

Response to a PR Crisis in the Age of Social Media: a Case Study Approach

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Abstract: *As online social networks proliferate, the landscape of marketing is changing. While firms recognize the importance to actively manage their online presence for marketing purposes, web 2.0 users are the content generators and in control over information sharing and their communications. Web 2.0 applications have shifted the power balance from businesses to consumers, the latter sharing information in real-time with each other. As a result, an attempt to suppress what may be considered as harmful information can in fact backfire and have the contrary consequences with the information spreading following an epidemic process through user ties all over the blogosphere. In this paper we discuss the case of an Apple authorized reseller and service provider in Greece, and the manner with which the company responded to a customer's blog post in which he described his experience with the company. What could have been resolved with an out-of-court settlement, inevitably implicated concepts such as freedom of speech and consumer rights. The company, instead of using social media to reach out to its customers, chose instead to move against the disgruntled customer, which quickly resulted to the company's viral defamation across the global blogosphere.*

Keywords: *eWOM, microblogging, web 2.0, groundswell effect, online social networks*

INTRODUCTION

The propagation of online social networks and social media has undoubtedly transformed marketing. Marketers and analysts can now mine the information flowing across online social networks to identify public opinion on their products and services, communicate with and support their customers, develop trust and loyalty among them and launch cost-effective electronic word-of-mouth (eWOM) strategies. At the same time, web 2.0 has transformed individual users into content creators and has given them control over the information they create and share, building their own strong user communities. Indeed, as information is ubiquitously available, consumers can easily seek others' opinions regarding a firm or a product, or share their own opinion and experiences with online communities. In other words, within web 2.0, eWOM can gain an unprecedented thrust, which, when it concerns negative comments, the involved company may not be able to control. As O'Connor highlights, in the past a disgruntled customer could usually influence a handful of peers; in web 2.0, one is able to influence the opinions of thousands (O'Connor, 2008). Therefore, while web 2.0 can offer excellent opportunities for marketing purposes, it may also pose significant challenges, as far as dissatisfied consumers are concerned.

The present paper discusses the case of a Greek Apple authorized reseller and service provider and the manner with which the particular company tried to intercept eWOM with the aim to respond to what it considered to be harming its reputation and credibility; one of its customers, being dissatisfied with the service he received, blogged about it, describing his consumer experience. The chain of events quickly resulted in the company suing the dissatisfied consumer, claiming reputational injuries. The case illustrates vividly that being unaware of social media's potential and not having a clear online marketing and PR strategy, can quickly result into a tragedy. What could have been resolved with a settlement between the parties and with the company harvesting the opportunities offered by web 2.0 for preserving its reputation, inevitably implicated concepts such as freedom of speech and consumer rights to freely express their opinion, further uniting the Greek online community against the company.

MARKETING IN WEB 2.0

With the advent of web 2.0, many firms and organizations realized that it signaled the beginning of a new era for marketing and brand management. While many initially approached it as a technological trend, whose influence and potential would soon deteriorate, the extensive adoption of online social networks (OSNs) and social media by the wider public has quickly showed that these applications were more than an ephemeral phenomenon (Constantinides & Fountain, 2008). As a result, today small to large companies seek to integrate these new media into their processes (Finin et al., 2008) and actively use blogs, OSNs, virtual worlds and dedicated forums to develop direct relationships or strengthen existing ones with their customers, seeking to develop communities or personify a company in the eyes of customers (Habermann, 2005). Additionally, marketers incorporate these applications into their PR strategy and treat them as platforms through which they are able to handle dissatisfied customers by responding to negative comments and criticisms and managing the brand they

represent or the company's reputation (Chua, Deans, & Parker, 2009). Indeed, Men and Tsai (2011) argue that OSNs can be a unique public relations tool, strengthening consumers' interest, and allowing marketers to build a dialogue with users, while, the user-generated content, which spreads in a viral fashion, may be more effective than traditional marketing campaigns.

At the same time, many companies regard web 2.0 as a potential marketing and/or PR risk, as it can give the opportunity to dissatisfied customers to publicly express and share their opinions online, harming the company's image and reputation. As a result, many companies choose to either moderate user comments on their social media or refrain altogether from having an online presence. However, as Taylor (2005) highlights, and as the present study will showcase, in web 2.0, a company can still be exposed to such risks, since consumers can criticize its services, products and practices in their own blogs and OSNs.

a. Online Social Networks and eWOM

Users today continuously use OSNs and social media as platforms for sharing information among them, ranging from video, music, hyperlinks and tips for computer troubleshooting, to actual experiences and opinions for specific products and services. Once this information is posted, in most occasions it remains there for anyone to see and further comment, while other users can continue sharing the same post within their own OSNs and social media via hyperlinks and third party applications, thus enabling the information to spread within and beyond a given network like an epidemic, through user ties. Such information sharing, when it concerns opinion and sentiment regarding a product or a service, has been shown to be more influential and more effective than traditional marketing communications (Men & Tsai, 2011), as it can shape consumer attitudes and behaviors (Vilpponen, Winter, & Sundqvist, 2006).

However, web 2.0 has transformed the internet at large into a "user-driven, non-linear repository of information", where consumers can create and seek information, whose presentation and content is beyond the control of companies (O'Connor, 2008). Consumers may share positive experiences regarding a service or a product, thus contributing toward the company's viral marketing efforts; yet they may equally share their negative experiences by transmitting negative statements, causing the viral defamation of the company in question. This phenomenon of people reaching to each other for information, support, and in some cases even actual transactions, has been described as the *groundswell effect* (Bernoff & Li, 2008), and is discussed in detail in the next section as it constitutes the theoretical foundation of our study.

b. From Groundswell to the Streisand Effect

The common denominator across many OSNs and social media is the strong sense of community among individual users (Finin et al., 2008; Jansen, Zhang, Sobel, & Chowdury, 2009). Setting this within the context of our study, Li & Bernoff (2008) point out that, people's collaboration in web 2.0 can transform into a social phenomenon, which they refer to as the *groundswell effect*. The authors define it as a "social trend in which people use technologies to get the things they need from each other, rather than from traditional institutions like corporations" (Li & Bernoff, 2008). They discuss that people always depended on one another and felt the need to cooperate against companies and institutional power, while technology has allowed them to communicate easily and directly with each other (Li & Bernoff, 2008). In addition, the groundswell, when combined with eWOM can have either a beneficial or a harmful impact on companies, depending on the polarity of the message contained in eWOM. If one's experience with a product or service is positive, sharing it with others can result into a groundswell effect with a motivational impact on the affected consumers; in contrast, if the experience is negative, the spreading eWOM will discourage people from buying the particular products and/or services. Furthermore, Madhavi and Akbar point out that, while the motivational form of groundswell may be interpreted into sales or a general good feeling towards the company, its discouraging form may quickly transform into a protest through OSNs, which, if not effectively managed can have a significant impact on profitability and sales (Madhavi & Akbar, 2011).

As the groundswell effect develops precisely by and for people with a strong sense of community, any effort to control the information flowing within OSNs will most likely cause user discontent (Madhavi & Akbar, 2011). Specifically, experience has shown that the very action of trying to remove from these channels a piece of information, considered as harmful or defamatory in some way, may as well backfire only to have the contrary consequences; this attempt can further unite OSNs' users against the company, the institution or the individual and drive them to spread the information more broadly through their ties all over the blogosphere, and in some cases, the consequences can become evident offline as well. This is commonly known as the *Streisand effect*, named after the entertainer who in 2003 tried to suppress a picture depicting her private residence from a publicly accessible database of coastline photographs, by suing the photographer, the ISP hosting the database and the website⁵⁴. This move, although unsuccessful, increased the database's traffic, and, as the lawsuit was picked up by the media, made known that the picture was depicting Ms. Streisand's private residence (Canton, 2009). In

⁵⁴ <http://www.californiacoastline.org/streisand/lawsuit.html>, accessed on 13/03/2012

short, the entertainer's attempt to suppress the information only resulted in further propagating it, causing exactly the opposite of the desired result.

There are many examples of how the groundswell effect may take form and obviously the goals behind it can significantly vary. Similarly, the Streisand Effect has often hit the internet⁵⁵ and, in most occasions the effort to suppress the harmful information has caused more damage to the party originally aiming to moderate it. The distinctive nature of the case presented in the next section lies in that it allowed for the combination of the two effects, which to date and to the authors' knowledge hasn't been documented before. As a result, it provides fertile ground for the examination of their joint impact on the affected company. The investigation is considered as particularly important for the management of a PR crisis and, more importantly perhaps, for damage control purposes in an era when the proliferation of OSNs and social media, together with the uprising of an economic crisis, leave little room for a company to react without having considered carefully all available options in the face of further damaging its reputation and profitability.

RESPONDING TO A PR CRISIS

Mr. Papadopoulos⁵⁶, a 35-year-old doctor, a blogger and twitter user, living in Athens, Greece, purchased on January 2010 a 27" iMac computer from an Apple authorized reseller. Nine months later, while the iMac was still under warranty, Mr. Papadopoulos noticed some grey spots behind the LCD panel. He therefore visited CompanyX, an Apple authorized reseller and service provider, on September 27th 2010, to have it repaired. One of the employees ensured him they could repair it and asked him to visit the company a week later to collect it. A week later, when Mr. Papadopoulos collected his iMac, he was informed that the computer had been cleaned and the LCD panel had been replaced. Yet, when he switched on the iMac at his residence, he realized the grey spots had multiplied while there were also traces of moisture. He thus took the iMac back to CompanyX's premises and described the new problems he was having with the computer. He was informed that, possibly the new screen was also defective and was offered a new service, which he rejected as he no longer considered the computer reliable. While speaking with one of CompanyX's senior officers, he requested for a replacement or a full refund as the computer was still within its warranty and which he considered to be within his consumer rights under the Greek legislation. After some conflict, the representative asked Mr. Papadopoulos to write down his request and submit it signed, which he did. In turn, Mr. Papadopoulos requested from the representative to sign the document as a proof of having received it; the representative eventually signed the document, noting that he received it without having read it. Following this, the representative stated that CompanyX could no longer hold the defective computer, nor service it, because it hadn't been purchased from them, and that responsible for replacing it would be the Apple authorized reseller, from which Mr. Papadopoulos originally had purchased it, or the Greek Apple authorized distributor.

Three days later, Mr. Papadopoulos visited the Greek Apple authorized distributor where his requests were also rejected. However, a senior manager gave him a customer support telephone number. Mr. Papadopoulos did contact customer support, only to be given an e-mail to contact Apple Inc.'s offices in Ireland. Again, his efforts were in vain. Two days later on October 9th, 2010, he turned to the 'Greek Consumer Ombudsman' (GCO), an independent Greek authority, which focuses on the consensual resolution of consumer disputes. There, he stated the facts according to his interpretation, and he was informed that the Greek legislation, was clear and on his side. He therefore returned to the Apple authorized distributor, informing them on the GCO's opinion. Yet, the distributor claimed that it was Mr. Papadopoulos' fault to turn to an Apple authorized service provider rather than to the original reseller for a replacement.

It was then when Mr. Papadopoulos decided to share his story on the web through the official Apple Support communities⁵⁷, through the blog to which he contributes until today and through twitter. Focusing on the latter two, he wrote an extensive and detailed post⁵⁸ and shared it through twitter. Two days later, on October 11th 2010, he began a new thread⁵⁹ in a technology-related forum, in which he was describing his consumer experience. It should be noted that, his post at the Apple Support Communities didn't receive much attention; the blog to which Mr. Papadopoulos posted the story at that point in time wasn't particularly well known, while the forum to which he commenced the new thread, had been and is still attracting many readers. A week later, a CompanyX's representative replied to Mr. Papadopoulos' thread at the forum, describing the story from the company's point of view, stating that CompanyX was not responsible for repairing, replacing or giving a refund as the defective iMac had not been bought from them, accusing Mr. Papadopoulos for using harsh and emotive language against the company and the Greek Apple Authorized Distributor and implying that the case would be resolved through the judicial path. Later that day, Mr. Papadopoulos posted a reply to CompanyX's representative expressing his disappointment with the customer service, declaring that since the company did service the computer once, they were responsible onwards and that they had to replace it in line with the European legislation. On November 27th 2010,

⁵⁵ For an extensive list, the interested reader can consult <http://www.thestreisandeffect.com/>, last accessed on 13/03/2012

⁵⁶ Even though the case has been publicised online, offline and through traditional media, all names have been altered so as to protect the identities of all involved parties.

⁵⁷ <https://discussions.apple.com/message/12399397#12399397>, accessed on 14/03/2012

⁵⁸ http://maga.gr/2010/10/09/apple_greece_tragedy/, accessed on 14/01/2012.

⁵⁹ <http://goo.gl/yfA2J>, accessed on 14/01/2012.

CompanyX sued Mr. Papadopoulos for 199.900€, claiming he had damaged the company's reputation. The court was scheduled to take place on January 19th 2011 and Mr. Papadopoulos published the lawsuit via his blog and his twitter account.

A month later, Mr. Potiropoulos, Mr. Papadopoulos' lawyer, with experience in internet-related cases and a blogger himself, uploaded a post on his blog, which he later shared via twitter, titled 'A 200,000€ lawsuit against a disgruntled consumer - blogger'⁶⁰. The post was briefly describing Mr. Papadopoulos' consumer experience, without revealing the company's or Mr. Papadopoulos' names, placing emphasis on consumer rights and on bloggers' rights to freely express their opinion online. In his post, Mr. Potiropoulos wrote that this would be the first time in Greece for a company to sue a customer for publicizing his consumer experience, which made it immediately a landmark case. He also remarked that the involved company was claiming reputational injuries under the provisions of press law, which Greek courts have ruled previously that doesn't apply to the internet. Mr. Potiropoulos is a well-known lawyer with legal experience on social media and the internet, while he is a well-known blogger within the Greek blogosphere, a twitter user and a radio producer, discussing legal issues. In relation to this case, when he took over Mr. Papadopoulos's case, Mr. Potiropoulos had more than 1,300 followers in twitter, a large number for Greek standards, considering in addition the penetration of the particular OSN within the Greek online community at the time. This suggests that his blogpost and his tweet were read and shared by a number of followers, causing the story to further propagate. Indeed, it was through his implication in the case that the story took off; even though the two previous months the CompanyX case was attracting a lot of attention within the Greek online community, after the lawsuit and by January 2011, more than 2,000 posts on national and international blogs and media, more than 10,000 commentaries in blogs, in twitter, in forums and in traditional media, nationally and internationally, and more than 500,000 views of the aforementioned posts have been reported⁶¹. In more detail, the case was broadcasted on the national TV network⁶², while it was picked up by international technology-related websites and forums (computerworld.dk⁶³, pc.co.il⁶⁴, cnet.com⁶⁵, zdnet.de⁶⁶, news.techeye.net⁶⁷, futurezone.at⁶⁸), Apple dedicated websites (tuaw.com⁶⁹, macplus.net⁷⁰, apple.slashdot.org⁷¹, macmagazine.com.br⁷²), news websites (diepresse.com⁷³, independent.co.uk⁷⁴, mycustomer.com⁷⁵) to name only a few. Also, the CNET article⁷⁶ author stated that he contacted Apple Inc. for an official response; to date he hasn't posted an update. Also, the twitter community began using a specific hash tag (#) when referring directly or indirectly to the story, while a hate page for CompanyX⁷⁷ was also created. In short, the #CompanyXeffect story, as it is now known, has travelled around the world and has been read in German, English, Hebrew, Chinese, Italian, Brazilian, Danish, Japanese and Peruvian, to the authors' knowledge.

The GCO invited the involved parties to meet at its premises on January 18th 2011 in order to jointly resolve the issue with an out-of-court settlement. After the meeting, CompanyX issued an official announcement, stating they decided to withdraw the lawsuit, as it wasn't their intention to stand against consumer rights and freedom of speech. The announcement included also the company's acknowledgment that Mr. Papadopoulos didn't intend to injure the company's reputation, and that the lawsuit was an excessive measure toward defending their reputation⁷⁸. Nevertheless, they weren't to take responsibility for replacing the defective computer or offer any compensation for Mr. Papadopoulos' legal expenses. On January 31st 2011, the Apple authorized reseller from which Mr. Papadopoulos had originally purchased the iMac, announced that they will replace the defective computer.

The same day, Mr. Papadopoulos launched a petition to collect signatures, urging Apple Inc. to investigate its after-sales support in Greece and establish satisfactory customer services and announced his initiative through his blog and his twitter account. He declared that once the petition gathered 1,000 signatures or more, he would visit personally Apple Inc. and file

⁶⁰ <http://elawyer.blogspot.com/2010/12/200000-blogger.html>, accessed on 14/01/2012.

⁶¹ http://maga.gr/2011/01/31/128_days_later/, accessed on 14/01/2012

⁶² <http://www.youtube.com/watch?v=-8ej1RirBGg&sns=em>, accessed on 14/01/2012.

⁶³ <http://www.computerworld.dk/art/113146/apple-forhandler-sagssoeger-kunde-efter-klagesag>, accessed on 14/01/2012.

⁶⁴ <http://www.pc.co.il/?p=49696>, accessed on 14/01/2012.

⁶⁵ http://news.cnet.com/8301-17852_3-20026918-71.html?tag=rtcol;pop, accessed on 14/01/2012.

⁶⁶ <http://www.zdnet.de/news/41543991/griechischer-servicepartner-von-apple-verklagt-unzufriedenen-kunden.htm>, accessed on 14/01/2012.

⁶⁷ <http://news.techeye.net/business/apple-service-provider-sues-customer-for-complaining>, accessed on 14/01/2012.

⁶⁸ <http://futurezone.at/produkte/650-apple-haendler-verklagt-aufmuepfigen-kunden.php>, accessed on 14/01/2012.

⁶⁹ <http://www.tuaw.com/2011/01/03/apples-greek-support-provider-sues-customer-for-hurting-its-fee/>, accessed on 14/03/2012

⁷⁰ <http://www.macplus.net/magplus/depeche-57620-gr-le-sav-porte-plainte>, accessed on 14/01/2012.

⁷¹ <http://apple.slashdot.org/story/11/01/03/0112248/apple-support-company-sues-customer-for-complaint>, accessed on 14/01/2012.

⁷² <http://goo.gl/7pDyQ>, accessed on 14/01/2012.

⁷³ <http://goo.gl/rRzdr>, accessed on 14/01/2012.

⁷⁴ <http://goo.gl/0V37h>, accessed on 14/01/2012.

⁷⁵ <http://goo.gl/BNxJq>, accessed on 14/01/2012.

⁷⁶ http://news.cnet.com/8301-17852_3-20026918-71.html?tag=rtcol;pop, accessed on 14/01/2012.

⁷⁷ <http://amplicate.com/hate/systemgraph>, accessed on 14/01/2012.

⁷⁸ <http://goo.gl/nkwNH>, accessed on 14/01/2012.

the petition himself. The following days, the petition gathered a significant number of signatures with people signing it from within and outside Greece, and it reached 1,000 signatures in just over a month⁷⁹. During the first days, the number of people signing the petition was increasing at a high pace; by February 8th, 2011, 869 people had already signed it. Most of the petition's traffic originated from Mr. Papadopoulos' twitter account and his blog, while three more users supported the propagation of the petition via retweets; this resulted in 577 trackbacks and more than 2,400 twitter users receiving the information at least once. After the petition reached its goal, Mr. Papadopoulos commented that Apple Inc. has indirectly refused to receive it, by remaining silent in his request to meet with a representative, despite his repeated efforts and the pressure exerted by reporters⁸⁰. The defective iMac was finally replaced on March 16th, 2011. However, on February 9th, 2011, the case reached the European Parliament; the member submitting the question underlined the importance of the case, as it could potentially be an example of practices against consumers and the right to public expression of opinion, within the context of Information Society. On March 22nd, 2011, a Commission's representative replied that the question did not provide sufficient information so that the Commission could decide whether the particular matter concerned the implementation of EC law and thus could not further comment (European Parliament, 2011).

DISCUSSION

To date, the marketing and the PR-related literature is filled with similar cases; yet what is remarkable in this case is that the lawsuit filed by CompanyX against Mr. Papadopoulos immediately transformed it into a potentially landmark case for the Greek legal system. Furthermore, the proliferation of OSNs and social media have resulted in an extensive amount of analyses on how contemporary businesses can leverage them for reputation management purposes offline and online. However, CompanyX, instead of using social media to reach out to its customers and work with groundswell in order to avoid a PR tragedy, chose to try to suppress the related information, thus giving way to the Streisand Effect.

As mentioned, the case quickly resulted in being discussed in most OSNs, especially in twitter. Even though CompanyX did have a twitter account prior to the incident, it didn't try to engage with users nor sought to be proactive in informing its followers⁸¹. Instead, the company posted solely a couple of updates stating they had nothing to say nor would they reply to people accusing them based on the writings of a blog and that they wouldn't comment further since they considered it impossible to present the truth within twitter's character limit⁸² (Masouras, 2011). In addition, even though CompanyX maintains a blog, posting Apple related news and tips, they hadn't posted a comment there either. In other words, while Mr. Papadopoulos was being quite vocal, the company wasn't engaging at all with OSNs and social media users, who could be or even were extant or potential costumers and who were propagating the case, supporting Mr. Papadopoulos' struggle. This attitude further enraged users, since the company's silence was interpreted on the one hand as admittance of its failure and on the other hand as arrogance, as evidenced from users' comments (Masouras, 2011). Companies and business with an OSN presence cannot afford not to connect with their social network, especially during incidents of a PR crisis (Hennig-Thurau et al., 2010). Contrary to how CompanyX handled OSNs, web 2.0 offers those who consider that their reputation is at risk or already damaged, the opportunity to promptly update any interested parties with their side of the story, which can be much more effective than an even successful effort to suppress or retract the original defamatory statement (Ardia, 2010). Indeed, CompanyX could have used OSNs to guide its readers to its website or blog, where the latter could get updated with the company's viewpoint of the facts and thus get an overall impression of the situation, forming an unbiased opinion. In any case, not engaging with one's audience can only lead to the affected company's self-isolation from its customer base; as others have noted, today there are many blogs and forums that uncover companies' failures, being openly critical (van Laer, de Ruyter, & Cox, 2010); as a result, many companies are already in the process of engaging and collaborating directly with bloggers on such matters, as for example Dell Inc. who succeeded in using the groundswell for their benefit and created a dedicated user community, hosted within its domain, who help each other and spot promptly any failures, and with which the company engages toward rapidly resolving any issues, thus minimizing customer support costs and any negative impact on its reputation (Bernoff & Li, 2008).

As far as the lawsuit itself is concerned, CompanyX filled it arguing that, according to press law, Mr. Papadopoulos had damaged the company's reputation; yet the relevant literature argues that, on the one hand, press law cannot apply to the internet while reputation, and its injury, always depend on the relationship between the company aiming to maintain its own esteem and its prospective and/or extant customers (Brenner, 2007). As a company's reputation is socially constructed through its relationship with past and prospective customers, the notion itself lies within the interactions developed between the two parties. This suggests that, while CompanyX's reputation had admittedly been damaged to some extent, the main injury occurred when the company turned legally against the consumer, aiming to suppress the story from proliferating, which gave way to the Streisand effect, and then further severed its ties with a potential customer base by refusing to

⁷⁹ The petition has reached 1072 signatures in total (<http://www.gopetition.com/petition/42459.html>, accessed on 26/03/2012)

⁸⁰ <http://maga.gr/2011/05/22/η-καταναλωτική-μου-μονομαχία-στην-αρέ/>, accessed on 14/01/2012.

⁸¹ In twitter, followers are those users who subscribe in reading another account's status updates.

⁸² Twitter imposes a limit of 140 characters per status update.

comment or interact with them online. However, as Ardia (2010) highlights, in the internet era, reputation is both more ephemeral and more enduring; it is ephemeral because it is vulnerable to negative comments that can be easily accessed and propagated, and it is more enduring because any (negative) information is both retrievable and persistent as it can be easily reproduced. Moreover, traditional legal means, such as lawsuits typically used in printed media, can no longer help companies repair their reputation as the particular case has shown (Ardia, 2010). Even if the case had reached the court and CompanyX had managed to secure the blogposts' retraction, the consumer's apology and the compensation it was filling for, its reputation would still remain damaged; even today, after the company's official announcement, and the replacement of the defective computer by the original reseller, the information on the incident is still retrievable and persistent. In fact, even though more than a year has passed, on January 14th, 2012, a simple Google search, using 'CompanyX' as keyword, returned among the top ten search results, five listings referring to the lawsuit, while only three related directly to the company⁸³. In short, the company is still exposed to the outcomes of the case, due to the lawsuit itself, which causes an enduring injury to the company's reputation and profitability since anyone looking up CompanyX finds readily available information on the particular matter. On the other hand, the echo effect that stills persists as evidenced through a simple Google search, illustrates that CompanyX hasn't exploited web 2.0's potential to overcome the PR crisis. Experience has shown that when such crises occur, firms need to maintain communication with their customers and the media, keeping them updated and developing and empathetic other-focus that will allow them to respond to negative comments (van Laer et al., 2010). In addition, in web 2.0, maintaining communication channels during and beyond a crisis can help companies spread the message that they're being attentive to consumers' needs via third parties, e.g., influential bloggers, propagating the company's message, journalists who update their readers regarding a given incident, etc.

However, influential bloggers may function against a firm's interests as well. In this particular case, as the incident involved a lawsuit, it naturally dictated the implication of lawyers. The particular lawyer however, Mr. Potiropoulos, enjoys a wide readership, being connected to many other bloggers and followers, as he blogs and microblogs on legal issues, human rights and data protection in the digital era, which are well received topics by the blogosphere. This has resulted him in being an influential blogger according to Cha et al.'s rationale (Cha, Haddadi, Benevenuto, & Gummadi, 2010). In fact, according to Twitalyzer, his potential reach and his true reach have been calculated to 48,069 and 4,635 people respectively, calculating his online direct ties, probable retweets, reblogs and so forth. In other words, the information he broadcasted regarding the lawsuit travelled widely and reached asynchronously many other users⁸⁴. All in all, while the case had attracted much attention, it was just over within a month from Mr. Potiropoulos' blogpost that the case had been hosted in foreign newspapers' websites and discussed twice in two of the most popular technological forums (CNET and TUAW), thus significantly damaging the company's reputation within and beyond the Greek borders. Finally, one might consider that Apple Inc.'s reputation regarding after sales support was also harmed, since most posts reporting the story included in their headline the term 'Apple' rather than 'CompanyX' (Bhimani, 2011; Cawley, 2011). This is further enhanced considering that Apple Inc. never commented nor officially took any action, by either replying to CNET's reporter or receiving Mr. Papadopoulos' petition, which, in the eyes of consumers, ultimately may have been interpreted as indifference for the Greek Apple community.

Concluding, in an age when extant and prospective consumers continuously reach out to each other for support and for information, a company cannot afford to refrain from web 2.0. On the one hand, engaging in a direct dialogue with online users can help a firm be proactive and ready for a PR crisis, by developing through these interactions an empathetic profile focusing on its customers. On the other hand, a firm can leverage its online social presence in order to smooth out the echo effect deriving from such a crisis by launching positive eWOM, which is attentive to consumers' needs and directly acknowledges the company's shortcomings. Admittedly, an online presence can pose risks and may give room for consumers to negatively criticize a given company. However, under the groundswell effect and within web 2.0, companies need to acknowledge that such risks still exist and can potentially arise, harming permanently their reputation (Bernoff & Li, 2008). As a result, completely refraining from web 2.0, controlling or suppressing offensive information can only result to further damages and, in extreme cases, can give rise to the Streisand effect. Therefore, companies need to accept the loss of control over their brand reputation and actively collaborate with customers. Most importantly, when a crisis occurs, companies need to carefully leverage all available options prior to reacting and carefully design their response; wrong PR tactics can leave behind an echo effect, permanently damaging a company's status since information today is persistent, easily retrievable and ubiquitous.

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⁸³ The three listings were the company's official website, its twitter account and its YouTube channel (<http://goo.gl/ayANr>, accessed on 14/01/2012).

⁸⁴ www.twitalyzer.com

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