. After that as it is essential to grasp the concept of branding to understand its link with the concept of ORM and its strategic role. The third section is all about branding and how strong brands are built. Next to that the fourth section is about the role of social media and monitoring of social media in shaping brand. Then the next section explains about the strategic role that brands play on strategic decisions and before the last section influence of ORM on strategic decisions presented. Lastly, by performing exploratory research based on the literatures reviewed to see how one concept influences the other, the model in the research framework section is constructed. One of the purposes of this study is the construction of this model. In order to fully grasp the correlations between ORM, branding and strategic decisions as well as for the analysis chapter understanding this chapter is important part of the research.

2.1 Reputation Management History

“A reputation is how some object – institution or company – is perceived by outside or internal shareholders.” (Mateši, Vuckovi, Dovedan, 2010, p. 852).

Reputation of firms is important element of their well-being. That is the reason why organizations take care of their reputation, nurture it and are very cautious about it. Reputation management is central for firms however, the term is relatively new as (Gotsi and Wilson, 2001) mentioned and lacks a thorough research in the area (Fombrun and Van Riel, 1997).

Reputation management has passed thorough many developments and change phases as the technology and way of media communication vary in its form and outreach. The historical development of reputation management shows that this phenomenon started long back the age of before 15th century when it was only possible through spoken words (Mateši, Vuckovi, Dovedan, 2010). Then it gradually developed during 17th century to the introduction of newspaper though it was completely written about public figures almost
always positive news *ibid.* Gradually, mass production of news paper become possible during 18th century but still the content is always in favor of some party.

After 20th century, the introduction of television brought new flavor to reputation management such as ability to present persuasive or impressive effects to the audience. Such as by working on certain brand awareness, brand perception and so on. Following that, the internet as a media channel has brought a lot for new taste for this phenomenon. Especially, after the introduction of social media, the communication paradigm has shifted from one-way communication to both ways, which is, messages and industry information send out from firms to stakeholders and vice versa.

As we have seen, the development at a glance that when the way of communication has enormously transformed century to century so does the way companies’ management of their reputation. This is because, “the digital innovations of the last decade made it effortless, indeed second nature, for audiences to talk back and talk to each other” (Deighton and Kornfeld, 2009, p.4). The management of reputation has changed time to time as the way communications also altered. The development of communication mechanisms such as the introduction of Web 2.0 has led reputation management to have a different form than the time of previous ages. For this reason, it is essential to illustrate about what Web 2.0 is. Therefore, section 2.3.1 helps to understand about the nature of Web 2.0.

### 2.2 Corporate reputation

Prior to explanation of what the concept of ORM is, it is vital to understand about the concept of corporate reputation. After all, it is essential to grasp the general idea of corporate reputation in order to understand what is going to be managed on the online environment. This section is further divided into other sub sections that give definition of corporate reputation and reputation management.

#### 2.2.1 Definition of corporate reputation

Scholars such as (Gotsi and Wilson, 2001) indicate that the concept of corporate reputation is somewhat recent and it is in a continual change.

In addition to that reviewing literatures such as (Chun, 2005; Gotsi and Wilson, 2001) it is understandable that this concept is a vague concept and has many ambiguous definitions that can even go against each other. Moreover, even if this concept currently
universally all over the world, but still there is lack of research on it (Fombrun and Van Riél, 1997).

In order to develop a more comprehensive definition of this concept, by collecting facts from several corporate reputation definitions Gotsi and Wilson (2001, p. 29) came up with a broader and comprehensive definition of corporate reputation as follows:

“A corporate reputation is a stakeholder’s overall evaluation of a company over time. This evaluation is based on the stakeholder’s direct experiences with the company, any other form of communication and symbolism that provides information about the firm’s actions and/or a comparison with the actions of other leading rivals.”

The authors’ proclaim that it is better to think corporate reputation as a proactive process, which is created through dynamic and interactive communication with stakeholders’ by using communications tools such as public relation communication, marketing communication activities and other communication mechanisms. Above all these, (Bunting & Lipski, 2000; Deephouse, 2000) adds that only proactive communications with stakeholders is not enough rather a company has to show it in practice. Proactive indicates that controlling situations not by waiting after they have already occurred but rather control by initiating something to happen. The scholars are arguing that a Company can achieve this through dynamic and interactive communications with its stakeholders. Moreover, when (Bunting & Lipski, 2000; Deephouse, 2000) said that only proactive communication is not enough but rather firms have to show the communicated messages in to practice. This shows that the communicated messages should be reflected on to their brands. In section 2.3.1, it is shown that dynamic and interactive communications is realized through the introduction of Web 2.0 than ever before. In addition, in the next consequent sections, what ORM is? How Web 2.0 changed the way of managing corporate reputation is illustrated.

Briefly, from the above definitions corporate reputation is stakeholders’ persistent judgment of a company that is created through their knowledge about a company including the way that the company communicates with those stakeholders.

2.3 Online Reputation Management (ORM)

This part looks at ORM phenomenon, first by reviewing definitions of online reputation. Next to that, definitions of ORM by given by different scholars will be
reviewed and then assess what general ORM process looks like. ORM is definitely a recent field of study that has started to emerge after the year 2005 directly right after or at the same time with the introduction of social media. The purpose of this section is to give understanding of ORM for having common understanding of this phenomenon from different literatures as this fact is the major step in exploring the purpose of this research. Prior to assessment of ORM phenomenon, brief introduction of Web 2.0 is presented. Introduction of Web 2.0 is relevant to illustrate as ORM in this study is performed mainly on Web 2.0 environment and in fact, it is this concept that makes ORM different from any other reputation management definitions.

2.3.1 Web 2.0

This section reviews about Web 2.0 from different sources. Web 2.0 emerged recently as different sources indicates. Understanding this phenomenon is essential as it is this core concept that makes the whole ORM topic unique than other reputation management era. Definition of this concept is reviewed from different articles in the next sub-section of this document.

2.3.2 Definition of Web 2.0

The Web 2.0 is ubiquitous topic in today’s world but there is lack of definition as the concept is broad and extensive (Treese, 2006). With reference to (Constantinides & Fountain, 2008) Web 2.0 is mostly used interchangeably with the term social media. However, the same source mentioned that other viewers look the concept of Web 2.0 generally related to online tools or applications and on the other hand, they view the concept of social media related to social aspects of Web 2.0 applications such as openness, collaboration, conversation and participation. Constantinides & Fountain, (2008, p. 232) defined Web 2.0 as:

“A collection of open-source, interactive and user controlled online applications expanding the experiences, knowledge and market power of the users as participants in business and social processes. Web 2.0 applications support the creation of informal users’ networks facilitating the flow of ideas and knowledge by allowing the efficient generation, dissemination, sharing and editing / refining of informational content.”

Constantinides & Fountain, (2008) argue that Web 2.0 has created opportunities for understanding consumer needs. They believe that personalized and direct contact with consumer is now possible than ever before. Moreover, Knights (2007) states that Web 2.0
enables end-users to collaborate and share information easily. Cited by Knights (2007, p.30) Dan Norris-Jones said “Web 2.0 trend is supported by a wave of next-generations web based technologies that can exploit user-generated content in a more sophisticated and powerful way.” A definition given by (O’Reilly, 2006, p. 4) is:

“Web 2.0 is a set of economic, social, and technology trends that collectively form the basis for the next generation of the Internet—a more mature, distinctive medium characterized by user participation, openness, and network effects.”

Both definitions of (Constantinides & Fountain, 2008; O’Reilly, 2006) indicates Web 2.0 is Internet technology characterized by user participation and collaboration. For this reason, Web 2.0 and Social Web are interchangeably used in different sources. Few examples of social media services mentioned by (Constantinides & Fountain, 2008) are Wikipedia, Flickr, Amazon and eBay.

Social media empowered users as it enabled them to share their knowledge and experience over the net unlimited (Bunting and Lipski, 2000). As stated by Bunting and Lipski (2000) companies have to look back and see their policies for consumer communication and should start interaction with customers through this medium to manage their reputation.

The next subsequent subsections explain about ORM and its processes.

2.3.3 Online reputation

According to Jones et al (2009), online reputation is a reputation, which involves a corporate reputation created on the online environment. Social media environment is one of the online environments.

Online reputation is not only created on social media but also as Weber (2009) indicates, online reputation is constructed by group of people sharing and collaborating online and through search engines such as Google, Ask and Yahoo. Weber (2009) calls search engines as “reputation aggregators” as they comprehensively put search results in order of their reputation.

2.3.4 Definition of ORM

In this subsection, a review of definitions of ORM from available academic literatures is assessed to fit into the context of this research. ORM phenomenon is on the cross line
between marketing communications, public relations and Search engine optimization (SEO) (Beal and Strauss, 2008), this additionally shows the difficulty to give a comprehensive definition.

Even though it is difficult to give a comprehensive definition for ORM, as term corporate reputation itself is vague, most scholars agree on “social media has changed the rules of reputation management.” (Beal and Strauss (2008); Jones et al, 2005; Mateši et al, 2010; Scott, 2010). Supporting this idea Clark (2001, p, 262) agrees on, “Internet changes the ability of external commentators to make their opinions widely known, and in this way requires change in the process of reputation management”. Moreover, (Mateši et al, 2010) sustain this idea in their historical review of reputation management; they tried to see the change of reputation management from time of printing media, which do not allow two-way communication to the current networked environment, which is participatory and collaborative. They also forecast the future, that reputation management will be changed as the technology grows and communication media altered, showing that online reputation management is the new face of the old reputation management that existed in the era of traditional communication media.

According to Jones et al (2009, p.934)

"On-line reputation management is the process of positioning, monitoring, measuring, talking and listening as the organization engages in a transparent and ethical dialogue with its various on-line stakeholders”.

Jones et al (2009) believes management of reputation on the current environment, which is Web 2.0, should also include a careful understanding of search engine optimization (SEO). By SEO it means that, it is important to understand how search engines such as Google and Yahoo store information, how Web pages ought to be in order or (indexed) and how the searching query takes place (Beel, Gipp and Wilde, 2010). Since SEO is out of the scope of this research, the author do not discuss about this subject in this document. With reference to Beal and Strauss (2008), online reputation management is defined as managing and monitoring what people say about a company online and knowing how to respond to it. Beal and Strauss (2008) agree that ORM is administering social networking sites as well as search engine results. Moreover, it is keeping a company image from harmful web content or online exposure.
In general, scholars agree with the idea online reputation management is a reputation management in a new environment (Jones et al, 2005; Mateši et al, 2010; Scott, 2010; Clark, 2001).

To conclude, for the research ORM is defined as keeping track critical comments and negative publicity about company brand on social media (Beal & Strauss; 2008, Jones et al, 2009) and knowing how to respond and how to communicate on social media.

As mentioned on subsection 2.2.1 Bunting & Lipski (2000) points out that managing corporate reputation is more than proactive communications with stakeholders rather a company has to show it in practice to indicate that, the communicated message should be reflected on the Company’s brand. The following model shows general idea of what ORM is and how each concept related to each other in a form of picture.

![Fig 2.1 Overview of online reputation management on social media (Source: Created by the Author for this Study)](image)

### 2.3.5 ORM process

As there are numerous social media out there, Jones et al (2009, p.929) add the whole process of managing online reputation manually is almost impossible. Their proposed model of the process of online reputation management looks as follows. “It suggests companies
monitor Web 2.0 activity, participate in it and measure the impact on, amongst other things, reputation and branding *ibid*.

ORM is a process of reaching out, engaging customers and having conversation with them continuously. It includes communications over social media such as twitter and facebook. Contact managers should know how to engage the company customers through social media and know how and when to participate and respond (rightnowtechnologies). White paper by rightnowtechnologies, discussed how the new media has turn out to be part of customer relationship and experience and best practices of monitoring and managing social media summarized as follows with diagram and explanation by table.

Fig. 2.2 Online reputation management process (adapted from Jones, Temperley and Lima 2009, p. 29)

Fig. 2.3 When and How to Participate in the Social Web (adapted from white paper, Right Now Technologies, 2009, p. 4)
<table>
<thead>
<tr>
<th>Plan</th>
<th>Listen</th>
<th>Participate</th>
<th>Evaluate</th>
<th>Respond</th>
</tr>
</thead>
<tbody>
<tr>
<td>Why participate in social media? What are you trying to accomplish? Timeframe?</td>
<td>Before jumping into a conversation, get a lay of the land</td>
<td>Create engaging profiles with pictures of real employees.</td>
<td>Evaluate inbound comments and determine whether to respond or to remain silent</td>
<td>Unhappy customers should be engaged. Show that you are listening, and pursue a solution if possible.</td>
</tr>
<tr>
<td>Who within the organization will participate in social media conversations? All conversations or a specific category?</td>
<td>Spend some time monitoring conversations on sites where your brand, products, or industry are being discussed,</td>
<td>Create groups (i.e. Facebook) and pages (i.e. Twitter)</td>
<td>In some instances it is better not to respond (i.e. spam or bullying), in others, a response is a must</td>
<td>Do not respond to aggressive, hostile, degrading individuals, monitor only.</td>
</tr>
<tr>
<td>Ensure employee guidelines are in place for your organization</td>
<td>Identify channels (forums, blogs, social networks) and influencers (positive, negative and neutral)</td>
<td>Join other groups &amp; forums, and follow individuals.</td>
<td>For neutral, positive or accurate negative posts, the choice to respond is yours.</td>
<td>Inaccurate posts should be corrected in a positive tone</td>
</tr>
<tr>
<td>Post status updates and create unique content. Begin to build a tablet for others to learn about you and your brand</td>
<td></td>
<td></td>
<td></td>
<td>Factual posts are ideal for continuing the engagement</td>
</tr>
</tbody>
</table>

Table 2.1 When and How to Participate in the Social Web (adapted from white paper, Right Now Technologies, 2009, p. 4)

The next consequent sections discuss about what brand is, how it is constructed, how monitoring and managing social media (ORM) influences brand and how branding influences specific strategic decisions. Section 2.7, which is the final section, put theoretical explorations discussed in this chapter all together in a model.

### 2.4 Branding

The purpose of this section is to give overview of brand. It is essential to grasp this concept, as it is core concept to understand the purpose of this research and to see how monitoring and managing of social media influence branding. This section starts with the definition of brand and explore how brands are constructed and built thereby helping to see how monitoring and managing of customers opinions helps to shape brand which is a first step to see how ORM can influence branding.

#### 2.4.1 Definition of brand

Brands are critical for companies to operate successfully and that is why it should be managed strategically (Wood, 2000). However, there is no common definition for this
concept and the lack of common definition makes it relatively difficult for strategic management within firms.

Many scholars tried to give definitions for brand but still the term brand lacks “established terminology in marketing research” (Chernatony and Dall'Omo Riley, 1998, p.417). Moreover, (Kollat, Eagel, Blackwell, 1970) indicates that several definitions for this concept that even oppose each other.

Chernatony and Dall'Omo Riley (1998, p. 436) develop a more comprehensive definition out of twelve different categories of definitions of brand given by several scholars. Out of these various definitions, the researchers define brand as:

“A complex multidimensional construct whereby managers augment products and services with values and this facilitates the process by which consumers confidently recognize and appreciate these values.”

During past times the view of brand mainly stresses on brand as a tool that visually distinguish company’s offering ibid. However, in a more comprehensive definition of brand is developed by the same researchers, as:

“Brand is a multidimensional construct, whereby managers augment products and services with value constellations matching consumer needs.”

The authors points out that the chances of constant brand use is increased when consumers’ opinion is monitored and used for better adjustments of the value through the collection of consumers’ needs. This will result in; “brands are co-produced by firms and consumers” (Chernatony and Dall'Omo Riley, 1998, p. 436).

Fig 2.4 Managers and Consumers having role in branding (Source: Created by the Author for this Study)
Most importantly noted by these authors is that powerful brands are built through adding knowledge and interpretations of consumers about brands. The process of branding incorporates knowing what a brand is to the consumers by using different communication mechanisms. In general, branding is the work result of two important stakeholders; the managers of the firm as well as the consumers. From the previous sections it is said that social media has allowed two-way communication which allowed firms to interact with stakeholders dynamically. Moreover, ORM is monitoring and managing of stakeholders opinions on this new environment. As a result, in this section it is said that building of brands is not only the job of managers but also customers as well. In addition, as mentioned on subsection 2.2.1 Bunting & Lipski (2000), reputation management means communication between the Company and its stakeholders and putting the communicated message in to practice, which is reflecting it on their brand. This is one indication that how ORM is influencing brand.

Brands are composed of three elements (Biel, 1997). With reference to (Biel, 1997), the three elements that form brand are the functional capability it can bring to the customer, its personality and basic features regarding perceived values and lifestyle such as boring, adventurous etc and the third element is building relationship with each and every consumers. Both the consumer and the brand should develop two-way communication and interaction \textit{ibid}.

When we come to a point in which what determines successful and failed brands Chernatony and Dall'Omo Riley (1998) explained it as successful brands have high degree of match or similarity between their consumers’ needs and the values of brands developed by firms. They stress that brand development as value systems requires much more than just a sales promotion or increasing awareness. It requires a long-term dedication to match with consumers needs by adding current or any suppressed values and those value added should be meaningful to the consumers \textit{ibid}. Eventually, in order to match the customers’ needs active communication is important element of building brands. Since ORM is actively managing and monitoring social media, brands can be affected through the process.

\textbf{2.4.2 Brand Equity}

Researchers such as (Lasser, Mittal and Sharma, 1995; Keller, 2001), believes that brand equity is an important concept in business as it gives companies competitive advantages.
Fill (2009) also agree brand equity is increasingly becomes essential because of the growing importance to measure the return on investments in reputational activities. Even though, many scholars share similar thoughts, most of them disagree on brand equity measurements.

Wood (2000) points out that there is no common terminology for brand equity seeing that accounting and marketing literatures are debating about this concept. Brand equity from the accountants’ side is not similar with that of the marketers’ standpoint in which the marketers tries to define the concept from consumer-brand oriented point of view (Keller, 2001; Wood, 2000).

Lasser, Mittal, Sharma (1995) believes that brand equity should be observed from perspective of both customer based brand equity and financial based brand equity. The financial side brand equity definition sees brand equity as assets on financial statements and balance sheets of companies (Simon and Sullivan, 1992) whereas, the customer-based perspective sees brand equity as “a consumer response to a brand name” (Lasser et al, 1995, p. 12). Lass er et al (1995), supports Keller’s (2001) customer-based brand equity perspective as a major impact for gaining profit. As (Keller, 2001; Lasser et al, 1995) describes the customer-oriented brand equity is pictures portrayed in the minds of consumers about particular brands and the values that consumers gives towards those brands and also fundamental relations that the consumers develop in relation to the brands.

To join the financial and customer-based brand equity viewpoints Feldwick (1996) come up with classifications of definitions of brand equity by accountants, which is brand equity as brand value to mean that it is the asset on the balance sheet by calculating the brand’s total value.

Brand strength, which is the evaluation of the intensity of relations that the consumers have with particular brands and brand image or brand description is consumer beliefs or values for a particular brand and explanations of the relationship. Marketing point of view usually uses “brand equity” to refer brand image and brand strength; being brand value the result of both and their focus is on the consumer (Wood, 2000). Assumption of brand equity meaning in a causal relationship presented as follows.
As cited by Fill (2009, p.377), Pirrie (2006) maintains that brand equity is:

“the relationship between customer and brand owner and this has to be grounded in the value experienced by the customer, which is subsequently reflected on the company”. In addition, Srivstava and Shocker (1991) points out that brand equity is the collection of compiled thoughts and behavior patterns in the minds of agents. Agents are distribution channels, influential stakeholders such as consumers that can have effect over the future cash flows. As (Wood, 2000) suggested this definition is inherently strategic. Similarly Davis (1995, p. 68) indicates, another form of brand equity, which is brand value, has long-term significance “…defining brand value as the potential strategic contributions and benefits that a brand can make to a company.”

Finally, Fill (2009, 378), points out that “building brand equity is a strategy-related issue and the measurement activity can help focus management activity on brand development “stressing on whichever way is brand value is measured such as accounting value or marketing measurement point of view somehow developing brand equity is related to strategy issues.

2.4.3 Building and maintaining strong Brand

It is obvious that many organizations need to build strong brand with significant equity to get better competitive advantage, market share and other strategic advantages (Wood, 2000). Keller (2001) suggested model for building strong brand called Customer-Based brand equity model. He points out that “the power of the brand is found in the minds of consumers or the power of a brand lies in what customers have learned, felt, seen, and heard about the brand over time” (Keller, 2001, p. 3). The challenge for managers is whether all the reputational activities linked effectively to the brand to create “powerful brand” in the minds of the consumer ibid.
Keller’s (2001) steps for building strong brand starts with the fundamental work, which is establishing brand identity or brand awareness. Then bring out brand meaning by making strategic brand links to the minds of the consumer. Next is obtaining consumer responses on the brand, which is what consumers feel about the brand. This stage is about what consumers’ judgments or feelings are about particular brands. What are the consumers’ judgments, evaluations and opinions about the particular brand? Consumer judgment could be about brand quality and credibility. All these are among the elements for Customer-based brand equity model. The last one is creating reliable association between the brand and consumers concerning about the loyalty and trust between the consumer and the brand.

The model by Keller (2001) for building strong brand companies must go through the above four steps to achieve the steps it is helpful to see the six “brand-building blocks”. In addition, building significant brand equity needs passing through the blocks sequentially and reaching at the top of the pyramid.

As shown in fig 2.6 one of the building blocks of Keller’s pyramid to build brand is consumer judgments and consumer feelings. Since ORM is keeping track of the heartbeat of the outside environment through social media, Company brand can be influenced this way.

![Customer-Based Brand Equity Pyramid](image)

**Fig 2.6 Customer-Based Brand Equity Pyramid (adapted from Keller 2001, p. 7)**

Keller (2001) points out that developing strong brand with significant equity gives companies several benefits such as competitive advantages, positive consumer response over price increase or decrease and in general increased reputational activities effectiveness. Aaker (1993) agrees that strong brands with high equity gives increased opportunities to
distribution channels, better chances for companies to expand their product line. This is also one simple indication that brand equity is related to strategic issues.

2.5 Influence of consumers collaboration in social media towards shaping branding

According to (Hennig-Thurau et.al, 2010), the new media has role on customer relationships. In their conceptual frame work (Arrow A) represents, the traditional way of firms to influence brand attitudes of customers. This way is unidirectional as it sends out message one way from the companies to their customers. Arrow B and E show that customers are “passive receivers” from this companies that tries to actively influence customers. One-way arrows B and E indicate firms with absolute control over brand-shaping communication.

The growing of new media environment has greatly changed the brand shaping communication that appears between firms and their customers. The researchers point out that, the new media has changed the brand information flow which is brand information is not controlled only by companies. It is now multidirectional and unpredictable and companies have no choice but participate in brand “conversation”. In today’s world, managing and monitoring relationships with customers, companies provide brand-building messages in to a chaotic unpredictable environment. Then the communicated brand message on this chaotic environment diverted and speed up by stakeholders that change the brand message offering in chaotic ways.

After firms send out their brand-building messages they continue to guide it by but still the brand-building message does not always go where it is planned to and the slightest mistake could end up with a big crisis. In the new environment companies continue to send out their message through traditional media and through new online media channels, arrows A and F show that. Through the new media and traditional media, firms start to engage their customers in a conversation about different issues such as benefits that the customers as whole get by using the product or service.

“A central question is how all of these continuous effects within the online media affect the company’s customer A feels and think arrow (H) and how those customers react with regard to the firm’s brand”
Fill (2009) proclaimed that the introduction of user-generated contents on the current web is playing a major role in creating environment for consumers the ability to brand products and services. Web 2.0 has changed the managers’ viewpoint of how branding should be which is used to be assumed that it is only the work of managers *ibid*. However, the introduction of Web 2.0 added new element to managers’ outlook about brands and has given the consumers, the power of branding by letting consumers to share what they feel about a brand to their contacts (Jones et al, 2009). The influence towards branding is now to both managers and stakeholders’ as citizens are now capable of making experiences and information exchange from different sources (Beal and Strauss, 2008; Bunting & Lipski, 2000; Schau & Gilly, 2003). This means that managers have decreased their impact over branding and as a result the effect over managing corporate reputation (Gray, 2006). Other managers and consumers are engaged in the process of branding *ibid*.
More on to this, people make their preferences and buying decisions out of the reputation information they get from the web exclusive of companies directly affecting it (Bunting & Lipiski, 2000; Ferguson, 2008). Additionally, Caslo et al (2008) found out that people participating on the online world could enhance the breadth and depth of their association with the brand.

2.5.1 Effect of ORM on branding

The emergence of ORM is right after the introduction of web 2.0. This is because, the Web 2.0 has given people the “freedom” to speak about almost anything online and share it with large number of people, because of that the the form of reputation management has changed greatly (Clark, 2001; Gray, 2006). Companies start to be concerned about management of conversations with stakeholders on social media because they start to lose “control” and people start to get “power” over branding (Jones et al, 2009). Companies are increasingly searching ways to communicate proactively with the audience, brand activists and online-writers that always come up with new content ibid.

The “freedom” of people exchanging information on social media has greatly shaped and has influence over branding because of that branding shifted from companies to the society therefore, as Jones et al (2009) indicates, this has a potential to improve or damage brand image and corporate reputation of a company. However, for companies how to best manage and exchange conversation in this more complex environment than earlier communication mechanisms is not an easy job for managers ibid showing that brand damage or improvement depends on how company’s reputation on the web is managed or how a company communicates the message disseminated on the web. For example in 2005, Dell had faced serious trouble about its brand caused by issues related to its customer service.

A renowned blogger announced his frustration about a product he bought from Dell on a blog that lead several bloggers and others to come forward and express their negative reaction and emotion about the brand (Beal and Strauss, 2008; Espen, 2007). At that time, Dell did not know how to control the situation and use the online publicity for its brand improvement (Beal and Strauss, 2008). Even though, Dell has “Crisis communication plan” it was not helpful for reputation management in the new environment ibid. The response from Dell was silence. They even closed the customer
service, as they did not know how to react or communicate the messages publicized all over the world throughout the net. *ibid.*

Dell had faced so much damage on its brand because of the products and services were not reflecting customers’ needs, as Dell did not know how to manage its reputation on the new environment *ibid.* However, after a year Dell came up with well online reputation management policy that suited the current web environment. As a result, Dell could be able to fix the damaged brand and reputation as well as start to use ideas and comments it gets from the customers for its business growth and brand improvement (Beal and Strauss, 2008; Geolive, 2007). After Dell had embraced online reputation management its products and services direction are highly affected by the suggestion it gets from its customers (Beal and Strauss, 2008). Dell moved from “Dell Hell” to “Dell Heaven” (Beal and Strauss, 2008; Geolive, 2007). Dell transition model to online reputation management by increasing engagement level with its customers through its blogs and websites looks as follows.

![Fig 2.8 Level of customer engagement (adapted from Beal & Strauss 2008, p. 25)](image)

The above example is supported “When used effectively, the internet is the best tool for improving reputation that has yet been created” Valor (2009, p.9). In addition to that, the proposed model by Jones et al, (2009) supports the Dell’s example. Their idea suggests that monitoring the web environment together with measuring it, is directly proportional to companies brand leadership.
2.6 The role of brand in strategic decision

With reference to Farquhar (1989) brands that have significant equity enables the brand owner with lots of competitive advantages such as securing market share and creating environment, which is not convenient for competitors to join market. Pitta and Katsanis (1995, 56) also says, “Brand equity… insulates the brand from a measure of competitive threats”. Wood (2000) depicts the functional relationship between brand equity and market power as follows.

Understanding the characteristics of brands is critical for strategic decision-making (Wood, 2000). It is greatly essential to understand about brand nature including who brands whom. Aaker (1996) recommends that brands have long-term consequence and help managers to understand people’s attitudes towards brands and this add on getting significant brand equity.

It is important to get powerful brand strength, which is as Keller (2001) recommends obtaining consumer responses, feelings, opinions and judgments on the brand.
What consumers, feel about the brand and well-built brand association is the objective of brands ibid.

From the above literatures, it is understandable that branding creates strategic focus for management. Maximized brand strength and value could result increased profitability. Strong brand offer long-term profitability and easy way in to distribution channels. In addition, with strong brands it is easier to for extensions of product line (Aaker, 1991).

2.7 Research framework

The relevant research concepts discussed in the literature review are linked through logical links depicted in the following model. The model that the author constructed is believed to be generic as it is theory generated. The purpose is to construct it and see how the three different concepts are interlinked to each other by using the empirical data gathered from Ericsson Company by means of in-depth interview with the company’s expert, which is the head of external content manager.
The social media environment is a free environment that people openly communicate and express their ideas.
Without restriction the social media allows people to openly communicate and express their ideas freely as Jones et al (2009), indicated that the people who are participating actively on social media are highly challenging, open minded and sophisticated. In addition, the participation of people and the likelihood of two-way communication are greatly shaping the question of “Who is branding whom” (Jones et al, 2009, p. 928). This shows that branding is not like the previous ages when communication is the work of managers where they have to worry about how to reach consumers with set of
communication mix rather it is now influenced greatly by conversations taking place online by stakeholders.

Businesses have to know how to monitor and critically follow comments on social web and their online presence to manage their online reputation as the engagement and conversation of people on this web media has a direct link towards shaping branding *ibid.* The engagement of stakeholders on the social media is greatly shaping brand because they use this media for sharing industry and brand information. Stakeholders play critical role in the process of branding by using Web 2.0 as a tool and businesses has to work with these diversified stakeholder groups *ibid.* “Web 2.0 is democratic in so far as it is open to all and it creates and environment in which freedom reigns” (Jones et al, p.930)

Firms that efficiently and effectively manage their online reputation can achieve brand leadership.

Jones et al (2009) suggests for management should be focused on bringing mechanisms to engage company stakeholders in the new environment to attain maximum effect on branding. This shows that managing online reputation has a positive effect in building and maintaining brand image. In addition, according to (Fill, 2005; Jones et al, 2009) reputation of brands can be affected through conversations happening on social media therefore, the authors recommends for greater accountability and transparency when dealing with online conversation.

According to Ind (2005, p. 148), “…the relationship between firms and stakeholders is dynamic, non-linear, non-controllable and difficult to predict”. Consistently, (Ind, 2005) recommends for active and transparent management of communication should aid decision making as consumers start, maintain, correct, adjust or end a brand relationship. For example, for developing new models and innovation process Volvo highly chooses being close to the consumer *ibid.* “…creativity has to meet with the approval of its enthusiast audience both to ensure it is a trend leader and to maintain its authenticity” (Ind, 2005, p.149).

The free information flow across internal firms’ boundaries or transparency helps to bring the consumer to be part of the firm and allows brand knowledge of consumers to be shared thus, the consumer “can become an active presence that contributes and adds value to the brand and the organization” *ibid.*
Ind (2005) recommends for a need to be active listeners as the information across organizational boundaries such as from customers’ network helps firms to build meaningful product to the customer as well as construct brand value. Jones et al (2009) suggest for the need for actively communicating stakeholders’ view on social media environment for firm’s strategic survival and financial well-being. The role of consumers in the new dynamic era that is the social media assumed to be “co-managerial role” which is affecting the future long-term plan of businesses *ibid*. Such as strategies related to corporate responsibility, sustainability, and market share expansions.

Web 2.0 is relatively difficult and uncertain environment it could result a damage to brand image if not handled and managed properly *ibid*. “Companies do not exist in a vacuum or in isolation; but rather, they exist, grow and survive as part of and within a societal context.” Jones et al (2009, p. 935)

In general, the framework of the research is the basis for this study. The logical relation between the strategic business decisions and ORM through branding mentioned in the literature review and how ORM can influence branding as well as specific strategic decisions is supported by empirical evidence made through in-depth interview and secondary data from the case company.

The next chapter helps to see what research approach, design, data collection and analysis method used to achieve the purpose of the research
3 Method

This part of the document describes the type of research approach employed and procedures used to gather and analyze relevant data from the case company in order to achieve the purpose of the study and answer the research questions. The author selected the suitable methodological techniques carefully with knowledge and understanding of their limitations. Moreover, all the approaches and strategies used to undertake this research are based on informed choice that best suit this study on reasoned choice.

At last, all the ‘systematic’ approaches and methods used in this thesis will finally lead to explore how ORM can influence strategic business decisions. ‘Systematic’ depicts that the study is not something, which comes out from general belief rather it is the based on logical relationships (Ghauri & Gronhaug, 2010).

3.1 Research approach

The two distinctive methods for research approach are inductive and deductive methods. According to Ghauri & Gronhaug (2010), inductive approach is construction of a theory from empirical observations and interpretations whereas deductive approach is drawing conclusions through logical reasoning by building and testing hypothesis from the existing knowledge. The study approach followed is regarded as an inductive approach as the center of attention is the empirical finding that will be obtained from the case company. The research approach followed for reasoning is inductive since it is planned to study the phenomenon theoretically in order to understand what it consists of and conduct interview to try and to see how it is to apply more and new understanding from the case. The theoretical study is made to see how concepts are kept together and the exploration leads to the research design model.

Data is collected and analyzed from the case company to explore how ORM can influence strategic decisions.

3.2 Research Design

Research design is the plan used to link the conceptual research problem to a related and feasible empirical research (Ghauri and Gronhaug, 2010). With reference to (Ghauri and Gronhaug, 2010), for identification and solution of the research problem the research design is determined based on the problem structure and the kind of research question.
Research problems vary in structure, and based on the structure research design is classified into three types: Exploratory, Descriptive and Causal (Ghauri and Grønhaug, 2010). This research design follows exploratory research design because as Yin (2003) points out that this type of research design deals with new understandings. In this same way this research try to apply theories and tries to give new understanding from the case that is used and explore to see how ORM, branding and strategic decisions concepts are kept together and the theoretical exploration leads to the research model that is presented in the research frame work section (2.7).

3.3 Data Collection

Ghauri & Grønhaug (2010) describes two possible ways of collecting data, which are primary and secondary data. In this study, both secondary and primary data collection is used. Secondary data is used for identifying research problem and is used for providing suggestions. Generally, secondary data gathered from the existing studies for better understanding of the research problem. Materials such as academic articles, the company’s website, books reliable online resources that are associated for identification of the research topic are used for detail understanding. Primary data is collected using in depth interview to find empirical evidence. As mentioned in this research paper, Ericsson is the only empirical case in this study due to many facts mentioned in section 1.6 of this document for example as ORM being a rather new phenomena it is hard to get more case companies. The author has made many attempts during the research process to get case companies; however, it was not successful. Nevertheless, the positive side is that the author conducted an in-depth interview containing rich information about the case company.

In addition, a small partial observation has been made starting from March 25, 2012 - June 02, 2012 to see they are responding on social media. The author has liked the case Company on face book on March 2012 and then follows Ericsson sustainable on twitter on May 2012 then Ericsson Lab has started to follow the author on twitter on June 2012. The author has observed their interest to engage people during this time interval.

For more visual information it is presented on Appendix 2.

3.4 Data Analysis Method

Data analysis is the process of making order and meaning out of unstructured and large amount of collected data Ghauri & Grønhaug (2010).
There are two types of data analysis methods; qualitative and quantitative methods. Quantitative data analysis method is predominantly used for analyzing numerical data. It makes use of and generates quantitative or numerical data by using statistical methods where as qualitative data analysis neither uses numerical data nor use statistical methods. Bui (2009) portrays qualitative study as a non-numerical approach. It is used mostly when the data gathered is subjective and the data collection technique is mainly by using interviews or any empirical data analysis process that make use of and produces non-numerical data Ghauri & Grønhaug (2010). Since the data gathered in this study is subjective in nature and there is no numerical data gathered, it is analyzed using qualitative data analysis method. In general, the foundations for qualitative data mostly rely on meanings articulated through words. For this study the nature of the data gathered is subjective, it is based on in depth interview, and small observation on some specific social media therefore the suitable data analysis method is qualitative with thematic analysis process.

Thematic analysis is a procedure used with qualitative data. “It is a process for encoding qualitative data” (Howitt & Crammer, 2008). Encoding requires indicators, model with themes and causally related qualifications. This may be a list of themes; a complex model with themes, indicators, and qualifications that are causally related. “A theme is a pattern found in the information that at minimum describes and organizes the possible observations and at maximum interprets aspects of the phenomenon.”

“The themes may be initially generated inductively from the raw information or generated deductively from theory and prior research” ibid. In this research, the themes are generated deductively from prior research and theory in other words the themes used in the analysis chapter are derived from the framework of the research. The research is based on a model with themes, causally related relations and indicators. Thematic analysis has a number of alternative functions. It can be used as an approach of making sense, a method of seeing and a way of analyzing qualitative information.

Thematic analysis is a process that the researcher is to identify a limited number of subjects, which effectively reflect their data that is expressed in text (Howitt & Crammer, 2008).

For all type of qualitative data analysis, it is essential that the researcher particularity should be close to or familiar with the data in order to be aware and increase level of understanding ibid. For this reason, the author is adequately familiarized herself with the data as she has conducted her own in-depth face-to-face interview with the company’s head of
external content manager in the company head quarter. Moreover, transcribed the data herself. As Howitt & Crammer (2008) pin points this approach increase clarity and insightfulness.

### 3.5 Credibility of the research findings

The research credibility is a major aspect that needs to be considered to sustain the research findings trustworthiness. According to Saunders et al (2009), not giving emphasis to the research design would result in ending up with the wrong answers. In order to maintain the research findings trustworthiness, validity, reliability and generalizability are important aspects. However, in this study for Ericsson case, the results apply and can be generalized but it is impossible to say for other different cases.

#### 3.5.1 Reliability

According to (Bui, 2009), reliability is the extent to which an instrument consistently measures what it was intended to measure. Reliability is a necessary condition to note during selection of the measurement approach.

To increase reliability the author particularly familiarizes herself with the data in order to increase understanding. In addition, she has conducted the in-depth face-to-face interview herself and transcribed the data herself to increase clarity. In order to increase the respondent’s readiness, the written interview questions together with the general model, which is located on fig 1 together with explanation sent before the actual face-to-face interview has took place. During the face-to-face interview all, the necessary clarification has been made to the respondent in addition.

#### 3.5.2 Validity

According to Bui (2009), refers to the extent to which the instrument measures what it was intended to measure. Validity is the degree to which the research reflects what it is true not imagination or thoughts.

In-depth interview was made for data collection to achieve a high validity and the right questions are asked as the interview questions are based on the interview guide. The author used the frame of reference to prepare the interview guide and the interview questions are grouped with respect to the research questions.
3.6 Interview Guide

Data collection through communication is performed. Primary data is collected using in depth interview. The interview is designed carefully to get a reliable data that could be mapped to the research question. This interview guide is based on the model constructed in the framework of the research.

To get supplementary information from the respondent, the interview is guided to achieve well responded answers for solving the research problem. After carefully designing the questions, open-ended questions will be given by mail to the respondents. The main reason for giving the questions before hand is for the respondents to look at it and be prepared. Then, appointment is fixed for a face-to-face interview.

Research question:
1. How can ORM influence Ericsson?
   a. How does Ericsson handle ORM
   b. How can ORM influence branding?
   c. How can branding influence strategic business decisions?
   d. How can ORM influence strategic business decisions?

Overall Strategy: Ask the external content manager in Ericsson to read the interview questions before the actual interview takes place and use the framework of research model to ask questions.

3.6.1 Clarification of the research question:

a. The context of ORM terminology can be different in Ericsson. Therefore, Definition of ORM for Ericsson should be refined. ORM is not one thing rather it is a collection of many concepts. Therefore, clarification of what ORM is to Ericsson should be done. Hence, the real life situation in Ericsson is compared to ORM in different literatures.

b. The main issue to study in this research question is: How can ORM influence branding and strategic decisions in Ericsson. Specifically, the research questions to be studied are:

   How does Ericsson handle ORM, How can ORM influence branding? How can branding influence strategic business decisions? Moreover, how can ORM influence strategic business decisions?

Reviewing the general model depicted on page 7 fig. 1 is relevant to see how the research questions are driven.
3.6.2 Interpreting Research Question into Interview Questions

a. When asking about the context of ORM in Ericsson, it is essential to know the major processes that take place in managing ORM. Questions such as when did they first start ORM and why do they decide to manage? What to manage and monitor, who manages and monitors, what specific online places are monitored and managed and why choosing specific places? What general motivation for managing online reputation, what role is played by monitoring and managing reputation online to branding? Such questions should be addressed.

b. In order to get response on how ORM can play role for specific strategic decision, first it is essential to gather information on how branding can influence on specific strategic decision and it is vital to know how ORM can influence branding. Therefore, the questions to be asked should be about their specific strategic decisions that their brand plays role in, as this will give clues about how the brand is playing role to their strategic decisions. Consequently, the questions to be asked to investigate this phenomenon is, how their brand is playing role for specific strategic decisions, then how it is influenced by ORM? If the response is positive then to what extent it is influenced?

c. “To what extent” these kinds of questions are hard to ascertain. However, to handle such issue the interview questions are constructed as tangible as possible to get the manager’s opinion to tell about the real situations that are happening instead of generalizations.

d. It is better to tell the questions to the manager to be interviewed beforehand so that responses that are more accurate could be guaranteed as the manager have time to see the questions in advance and think about it.

3.6.3 Interview outline

a. Online Reputation Management in Ericsson

1. Does your company implement online reputation management (ORM)?
2. Why do you implement ORM?
3. Does your organization have a method to filter and aggregates people opinion, thoughts, and feelings from social media?
4. Do you have any specific social media targets or do you monitor any online presence? If you have specific targets what is your criteria? If yes, why do you need to target?
5. Do you have methods to automatically understand essential comments and experiences from across various channels online such as social media, websites, emails, internal files, reports, forums and surveys? /What methods do you use to understand essential comments?

6. Do you use methods that can identify your customers’ priorities/opinions and recognize trends? /What methods do you use to identify your customers’ priorities and opinions and recognize trends?

7. What does your organization would like to achieve through monitoring and managing peoples comments on the online environment?

8. Do you interpret and make use of expressed sentiments from what people are talking about you on social media? For example make use of opinions in the process of branding / For what purpose do you use the online expressed opinions, critiques?

9. Do you have a method for identifying, breaking down and text evaluations for extensive number of languages?

b. How can ORM influence branding?

1. How do you think ORM contribute towards shaping branding?

2. How important do you think it is regarding adding value to your brand? / What value do you think ORM adds to your brand?

3. How important you think ORM is for your organization regarding adding value to your brand management?

4. Do you use this customer’s opinions and thoughts to help your team to build a better products and stronger customer relationship?

5. How much do think you use/incorporate the knowledge you get from consumers from online conversations to your brand?
c. How can branding influence strategic decisions?

d. How can ORM influence strategic business decisions?

1. What kind of strategic business decision is affected by your online reputation management?

2. Is market share expansion an important element of your strategic business decision making?

3. When you want to expand your market, does your branding play role? To what extent?

4. If your brand plays significant role in market expansion, does knowledge you get from the consumers on the online environment shaped your brand. To what extent you think the comments influences your brand.

5. Does creating inconvenient environment for competitors or making a barrier is one of your strategic decision element? Does your brand plays role in this? What major role does your band plays towards creating a barrier for competitors not to enter into market?

6. If your band plays significant role in creating barrier for competitors, to what extent you think your brand is the result of critical comment from online environment. Alternatively, do you think it is 100% a result of your R&D department?

7. What is your opinion about to what extent ORM in providing relevant knowledge to a specific strategic decision?
4 Findings

“Data is not information, information is not knowledge, and knowledge is not wisdom (Evans and Gruba, 2002)”

The purpose of this chapter to present the findings that resulted from this study through data gathered from in-depth interview conducted with Ericsson Company expert in management of external contents. The objective of this study is to explore how ORM can influence strategic business decision. The findings of this study are categorized in to four themes in the same order the interview guide. The interview guide is derived from the framework of the research and the themes made in the interview guide are the same as the themes in the findings and the analysis.

This part of the thesis aims to present the data collected by using in-depth interview as an instrument into organized and systematic form to come up with information. According to Evans and Gruba (2002), raw data does not have meaning unless the researcher explains it in an appropriate way. Therefore, all the data gathered is presented meaningfully in a way that makes sense in the following chapter. Direct interview quotes presented in this part are taken from the transcribed in-depth interview conducted, which is located on Appendix 1.

The process of summarizing the response from the interview for the presentation in the finding chapter is done same as the theme respective of the research questions. The research questions are based from the framework of the research. The research questions are: A. Online reputation management in Ericsson to answer research Consecutively, B. How can ORM influence branding? C. How can branding influence strategic business decisions? Moreover, D. How can ORM influence strategic business decision? All the themes in the findings chapter and in the interview guide are organized with respect to the research framework. The interview guide is developed based on the framework of the research and the interview questions are derived from the interview guide. Therefore, on the result or findings chapter the interview questions are categorized in order of the interview guide.

4.1 Online reputation management

Ericsson has implemented online reputation management although they do not call it online reputation management (ORM). ORM is done in communications department. This Company has implemented online reputation management for many different purposes such as protecting the company name from damage.
Previously, five years ago Ericsson was not that much active on the online world. "...previously Ericsson has been very quite company..." They publish reports and have other media presence to just report what they should report but not for the purpose of engaging stakeholders in the discussion. In order to do this they had very few public relation people who can handle such issues. Ericsson previously used to do tracking on what the press is doing only. Such as "...if there is press release how is that taking care of do media spread it..."

Online reputation management in Ericsson has passed through many phases. Five years or more, they started looking at what the press is doing on the online environment that is, "...if there is press release how is that taking care of do media spread it..."

"...then also we have done for few years on specific occasions. If there is something specific that we want to track such as the success at an event we have done just short-term activity to look at what happens, we do of course on daily bases by using people who manages on social media accounts to check that account and manage comments..." This was one-way communication from the Company to the customers.

Later, they start to improve the level of engagement to be close to their customer and they start to appear in social media to allow two-way communication. They have around 100 social media accounts, which are managed by account management team. In the current working process, which will soon replaced by new system after June 2012, they manage and monitor their online presence on social media by assigning different responsible account management team assigned on daily basis.

ORM in the company is mainly to continually transmit the company brand shaping messages and engage the company and customer service employees with the outside world. It is also to listen and respond to their customers and influencers. Understanding their customers’ questions or opinions whether it is negative or positive is their intention. Ericsson gets mostly negative comments however; they handle it by being transparent and tell their customers the fact. "...the negative comments are just as important as the positive comments to build our brand..."

They look for certain key strategic words to follow to see if that is negative or positive comment to be able to react accordingly and appropriately. "...this is now changing a lot after five years. When we come to social media, we are still in building phase. We are still setting the strategies and standards and how we work with it....."

Through ORM, what Ericsson is doing is looking for certain key words, which are relevant and strategic words for Ericsson globally and use those strategic messages to engage
people and discuss on the social media. Over all, their methods for managing and monitoring social media are the account managers reading to look at comments from their customers.

Online reputation management is being used in the company to keep track of what people are saying about Ericsson. In addition, it is to be able to take part and tap into the discussions that are happening around areas of mobile communications and communications industry in general. It is also to be able to take part in to particularly track if there are negative comments so that they can respond accordingly, encourage, and thank for positive comments.

The problem with the current method right now is the people who are reading from the accounts to look at comments. They use the current tools to identify, discover or detect the discussion and if they cannot be able to give response, they ask who in the company should evaluate and take part in to answer. “…since we have not yet implement the new system, one channel that we know we get is that if that is the tools that we are using discovers or detects the discussion who in Ericsson should evaluate this discussion and should look at it and eventually take part and give an answer because people outside the communications department do not have this on their job profile…”

However, the new system will solve this problem as it allows the whole organizational employees to participate in the discussion.

When it comes to managing customer opinion, they have complications on giving response to customer. That is, “…the people who manage these accounts are very different in level of maturity…”

This is to mean that the account managers in Ericsson level of knowledge about specific issue varies therefore, they have internal difficulties when it comes to appropriately responding to the customers. They are on their way to solve this.

“….there is also complications in the network global we are in 180 different countries and we have social media accounts. …. it is really hard to monitor everything. Moreover, the people who manage these accounts are very different in level of maturity …. Some know everything and some know basically nothing, so we have internal difficulties…”

They also manage their reputation for specific occasions to know what is exactly being said. Regarding setting of tracking tools, even though they have methods but they have not made new tools part of working process yet because it is in trial period.
Regarding identifying customers’ priorities and opinions to recognize trends, the key account management team and the customer make continues discussion throughout the process and it depends on the account manager ability to understand what exactly their needs are.

The new system that is going to be launched later after June 2012 is for everybody in the company. The tools are for everybody in the company so that they can reach, look and track what they want and give response. This shows that branding messages and taking care of branding is the responsibility of every employee. This system is on implementation phase. With the system the can be able to look at everything that happens online on social media.

“…it is in its early stage we can say just 6 months ago we started implementing.” The new system to be launched is open for everyone to be able to track, monitor and manage. “…..what we are implementing right now is to look at everything that happens online on social media. It is in its early stage we can say just five months ago since we started implementing. We started implementing to get everything that happens on social media…..”

The tools they have implemented which is not part of the working process yet is also helpful to identify if the comments about Ericsson are positive or negative. According to the respondent, this is helpful to be able to react on them accordingly. The tools that are on implementation phase have the ability to monitor what is being said about Ericsson on diverse online environment.

They will have a system that identifies and understands customers’ feelings, attitudes, and trends, from social media and on the web environment in general to be able to persuade their customers and influencers. The system also has capability to allow employees of the company to collaborate in a way and engage to help their customers. They try every possible way to enhance their level of engagement as much as possible. They strive for every possible way to understand and learn about their customers. The system has ability to track everything related to mobile communication and the company’s areas of interest that happens on the online world.

The number of people followed them is as important as number of downloads. Discussions on their brand, mobile communication and communication overall are their targets.

The aim of ORM is to listen to their customer and their influencers so that they can respond accordingly and convey their reputational brand shaping messages. The other goal is to satisfy their customers by creating trust between the Company and among customers and
influencers.
They try to gain trust among their customers and influencers by responding for questions asked as transparent as possible.

Online reputation management structure in Ericsson (Source: Created by the author for the purpose of this study)

The current trend in Ericsson looks like the above diagram but it is changing to enabling all the company employees into the engagement activity so that the responsibility of ORM is not going to be only the job from the communications department. However, after the new system for ORM completely start working entire employees will have the capability to track and monitor what is going on social media efficiently according to their need.
4.2 How can ORM influence branding?

ORM in Ericsson is the process of listening, participating evaluating and responding to their customers. In other words, it is a process by which they would have dialog with their customers there by to make a difference in their brand perception and branding in general. One way of ORM in Ericsson is engagement in social media. They use the social media to communicate reputational messages with their customers such as the company’s goal. For Ericsson, social media is the place where they reach out customers, which they could not reach before. This channel created opportunity for this company to transfer its messages to the outside world. By transferring reputational messages on the social media, they are building their brand perception. Social media allows Ericsson to have maximized connectivity and interactivity with their customers therefore, through the dialog and continues communication they make changes to their brand. There brand is constructed out of many several other constructs. However, facilitated communication and sharing of industry information with diverse customers and their influencers help them to shape their brand.

Listening- They keep track of what people say about them evaluate and understand sentiments from user generated contents. This way they can respond appropriately thereby improving their brand. Listening also helps them to understand their customers and better communicate with them. They listen, evaluate and response appropriately this allows to communicate efficiently thereby shaping their brand.

Listening also allows them to get trigger to improve their brand. The comments and opinions they get from their customers are critical for them. They encourage their customers through competition to try to get more feedback. They are trying to be influenced by their customers’ opinions so that their customers think their brand is improved in some way. They focus on brand awareness and in a way, opinion and sentiments they get from their customers are crucial for them. By watching and monitoring the patterns of customers' feelings in a way of being able to understand their need and try to shape their brand according to the need.

Participating- This company has understood that by continually participating in a discussion on the online world through different channels and transferring reputational messages such as the goal of the company (social responsibility) of the company to the customers to build their brand perception. “...we are perceived as rather boring old fashioned network
One way of participation is by transmitting the company goal to see if they have the right influence in the world and by spreading their messages using social media. To have discussion around the posted message for example they use LinkedIn “…in LinkedIn for instance which is a very good channel for us then we really want to have discussion and we want comments to the things we published the status messages we do not only use it as a recruitment channels but also to publish our messages and then we want discussions around that.” “…to be known for what we contribute with to the world since communication is something that can really help by improving the GDP of countries, it can improve the life of people because they can communicate and increase their own income …or education take part in education that is not available where they live…through our network they can do it online”.

They also participate outside their channel to participate in discussions and this way to tap in to the discussion, which allows them to understand what the public would think, their judgment, opinion, sense and sensibility and so on. There by allowing them to have deep understanding of what needs to be done in their company to change or to look at themselves. It gives them maximized opportunity to listen to the heart beat of their area of interest there by helps them understand on what needs to be done. “we believe that lot of the discussions will not happen at our platforms in our channels it will happen somewhere else in some community somewhere this is the way for us to be able to tap in into that discussion to see what happens. It is not only to look at our reputation. It is also to be able to take part in to see what happen so it is not look at our reputation only to it is also to be able to take part in the discussions that are happening around the areas where we are interested in where we want to be a leader.”

They believe through social media they can collaborate, discuss and engage among people that they could never talk to before. For example “we try to get feedback from the consumers by asking facts on twitter such as did you know that 30 % of the people in the cities use more than 10 applications a day what is your favorite application? Just to start discussion so we are finding our way to get discussion with people out there. It would be valuable for our building our product brand….”

ORM is being used to shape the brand image by passing on corporate responsibility messages.

The respondent feels that there is nothing so much more important than learning your customers feeling relatively real time. Social media has created for them to see this.

**Measuring**- They measure their brand perception using social media engagement level. They have overall target for perception which they call it “brand track” “…a model that …we ask customers if they like us and we have taken the same targets and objectives for social media because we
think it is basically that the same we reach broader in terms of target groups … we have the exact same targets on the highest level when it comes to what is Ericsson want to be and what is Ericsson wants be perceived as.”

**Responding**- They try to react up on comments accordingly. They are aware of if they do not listen and respond appropriately their brand name will be damaged. “to be able to particularly track if there are negative comments so we can react up on this but also to be able to encourage someone who is very positive and so that we can say thank you for saying that. We also like most companies working globally there are occasions when we get pretty hard, beaten by the press for different things and then it is extremely important that we know what exactly is being said.”

Brand values that they measure and there is mostly is, Ericsson perceived as the number of followers, the level of engagement, how many interact with us and how to share and spread our material.
4.3 How can branding influence strategic decisions?

Some of their strategic decisions in Ericsson are market share expansion, decisions on what business to step in to, customer retention and satisfaction and sustainability and corporate responsibility decisions. From the findings, their brand play role in strategic decisions by enabling competitive advantage, allow them to tap in to new markets and businesses and allow customers’ retention and satisfaction. "Well we need to grow the market find new angle; we need to do something else so we are trying to position ourselves away from the traditional competitors."

"….to work with really big players like IBM, Apple and Microsoft and so forth. To make their promise to the market even better and the governments to their people…” “Yes we changed the brand quite considerably 2 and ½ years ago and we are still working on implementing on building brand, it takes time to change the perception of a company but yes very much so the brand is important to suppose to guide and to drive or re-positioning”

4.4 How can ORM influence strategic business decisions?

The company is using monitoring and managing social media for brand perception building, brand awareness, branding in general. As the respondent confirmed, strategic decisions such as corporate responsibility type of questions are one of the questions that are that are highly affected by ORM. Decisions on which business to tap in to is also partly decided by using monitoring and managing social media. “…the decision on what business is to step in to is partly decided by this…” From the second research question, it is shown how ORM can influence branding. The finding shows how ORM can influence the customer-based equity, which is the brand image, and brand strength. The financial side of brand equity can also be affected through ORM since stock market value is so close to brand name if Ericsson has wrong move so does the stock market value which result in brand value decrease.

Market share expansion is an important element of their strategic decision and their brand play role for market expansion. “…we changed the brand quite considerably 2 and ½ years ago and we are still working on implementing on building brand, it takes time change the perception of a company but yes very much so the brand is important to suppose to guide and to drive or re-positioning…” Consequently, it is shown how ORM can play part in shaping their brand therefore, indirectly through branding strategic decision is affected too. Their long-term decisions have relation with ORM through branding. The respondent said they are working a lot on ORM because ORM is very important to build their brand.
Positioning themselves away from the traditional competitors is their part of strategic decision. They monitor and manage social media to talk about positioning “…I work in the global Ericsson account and we talk about things that are related to our re-positioning for maintaining a stronger brand…the brand play role and we use online monitoring and managing to build it”. What they do in the re-positioning is they are working on changing their brand and position themselves away from old competitors. “…they do not need to be where they were in 50 years time what do we need to do? Well we need to grow the market find new angle, new area to tap in to; we need to do something else so we are trying to position ourselves away from the traditional competitors. In that context it’s correct and we use online monitoring very much to do this…”

Re-positioning is related to changing the company brand as a whole. They believe that Ericsson is perceived as boring old fashioned network supplier at least before 2 and ½ years ago and therefore they start to think to work with big market players like IBM, Apple and Microsoft etc. They do monitor, manage and engage themselves in the discussion around the areas of information technology. What Ericsson doing they do monitor and manage social media to listen to what these corporations promised to their customers and what governments promised to their people. Monitoring such things is the interest of Ericsson to have relatively real time understanding and their strategic decisions to help achieve the promise that these companies have made. This has strategic nature as Strategic decisions are connected with market, feeling, competitive advantage, customer retention and satisfaction

“…Still what we develop and what we do has to do with the mobile network and fixed network and we are playing in different field. The brand plays role and we use online monitoring and managing to build that perception…”

Through ORM they share idea in a community that they are interested in. Strategic decisions are connected with market, feeling and ORM is giving the market feeling. Brand name comes from how customers and business perceive the company. How they perceive the company is very important for the company to understand about because they can make good business decisions.

This company is doing with ORM to create closeness and trust for example the customers have to trust if they are going to cooperate in business because they are merging their resources in a way. If Ericsson go down they would go down too if the customers are dependent on the company.
Corporate Social Responsibility- they are engaged and interested in environment. They are interested in doing good things. Doing good things is in a way buying them a better brand name. It seems that they are doing good thing but they are doing it to themselves. It increases their value that people think they are doing good things. In that way ORM have affected strategic decisions, environmental questions and other things. Then it shows the whole link from ORM to branding to strategic decisions
5 Analysis

The purpose of this chapter is to link the main findings with literature review and framework of the research. As stated in the purpose section of the research, the purpose of this study is to explore how ORM can play role in making strategic business decisions and develop a model by combining literatures reviewed so far and to use it as framework of this research. In detail, this chapter meets the purpose of the research by combining literatures reviewed with the empirical findings. This chapter is further divided in to four sections respectively with the research questions. Each section of their chapter analyzes each research questions.

a. How does Ericsson perform its ORM?
b. How can ORM influence branding?
c. How can branding influence strategic business decisions?
d. How can ORM influence strategic business decisions?

5.1 Online Reputation Management in Ericsson

Reputation management in Ericsson has passed several ages starting from the age of spreading their messages through very few public relation people to press to the age of using the social media for enabling two-way communication with their customers. Which is very similar to what Mateši, Vuckovi, Dovedan (2010) presented in their historical review of reputation management, to show the form of this phenomenon changes as communication technology grows. Moreover, Hennig-Thurau et al (2010), also shows in their “pinball” framework (page 28) the growing media technology has changed the form of reputation management and the direction of brand and marketing communication.

5.1.1 Online reputation management process

The process of ORM in Ericsson is with the goal of taking care of their brand reputation through social media. Group of their customers sharing and collaborating through social media are monitored and managed everyday through a dedicated account management team through their social media account. The company has chosen to be transparent when its customers give a negative comment. In addition, thankful for positive comments and opinions it gets through social media. As Jones, Temperley and Lima (2009, p 934) defined “ORM is the process of positioning, monitoring, measuring, talking and listening as the organization engages in a transparent and ethical dialog with its various
online-stakeholders. In the same way Ericsson, choose to be transparent with its stakeholders.

As the finding shows, ORM is being used in the company to keep track of people what stakeholders are saying about the company brand. In general, to be able to take part and tap in to the discussion that is happening around areas of mobile communications and communications industry in general. ORM model on Fig 2.3 shows the ORM process starts with planning. The company has plans for everything they do online. They know why they take part on social media and what they want to achieve. Then the next step is listening to fan sites, official sites, rant sites, industry and competitors, which is now very recently what Ericsson is doing to listen to everything that is happening online. Next process in the model is to participate in the discussion by creating profiles, create pages and groups, join & follow and post updates & contents that build brand and help customers to learn what the company does. In the findings, it is presented that, there are around 100 social media accounts each with a dedicated account management team to monitor and manage customers. Particularly, Ericsson created its own blogs the “networked society” and forums, join, measure follow on twitter, and use LinkedIn to tap in to the discussions that is happening in communications industry over all. In general, they participate in many social media. Consistent with the model, the communication department in Ericsson evaluates whether the response is positive post, unhappy customer or incorrect facts and respond accordingly. In the respond, process in factual posts is responded by the correct information. A good example is the Ericsson case, which is on one occasion the rumor on social media about Ericsson was that this company is doing unethical with Syrian government, using telecommunication technology unethically. However, Ericsson put the fact and responded to this particular post. The same goes for every discussion on the social media. Moreover, the author also observed during starting from March 25, 2012 - June 02, 2012 to see they are responding on social media. The author has liked them on face book on March 2012 and then follows Ericsson sustainable on twitter on May 2012 then Ericsson Lab has started to follow the author on twitter on June 2012. The author has observed their interest to engage people. Similar to the model on page fig 2.3 the author has observed during the specified time that Ericsson participates on social media. They join and follow, post updates and content, they have different profiles, and they create groups for discussions on social media. The author has also observed their response for comments and opinions (Appendix 2).
5.1.2 Monitoring and measuring matrix

Using Jones et al (2009) ORM monitoring matrix model Ericsson’s ORM is changing its breadth of monitoring as well as depth of measuring a lot, all these time. They were at the “bulling corner” in this model when they first started their online reputation management, which is, they had very narrow and weak perception of the level and scope of involvement needed and they were defenseless to “bulling attacks”. On the findings chapter Ericsson has had very narrow and unindepth view of online environment which is they used to look at only what the presses is doing, was only concerned to check if their message about specific issue on specific occasion is spread or not. Then gradually, as the findings shows that, they are heading to achieve to be in “Tuned-in Mavens” which is to effectively and efficiently involve in social media and proactively monitor and manage to achieve brand leadership. The finding in the current stage of Ericsson even if it is in its early stage they implement a system to look at and measure everything that happens online on the online environment. The system enables every employee a power of taking care of the company’s brand reputation as it allows tracking what is relevant for them and responding accordingly. This shows that they are heading to positioning themselves by allowing maximized involvement using all their employees to engage and interact with stakeholders in the brand building process, which leads to brand leadership and respected business reputation. Moreover, they measure by number of followers, the level of engagement, how many interact with the company and how to spread materials from the company are the measurements.

Fig. 2.9 Online reputation management – monitoring-measuring matrix (adapted from Jones Temperley, Lima 2009, p. 929)
5.2 How can ORM influence branding?

As Gotsi and Wilson (2001) said, corporate reputation is a proactive process which is created through dynamic and interactive communication with stakeholders’ by using different communication mechanisms which is Ericsson’s way of doing online seems to be similar.

One way of ORM in Ericsson is the process of listening, participating evaluating and responding to their customers through social media. In other words, it is a process that they would have dialog with their customers there by to make a difference in their brand perception and branding in general. They use the social media to communicate reputational messages with their customers such as the company’s goal. For Ericsson, social media is the place where they reach out customers, which they could not reach before. This channel created opportunity for this company to transfer its messages to the outside world. “We use online very much to do this what I work is the global Ericsson account and we talk about things that are related to our re-positioning for maintaining a stronger brand….the brand play role and we use online monitoring to build that perception”

Jones et al (2009) said that online reputation is corporate reputation created online therefore, what Ericsson is doing right now is they are trying to create dynamic and interactive communication with stakeholders through social media to build their brand reputation. The definitions give emphasis to the way the company communicates with its stakeholders. By transferring reputational messages through the social media, they are building their brand perception.

Social media allows Ericsson to have connectivity and interactivity with their customers than they had before 5 years ago therefore, through the dialog and continues communication they shape their brand. Weber (2009) indicates that, one way of online reputation is constructed by group of people sharing and collaborating online. There brand is constructed out of many several other constructs. However, facilitated communication and sharing of industry information with diverse customers and their influencers help them to shape it. Bunting and Lipski (2000) said companies have to look back and see their policies for customer communication and should start interaction with their customers through social media. In the same way setting strategies, trying policies that could work best for relatively maximized connectivity and reach out to its customers, and trying to get feedback is a day-to-day practice in this organization.
Even if a company tries to communicate with different social media proactively however, as (Bunting & Lipski, 2000; Deephouse, 2000) explains that only proactive communication with stakeholders is not enough rather a company has to show it in practice to. This indicates that the communicated message through social media should be reflected on their brand as well. Following this, as listening is part of ORM process, this organization listen its customers using social media, internalize what they have listen and make changes which is putting what they have listened to make a difference in their brand. By keeping track of what people say about them, they evaluate and understand sentiments from user generated contents. This way they respond appropriately thereby improving their brand. They listen, evaluate and respond appropriately which allows them to communicate efficiently thereby, shaping their brand.

Listening allows them to get trigger to improve their brand. The comments and opinions they get from their customers are critical for them. The continuous attempt to encourage their customers through competition to try to get more feedback and eagerness to actually want to be influenced by their customers opinion shows their need to put communicated message in to practice as (Bunting & Lipski, 2000; Deephouse, 2000) reminded.

Ericsson is trying to build its brand through managing and monitoring the social media. As the model of Keller (2001) customer-based brand equity pyramid shows that, for building strong brand companies should go through all the building blocks. Building significant brand equity needs passing through the blocks sequentially and reaching at the top of the pyramid. One of the building blocks that used to make the customer-brand equity pyramid is customer opinion and judgment. The company is constantly trying be influenced by their customers opinions using monitoring and managing social media. This created opportunity for them to get relatively real time comments. Supporting this idea Ind (2005), recommends for a need to be active listeners as the information across organizational boundaries such as from customers network helps firms to build meaningful product to the customer as well as construct brand value.
Participation in social media is the other step in ORM. One way of participation is by transmitting the company goal to see if they have the right influence in the world and by spreading their messages using social media. To have discussion around the posted message.

Ericsson has understood that by continually participating in a discussion on the online world through different channels and transferring reputational messages such as the goal of the company (social responsibility) of the company to the customers to build their brand perception. They also participate outside their channel in discussions, which allows them to understand what the public would think, their judgment, opinion, sense and sensibility and so on. As (Chernatony and Dall'Omo Riley, 1998) argues that when customers’ opinion is monitored and used for better adjustments of the value through the collection of customers’ needs, the chances of constant brand use is increased. The researchers said, “brands are co-produced by firms and customers” (Chernatony and Dall'Omo Riley, 1998, p, 436). Monitoring and managing opinions, judgments and comments allows Ericsson to have deep understanding of what needs to be done in their company to change or to look at themselves. It gives them maximized opportunity to listen to the heart beat of their area of interest there by helps them understand on what needs to be done. Most importantly, (Chernatony and Dall'Omo Riley, 1998) noted that brands are built through adding knowledge and interpretations of customers. Biel, 1997), argues that a brand is built through two-way communication and interaction of customers and the company. The company believes through social media they can collaborate, discuss and engage among people that they could never talk to before.
ORM is being used to shape the brand image by passing on corporate responsibility messages. The respondent feels that there is nothing so much more important than learning your customers feeling relatively real time. As (Chernatony and Dall'Omo Riley, 1998) explained it as successful brands have high degree of match or similarity between their customers’ needs and the values of brands developed by firms. They stress that brand development as value systems requires much more than just a sales promotion or increasing awareness. It requires a long-term dedication to match with consumers needs by adding current or any suppressed values and those values added should be meaningful to the customers. The continuous work of Ericsson to understand and take as much response from as it can is to achieve this in its brand.

They try to react up on comments accordingly. They are aware that if they do not listen and respond appropriately their brand name will be damaged. The company is doing all this to facilitate the interaction for a better brand. (Lasser et al, 1995, p12) sees brand equity as a “customer response to a brand name”. The brand value measurement in this company shows this phenomenon which is they measure as Ericsson perceived as the number of followers, the level of engagement, how many interact with us and how to share and spread our material. As (Keller, 2001; Lasser et al, 1995) describes the customer-oriented brand equity pictures portrayed in the minds of customers about particular brands and the values that customers gives towards the brand including the fundamental relations that the customers develop with the brand.

By using ORM the company is trying to work towards how the company is perceived as by continuously interacting through social media to shape the pictures portrayed in the minds of its customers about Ericson brand this means that in other word using ORM through interacting with customers trying to increase the brand equity.

In the finding of the study via ORM this company is working on building of the brand image, perception, brand strength. A simple model by Feldwick (1996) shows the three concepts, brand image, brand strength and brand value together form brand equity. The brand image or brand description is customer beliefs or values for a particular brand and explanations of the relationship. Ericsson is working using ORM to influence the brand image by actively conveying reputational message through social media. The brand strength is the evaluation of the intensity of relations that the consumers have with particular brand.
The company measures this through different evaluation methods to know such as they call it “brand track” “…a model that …we ask customers if they like us and we have taken the same targets and objectives for social media because we think it is basically that the same we reach broader in terms of target groups … we have the exact same targets on the highest level when it comes to what is Ericsson want to be and what is Ericsson wants be perceived as.”

In addition, what Ericsson mostly doing currently using ORM is to influence its branding by creating some aggregated thought and some associated value in the minds of its customers by talking corporate responsibility other reputational messages. Srivstava and Shocker (1991), points out that brand equity is the collection of complied thoughts and behavior patterns in the minds of agents. Agents are influential stakeholders such as customers and their influencers that can have effect over the future cash flows.

ORM is a process of reaching out, engaging customers and having conversation with them continuously. They know their current position therefore; ORM is greatly helpful to them to brand re-positioning.

5.3 How can branding influence strategic business decisions?

Brand has strategic implications as many scholars have confirmed and stated. Researchers such as Aaker (1993), Davis (1995), Farquhar (1989), Pitta and Katsanis (1995), Srivstava and Shocker (1991) and Wood (2000) are some of them.

Some of the strategic decisions in Ericsson are market share expansion, decisions on what business to step in to, customer retention and satisfaction and sustainability and corporate responsibility decisions. From the findings, their brand play role in strategic decisions such as by enabling them with competitive advantage, allow them to tap in to new markets and businesses and by enabling them to keep their customer. Farquhar (1989) also said the same thing that brand enables the brand owner with lots of competitive advantages such as securing market share and creating environment which is not convenient for competitors to join market. Pitta and Katsanis (1995, 56) also says, “Brand equity…insulates the brand from a measure of competitive threats”. What Ericsson is also doing is same; it is building its brand through many others constructs including ORM to position itself away from its traditional competitors and so on.

Ericsson uses its brand to expand its market as Wood (2000) depicts the functional relationship between brand equity and market power as follows.
Fig 2.10 the relationship between brand equity and market power (adapted from Wood 2000, p.664)

They need to grow the market, expand and change their business; they use their brand to position themselves away from the traditional competitors. Their brand play role in customer retention such as by allowing them to work with big market players such as IBM, Apple and Microsoft. It also play role in satisfaction of customers for example by allowing governments to keep promise to their people.

Aaker (1996) recommends that brands have long-term consequence and help managers to understand customers’ attitudes towards brands and this add on getting significant brand equity. From this, it is understandable that brands create strategic focus for management.

## 5.4 How can ORM influence strategic business decisions?

Whatever happens to the brand a company should know that it also affects its long-term decisions as well. If the brand is improved in some way, it will show on its long-term implications such as on customer retention and satisfaction, market expansion plan and so on. Fill (2009, 378) has said it all, “building brand equity is a strategy-related issue and the measurement activity can help focus management activity on brand development”.

Different scholars studied about brand equity and try to give definitions as described in the literature review part; among those, Wood (2001) is one of them. Wood’s (2001) brand equity model shows that brand equity is made of from customer-based and financial based equity, which is the asset on the balance sheet, which is its brand value. The customer-based brand equity is brand image and brand strength which is consumer beliefs or values for a particular brand and explanations of the relationship and the evaluation of the intensity of relations that the customer have with the brand respectively. From this, it can be seen that the company is using monitoring and managing people’s comments on the online environment a lot for brand perception building, brand awareness, branding in general. This shows that using ORM they are building the customer-based brand equity, which according to the model also has implications on the brand value that is the asset in the balance sheet.
They are engaged in social media, monitor and manage to understand their customer’s beliefs or values for their brand. They are using social media as a tool, evaluate, and find explanations of the connection and the evaluation of the intensity of relations that the customer has with them. According to this model the three concepts are interlinked and this is how monitoring and managing influence. Using ORM this company is creating compiled thought to build perception of the company and behavior patterns in the minds of agents which are agents include influential stakeholders as Srivstava and Shocker (1991) said on what brand equity is. These all shows strategic nature and building it has strategic implications.

Fill (2009, 378) has said it all, “building brand equity is a strategy-related issue and the measurement activity can help focus management activity on brand development”.

For example market share expansion is an important element of their strategic decision and their brand play role greatly for it. As the respondent said they are working a lot on ORM because ORM is very important to build their brand. Wood (2000) confirms that brands play role in market power. It is already shown how ORM play role for building brand image and strength therefore according to this model it has implications on market power as well. Maximized brand image and strength has implications to have maximized market power and as Aaker (1991) said with strong brands, it is easier for extensions of product line. This is linked to Ericsson’s intention of tapping in to new businesses which they partly decide using ORM.
Positioning themselves away from the traditional competitors is their part of strategic decision. They monitor and manage social media to talk about positioning what they do in the re-positioning is they are working on changing their brand and position themselves away from previous competitors.

Re-positioning is related to changing the company brand as a whole. They believe that Ericsson is perceived as boring old-fashioned network supplier at least before 2 and ½ years ago and therefore they start to think to work with big market players like IBM, Apple and Microsoft etc and they monitor, manage and engage themselves in the discussion around the areas of information technology. What Ericsson doing they do monitor and manage social media to listen to what these corporations promised to their customers and what governments promised to their people. This has strategic nature as Strategic decisions are connected with market, feeling, competitive advantage, customer retention and satisfaction.

Consequently, it is shown how ORM can play part in shaping their brand therefore, indirectly through branding strategic decision are affected too. Their long-term decisions have relation with ORM through branding.

Through ORM, they share idea in a community that they are interested in. Strategic decisions are connected with market, feeling and ORM is giving the market feeling. In addition, brand name comes from how customers and businesses perceive the company. How Customers perceive the company is very important for the company to understand about because they can make good business decisions. A simple model by Beal and Strauss (2008) explain this.

The “freedom” that people has got to talk about anything on social media could be a blessing or sometimes curse to businesses. This is if companies do not implement the necessary tracking, monitoring and managing tools and increase the level of engagement the result will not be good as it mentioned on page 30 of Dell’s history. This seems the reason why Ericsson chose to continually and dynamically improving its level of engagement to be able to tap in to the discussion happenig around its area of interest to build its brand and use it as decision-making tool for both short and long-term decisions in the company. Especially, following discussions around their brand re-positioning which is actually is a very long-term decision.
This company is doing with ORM to create closeness and trust for example the customers have to trust if they are going to cooperate in business because they are merging their resources in a way. If Ericsson goes down, they would go down too if the customers are dependent on the company. What Ericsson is doing is to create trust and closeness and working with ORM to build brand. They choose to dynamically improve their level of engagement and be transparent as Ind (2005) recommends for active and transparent management of communication should aid decision-making customers start, maintain, correct, adjust or end a brand relationship. The free information flow across internal firms’ boundaries or transparency helps to bring the consumer to be part of the firm and allows brand knowledge of customers to be shared thus, the customer “can become an active presence that contributes and adds value to the brand and the organization” as well *ibid*.

Jones et al (2009) suggests for proactive communication with stakeholders and their view on social media environment for firm’s strategic survival and financial well-being. The company has understood that and that is why they are increasing their level of engagement as a whole and also participate a lot to talk about their brand re-positioning. The role of customers in the new dynamic era playing “co-managerial role” is affecting the future long-term plan of businesses.
6 Conclusion

How can ORM influence branding and strategic decisions in Ericsson?

Ericsson’s ORM is changing its breadth of monitoring as well as depth of measuring. The process of ORM in Ericsson is with the goal of taking care of their brand reputation through social media. Group of their customers sharing and collaborating through social media are monitored and managed everyday through a dedicated account management team through their social media account. The company has chosen to be transparent when its stakeholders give especially for negative comment. In addition, thankful for positive comments and opinions it gets through social media. “ORM is the process of positioning, monitoring, measuring, talking and listening as the organization engages in a transparent and ethical dialog with its various online-stakeholders.” They use ORM, to be able to take part and tap in to the discussion that is happening around areas of communications industry.

In the findings, it is presented that, there are around 100 social media accounts each with a dedicated account management team to monitor and manage customers. Particularly, Ericsson created its own blog, the “networked society” and forums. They join, measure, follow on twitter, and use LinkedIn to tap in to the discussions that is happening in communications industry. In general, they participate in many social media. Consistent with the model, the communication department in Ericsson evaluates whether the response is positive post, unhappy customer or incorrect facts and respond accordingly.

ORM can influence branding in the course of communicated message through social media. Social media has created connectivity and interactivity to Ericsson with their customers through dialog and continues communication for shaping their brand.

Weber (2009) indicates that, group of people sharing and collaborating online constructs one way of online reputation. Through listening and monitoring, participating, responding, engaging in social media brand can be influenced, as one of the main contracts for brand is customers’ judgment and opinion. Monitoring and managing social media has effect on Ericsson brand perception building, brand image building, brand strength, which all are the customer-based brand equity. The brand name can be affected quite fast by bad will if something happens for example a scandal such as economic or ethic or a faulty technical
function or bad design. This affects the brand name in short term to mid-term and has to be dealt through ORM.

Brand in Ericsson has strategic implications. Their brand play role in strategic decisions such as by enabling the company with market share expansion, competitive advantage, allowing them to tap in to new markets and businesses and by enabling them to keep customer satisfaction.

ORM and brand are important to monitor and protect in order to make the correct strategic business decisions. Companies have to look at both what’s happening in front of them such as protecting their brand name against negative publicity through ORM as well mid to long term strategic decisions.

There are different implications of ORM on brand name and strategic decisions on different time perspectives. The brand name can be affected quiet fast by bad will if something happens, for example a scandal, ethical or economical or a faulty technical function or bad design. For example in Ericsson if stakeholders think that the brand is old fashioned the responsible executives will consider this information for their brand perception development and branding in general. In Ericsson ORM and brand name are important to monitor and protect in order to make correct strategic business decisions ; otherwise, it can lead to decline in stakeholders satisfaction and in worst case out of market, if these implications are not perceived and decisions are not made to adjust it. This affects the brand name in short to long-term, and has to be dealt strategically through ORM. Another more long-term strategic implication is to deal with all the ORM information that is gathered, i.e. people and customers attitudes towards the actual brand.
7 Contribution to the field and further research

The author has explored a relatively new area and created knowledge within the field as a scientific craftswoman. She contributed to the research field by not only collecting and putting together theories to a new unknown holistic level but also she constructed a theory driven generic model, which is a contribution to the research field by designing her own perception of the complicated and compounded relationships between ORM, brand and strategic business decisions. In addition, the author has given empirical value to the model created by applying empirical information from an active ORM company to the model.

For future research, it would be advisable other researchers in the field to test the model constructed and use empirical data from several other ORM active companies to compare and contrast. Moreover, it is advisable to try the relationships between ORM, branding and strategic decisions using Business to consumer (B2C) Companies as well. For the reason that the author experienced and learnt through the process of this research that if the case company would be a B2C Company it would give visual and hands on understanding.
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**Web Resources**

http://brandirectory.com/profile/ericsson

Appendix 1

This in-depth interview was conducted at Ericsson head quarter in Stockholm. The face to face interview took approximately 1 hour and 30 minutes. The process of summarizing the response from the interview for the presentation in the finding chapter is done by categorization respective of the research questions. It is categorized as A. Online reputation management in Ericsson to answer research question A. How ORM is performed in Ericsson. Consecutively, B. How can ORM influence branding, C. How can branding influence strategic business decisions and D. How can ORM influence strategic business decision. All the categorization in the findings or result and also in the interview part is organized with respect to the research questions.

Interview Response: External Content Manager at Ericsson (Bergström, U.)

A. Online Reputation Management in Ericsson

1) Does your company implement online reputation management (ORM)? When did they first start ORM?

What is going on in Ericsson currently is that, we do not call it ORM at all. If we take a step back previously Ericsson has been very quite company. If you go before 5 years ago we had very little activity in social media or online. Of course, we publish reports and so forth but we were not active because of the stock market rules so we basically to make sure to stick to what you can report and what you should report so we had very few spoke people. This is now changing a lot after five years. When we come to social media we are still in building phase. We are still setting the strategies and standards and how we work with it. There is also complications in the network global we are in 180 different countries and we have social media accounts. I think today there are 100 different social media accounts. So it is really hard to monitor everything. In addition, the people who manage these accounts are very different in level of maturity when it comes to online. Some knew everything and some know basically nothing, so we have internal difficulties when it comes to this so what we are doing right now is that we have for several years tracked what press is doing. If there is press release how is that taking care of do media spread it and so forth. But what we now adding since 4, 5 months back still in trial period we are incorporating tools that we are implementing tools to monitor both what is being said about Ericsson and certain key words that we follow but also then try to see if that is negative or positive comments. To be able to react on them. The negative comments are just as important as the positive comments to build our brand.
Our ORM is in its early stage. 5 years or more since we started looking at what presses is doing but what we are now implementing right now is to look at everything that happens online on social media. It is in its early stage we can say just 6 months ago we started implementing. We started implementing to get everything that happens on social media. Then also we have done for few years on specific occasions. If there is something specific that we want to track such as the success at an event we have done just short term activity to look at what happens, but then we also do of course on daily bases that the one who manages on accounts to check that accounts and manage comments. But then to look what happens we have just install tools.

2) You have many branches all over the world how do you manage ORM. Do you centrally you monitor and manage?

What we are doing is that we are looking a certain amount of key words so we have started to look for that are relevant for Ericsson globally big ones. The strategic ones that we want to own and what we want to people discuss relevant for us. And then in the next phase which is it will come after June then this tool that we open for everybody in the company to use so they reach and can decide what they want to look at and track it for that.

3) Why do you implement ORM?

It is very simple, it is the same as what everybody else do. We need to keep track of what people say about us and also since we want to be a thought leader in our industry in mobile communications industry and the communication industry overall so we want to know, we believe that lot of the discussions will not happen at our platforms in our channels it will happen somewhere else in some community somewhere this is the way for us to be able to tap in into that discussion to see what happens . It is not only to look at our reputation. It is also to be able to take part in to see what happen so it is not look at our reputation only to it is also to be able to take part in the discussions that are happening around the areas where we are interested in where we want to be a leader. Then when it comes to the reputation, of course to be able to particularly track if there are negative comments so we can react up on this but also to be able to encourage someone who is very positive and so that we can say thank you for saying that. We also like most companies working globally there are occasions when we get pretty hard, beaten by the press for different things and then it is extremely important that we know what exactly is being said.
4) Does your organization have a method to filter and aggregates people’s opinion, thoughts, and feelings from social media?

We are setting it up. We have methods but we have not really, we have not really make them the part of the working part yet. It is more on test phase.

5) Do you have any specific social media targets or do you monitor any online presence? If you have specific targets what is your criteria?

We have an overall target for perception we call it brand track which is a model that we go to a customer and ask them if they like us and we have taken the same targets and objectives for social media because we think it is basically that the same we reach broader in terms of target groups so we have the exact same targets on the highest level when it comes to what is Ericsson want to be and what is Ericsson wants be perceived us. Then of course we also have for certain initiatives we right now have a campaign about mobile broad band and then of course for that campaign we have specific targets as well. We have targets for how many followers we would like to have and what kind of activity we would like to have, in LinkedIn for instance which is a very good channel for us then we really want to have discussion and we want comments to the things we published the status messages we do not only use it as a recruitment channels but also to publish our messages and then we want discussions around that. But then of course number of followers that is the type of target. When it comes to our blogs the target is basically followers because it is hard to get people to discuss with company but then also we have this more overall which is more important for us in the end is to know do we discuss the right things are the right people following us since we are one of the companies who really want to be known for what we contribute with to the world since communication is something that can really help by improving the GDP of countries, it can improve the life of people because they can communicate and increase their own income. Or education take part in education that is not available where they live, they can do it online in distance. Since that is our goal then it is much more important to see that we have the right and big influence in the world that they look at accounts so we have also names people we would like to reach to spread our messages.

Interviewer- Could you be more specific about the targets please?

To be more specific about the targets, our brand values we have 5 different brand values that we measure and there is mostly is Ericsson perceived as 1,2,3,4,5 then the number of
followers, the level of engagement, how many interact with us, how share spread our material.

6) Do you have methods to automatically understand essential comments and experiences from across various channels online such as social media, websites, emails, internal files, reports, forums and surveys? / What methods do you use to understand essential comments?

The method are the people who are reading we have a point of people to look at comments and so forth but since we haven’t yet really implement the system one channel that we know we get is that if that is the tools that we are using discovers or detects the discussion who in Ericsson should evaluate this discussion and should look at it and eventually take part and give an answer because people outside the communications department do not have this their job profile so we would basically have to ask them kindly so you are the expert can you please and this we need to figure out how to work with because today the people who own...if it would be our own channels then people who own the channel and drive the channel they are responsible for the comments .. so the difficulty where we do not yet have clear idea how it can be handles is the other channels ..channels that we do not own. Not Press and media..but is more like other peoples blogs, other people face book if they mention Ericsson what do we do? We do not have a clear idea.

7) Do you use methods that can identify your customers’ priorities/opinions and recognize trends? / What methods do you use to identify your customers’ priorities and opinions and recognize trends?

The background is that we do not have many customers. Our customers are really big corporations so in the world that are 400 or 600 customers depending on account and forever customer we have for every customers we have key account management team so yes we do but we do it on a very individual business so we have an annual questioner that will sent to the customers and ask them what they think about us and we when we come to their priorities and so forth it is basically a continues discussion between the key account manager and the customer of their needs. We do not have any sales to consumers directly or we are not B2C business. However, online of course we work with a reputation among consumers basically for two reasons. One is that our customers are also individuals and since customers are governments because we need to work a lot towards governments to make sure there is a regulation that encourages mobile communication and communication
overall so and all these people are also individuals and private people so we want them to meet us in the private life as well to influence their attitude towards Ericsson as well. In addition, the second is employees. We want the best employees so to be able to find the best people to recruit. We need to be very active on the right place in the media where young people found. It is all perception building. That is the difficult part for us online because they are actually not looking for sales. Because we will not sale anything online we are looking for perception building and that is it is a sort of a different game to play. Its we want to encourage a discussion around how broad band and mobile broadband can contribute to make the world a better place. That is what we want to do online.

8) What does your organization would like to achieve through monitoring and managing peoples comments on the online environment?

It is to see how Ericsson is perceived as. Very few people in the world know Ericsson at all so number one is they should be aware of Ericsson. We are the fifth biggest software company in the world but very few mentions Ericsson in the same sentence as they mention Microsoft but that is where we want to be. So number one is that the awareness should increase number two is as the awareness increase we also want people to know that our objectives is also important for them to improve the lives because with broad band the GDP of countries actually increase and education also. So we want them to connect Ericsson to something good and something important so those are the overall targets and then number three is of course to reach the influencers and customers when it comes to pure sales to make sure that they know that Ericsson is the best company compared to Hewawee and our competitors

9) Do you interpret and make use of expressed sentiments from what people are talking about you on social media? For example make use of opinions in the process of branding / For what purpose do you use the online expressed opinions, critiques?

Yes and no the biggest difficulty right now is that we have so little activity online so we do not get as many anything. But when we do it is mostly negative it is like the fact like we are doing business in some countries Syria was something came up recently Belarus is another one so then organizations from those humanitarian organizations and democratic organizations in those companies and for those companies that think we are doing something bad who sales communication equipment to their government. That kind of
information we definitely react up on. We have people appointed to contact these organizations and talk to them and we also publish on line be we try to be very frank and open with …the balance is of course in these discussion is that a communications system primarily is useful for something good. It is to enable people and companies and society to communicate but it can be used for bad things as well. 

Social responsibility is close to our heart we are using ORM to create awareness of our brand, build …

What we do use is there are technical communities where our research guys talk to other research guys in industry and have online communication around how to develop things a lot of what we do in this industry is standardize because we need to be able to use phones should be able to work everywhere in the world… so you mobile should be compatible with the network. Whether you are in US, in Finland or anywhere else in the world. Therefore the standardization is needed so the research guys in the industry actually communicate quite a lot online. However, ordinary people do not come to that kind of discussions and comment. It is basically it is too difficult. And we have on certain occasions mobile Apps it has been more and more used…we have opened a few that we are not so good and then when people come and say I do not like this you should do …then we contact them and ask them what do you think we should do. It is very seldom that it happens but we do it.

10) Do you have a method for identifying, breaking down and text evaluations for extensive number of languages?

The method is we have people everywhere in the world. We have people managing social media accounts in Chinese, Spanish, Russia, Arabic, Portuguese, French, Japanese …We do not have really method but we have people…

B. How can ORM influence branding?

1) How do you think ORM contribute towards shaping branding?

It is very seldom that we get comments and ideas on the online environment that goes for everything we do online, so the few them we get we do take seriously then we also sometimes encourage through competition and so forth.. encourage people to engage and we try to feedback. I would not say that these things are actually influence our brand but at least we try them to make them influence that specific thing they are talking about and hopefully then the person would think that the brand become better. We focus on the
brand awareness and share idea. What really want to do is get the world to join and do because we are building platform for applications and since we are building platforms for applications the best thing is using Kon University the guy uses our network to spread education to people all over the world that is fantastic we really want to engage people in using this equipment and of course we earn money. It is not that we purely nice it is also business for us but it is …building the reputation online is extremely important.

2) How important do you think ORM is for your organization regarding adding value to your brand management? / What value do you think ORM adds to your brand?

3) Do you also use this customer’s opinions and thoughts to help your team to build a better products and stronger customer relationship?

I cannot say in figures. I think the important thing here is through social media we can talk target groups that we did not reach before. In addition, we can do that in relatively cost effective way so we can get a discussion and an engagement among people that we have never talk to before. That is the important part. So far it is much more push than pull because we do not get that much feedback but we are working quite hard with different tests and trials to see where do we get more engagement right now cities in Paris we are twitting and engaged in LinkedIn a lot this week about facts about people in cities. Because we have a lot about facts about them we ask questions, did you know that 30% of the people in the cities use more than 10 applications a day what is your favorite application? Just to start discussion so we are finding our way to get discussion with people out there. It would be valuable for our building our product brand. But to put a value in terms of money that I cannot do.

We cannot have direct relationship with the customers, because they directly contact their operators such as compviq or telia and so forth. That is who they would go to because Telia and such companies are our customers. It is very unlikely.

We conduct a lot of research about consumer and what they want because since we then are suppose to develop the platform for the consumers. It takes several years to develop some of these things. That is about our research people work with. We have a consumer lab which we make a lot of research on consumer on different countries on what they need and what they want and so forth… so that is the way to sort of. It is not online but it is the same thing what other companies do.
Interviewer: you may not have to go directly to people and talk to them or directly talk to you back directly rather you can see the trends in social media how people react on social media and what really they want and do you do that more often and do you think your brand is influenced a lot by it?

We do quite a lot yes, to look at what people are discussing and particularly now when the applications coming up so people are often engaged they download application xyz and is it fantastic and does it works and that gives so much …the need you have to actually to make sure that …so what does that mean in terms of technical requirements of the system …we do it in more through organized research than online research. I could not say we do research online because it is time consuming because we know what we are after.

Interviewer: Do you take inputs from online.

Yes we do. I wouldn’t go as far as I said that we sort of research online because that would be so tiresome and time consuming because we know what we are after and this is just.. If you look at someone on face book discussion, 99.9% would not be interested on us and that little comment is we needed so it would be very time consuming but hopefully with this new tracking tool we can come closer to that.

…We do the platform to make the applications work…. The aim is that to make ordinary people happy what we need to do is go directly to them and ask that here online on social media when their need is. Now what we are implementing…It could help if we have some sort of filter or search tool and that is what we are implementing to understand what are they talking about that could probably give us ideas. That is a big thing because we did not have the opportunity earlier. We do it in consumer labs and so forth but that of course costs a lot of money but now can do it more efficiently

c. How can branding influence strategic decisions?

d. How can ORM influence strategic business decisions?

1) What type of strategic business decision is affected by your online reputation management?

Definitely, sustainability and corporate responsibility type of questions. I would also say that the decision on what business is to step in to is partly decided by this of course there is
always a business thought and a strategic long term decision on where we want to be. Looking at what people are saying about us online and offline does have an impact on which ways we go to acquire company so forth. Since we have been around for a while like 130 years we know pretty well what is going to happen if we do acquire a company we know pretty well what kind of questions we would get through both from the employees and from that community from that country, government so we listen around in that country and try to ask the questions in the best possible way we can. So strategic business decisions I would say that primarily related to sustainability and corporate responsibility.

2. Is market share expansion an important element of your strategic business decision making?

Yes it is. It is important to tap in to new markets that is we have a twofold strategy and since 2 years back its to expand the market that is the biggest thing but yes within our traditional business gaining market share is important element.

3) When you want to expand your market, does your branding play role? to what extent?

Yes we changed the brand quite considerably 2 and ½ years ago and we are still working on implementing on building brand, it takes time to change the perception of a company but yes very much so the brand is important to suppose to guide and to drive or re-positioning.

4) If your brand plays significant role in market expansion, does knowledge you get from the consumers on the online environment shaped your brand. To what extent you think the comments influences your brand.

Not so much actually the brand was developed in the new brand positioning...and the positioning was developed as part of the major job involving 350 people not only from Ericsson but quite a few other organizations and universities and so forth. So it was not based on common knowledge of ordinary people. I think what we rather look at is, Do they understand what they are saying ...so that we disseminate our messages because we are so convinced that what we are going is the right one but its difficult to explain and then to disseminate our messages to make it easy to understand and to engage people because the vision we have is the one in the network society where what can be connected is connected. And people believe that .ok so when I can search for ..when I am in new town and I can find the closest restaurant ..then I am connected ..that is not even close to what has been
talking about we are talking about totally different society and therefore what we try to do
describe this to people to talk about this applications when they are in the city so they
understand that ok this is useful and then gradually make people understand to the more
complex scenario that … we are doing it in quite different from consumer products we are
totally different company. We are among the really the big companies try to shape the future
which is cool ☺

5) Does creating inconvenient environment for competitors or making a barrier is one of your strategic decision
element? Does your brand plays role in this? What major role does your band plays towards creating a barri-
er for competitors not to enter into market?

Of course we want to be bigger than our competitors but it is not really part of our strategic
decision making but I would say that the reason for the re-positioning was that it become to
crowded in the traditional market ..so ok if we are going to still be here in 50 years time
what do we need to do? Well we need to grow the market find new angle; we need to do
something else so we are trying to position ourselves away from the traditional competitors.
In that context it’s correct and we use online very much to do this what I work is the global
Ericsson account and we talk about things that are related to our re-positioning for
maintaining a stronger brand….the brand play role and we use online monitoring to build
that perception.

Re-positioning- we are perceived as rather boring old fashioned network supplier and we were
at least 2 and ½ years ago what we then saw was that as the world develops the network will
be absolutely crucial. And our competence in mobility which we are the world leader in
mobility. It is not a brag but it is actually true. So the knowledge we have on how to make
things work mobile or at a distance is an opportunity we have to be something bigger and to
work with really big players like IBM , Apple and Microsoft and so forth. To make their
promise to the market even better and the governments to their people so what we want to
do is that we said we don’t want to be in the mobile networks business we want to be in the
information and telecommunications technology business which is much bigger then it is
about managing the processes if managing the power grades so we use power efficiently so it
is totally different ball game. Still what we develop and what we do has to do with the
mobile network and fixed network and we are playing in different field. And there also with
the customers with 400-600 we see in the future that probably other companies such as electricity companies and utilities.

The brand plays role and we use online to build that perception.

6) If your band plays significant role in creating barrier for competitors, to what extent you think your brand is the result of critical comment from online environment. Alternatively, do you think it is 100% a result of your R&D department?

Not at all! It is from our strategic department. It is not only their brains. We engage a lot of big thinkers simply because what we are doing is too difficult ordinary people such as you and me can only think where we are right now so what I would say is that I would really love to my fridge to be able to tell me when I left it on when I left the house but that we already know what we need to know is so what are the implications on the power grade what are the implications how to construct those. So it is a research driven.

7) What is your opinion about to what extent ORM in providing relevant knowledge to a specific strategic decision?

Not so much I think it will grow in the future that our brand will be better known in the future. That is what we are striving for. As it become better known I hope people will engage more and then it will also eventually influence our strategy but right now it’s we are not known enough among ordinary people.

Interviewer- These days are things have changed such as ordinary people like us become innovators.

What we are doing really we have developers community those who develop applications for instance next week on 22nd of May we will have a big award ceremony for a big annual competition among developers all the developers among the world can take part and come up with great ideas on new applications so that way of course we get a lot of input and ideas the other is last year we went out to interview people. About these daily things, they need so we ask the question what if? they would answer what if the elevator didn’t stop at every floor if I was the only one in it really simple situations to spur our research ideas so we used them more as triggers than actual to give the answer. That we do and online is a new channel for us.
Appendix 2

You Tube Ericsson public and Media Relations

Activity

![YouTube channel screenshot]

Comments

- RUNECASTER1001 posted a comment 9 months ago

  The Networked Society is a step next to an Utopia, a support for our political and ideological demands!

- Indigo7673 posted a comment 11 months ago

  really linking the channel

- shockingvideosnow posted a comment 1 year ago

  Well Worth Watching Channel. You Have one of the Best Video Collections in Youtube. Keep it up.

- primericamim posted a comment 1 year ago

  "One man practicing sportsmanship is far better than fifty preaching it." Then scratch that idea and think 195's bigger, now that's what i'm talking about my friend, BiggerVisions*com

Ericsson uses the networked society blog to convey its business goal.
ICT as a game changer

By: Erik Knute | 30 May, 2012 | People, Society, 50 billion connections, Connectivity, education, innovation, mobile, broadband, Networked Society, Technology for Good

Being connected has become a natural part of our daily lives – it enables people, business and society to interact, innovate and share knowledge in whole new ways.

Socializing leads to satisfaction

By: William Eriksson | 23 May, 2012 | Applications, People, Society, Technology, 50 billion connections, connected devices, ICT, mobile broadband, Networked Society, Smart cities, Smartphone, urban life

In my previous post, I wrote that commuting is the biggest source of stress and frustration for people living in cities, according to a new Ericsson Consumer Lab report, City Life: So what makes city residents feel at ease? Social networking. Those who live in the city spend a large chunk of their time socializing. On [...] 

Future cities depend on industry collaboration

By: Papu Cervell | 19 May, 2012 | Business, People, Society, Technology, 50 billion connections, Connectivity, mobile broadband, Networked Society, Smart cities, Sustainable Cities, urban planning, urbanization

When one person connects, his or her life changes. With everything connected our world changes. Let’s discuss one of the most important trends facing our planet, the emergence of the Networked Society.

When one person connects, his or her life changes. With everything connected our world changes. Let’s discuss one of the most important trends facing our planet, the emergence of the Networked Society. Be part of it!
Telecom and APIs
POSTED BY GEOFF HOLLIDENWORTH - MAY 6, 2012

Telecom and APIs

Telecom has to understand the business of APIs. Note not the technology, but the business. It will define the delta between utility and value added service provider in the future. APIs are a business tool. And in telecom there are different classes of APIs that must also be understood. If not, adoption will be low and success will be mitigateered. They are not necessarily a direct revenue generator, in fact in most instances the impact of API adoption are complementaries to a core business not a core business in their own right. This is an important aspect to understand. In a world of 50 billion devices, having the ability to embed value in many disparate industries, devices and businesses, with as little friction as possible is very important. And please remember, the developer is your customer...

Download the whitepaper and I would love any feedback.
Sunday, June 03 (10:20 a.m)