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ADVISORY PAPER

RE: Online Reputation: What, why and how?

Background

1. Since 2011, Internet Removals has been actively observing, participating in and pioneering the Reputation Management industry; but what exactly is Reputation, why does it need management, how can it be managed and what insights are gleaned from over 454,000 successful cases?
2. This internal memo seeks to explore the questions posed above, to provide Internet Removals personnel, key stakeholders and clients unique insights from published research, industry statistics, media articles and experts at the coal face.

Reputation

3. Fundamental to answering the 'why' and 'how' of Reputation Management is a definition that ascribes the requisite significance and context of **Reputation** in a truly global and interconnected world.
4. Prior to 1994 and the advent of the internet, reputations were formed and maintained based upon personal interactions, print media publications and historical records. While powerful instruments for defining the narrative of a person, these platforms lacked the immediacy, accessibility and permanence of the Internet we know and utilise today.
5. In a business context, reputation plays a crucial role in attracting human capital and more importantly, clients.
6. In a personal context, reputation plays a role in relationships (personal, business and private), socially, and within the context of gaining and retaining employment.
7. Alas, **Reputation** is social currency traded by individuals and businesses in the pursuit of their gains. **Reputation** is manically curated, fought for and valuable. **Reputation** is a delineating factor between future customers trusting and engaging with you, or choosing competitors who enjoy a super reputation to yours.
8. **Reputation** is powerful, but with the advent of websites, forums and social media, it is fragile and easily tarnished.

Case Study

Justine Sacco, 30 years old and the senior director of corporate communications at IAC, began tweeting acerbic little jokes about the indignities of travel. Most tweets were accepted without consequence; however, on 20 December we tweeted:

“Going to Africa. Hope I don’t get AIDS. Just kidding. I’m white!”¹

By the time of her arrival in South Africa, she had received tens of thousands of angry tweets, was in fear for her safety and was eventually fired.

P.s. Justice Sacco’s role was **public relations**.

9. Justine Sacco is one of tens of thousands of people every day who witness the destruction of their reputation. While Justine was responsible for her own demise, her case demonstrates the fickle and fragile nature of reputation when any comment can be disseminated to millions of people within seconds, and brutal replies can be issued at similar speeds.

The Infrastructure

10. Expanding upon earlier commentary regarding the role that technology plays in curating reputation, it is important to understand the distinction between the problem, being humans, and the technology that they utilise to damage a reputation.
11. The most commonly utilised platforms to damage the reputation of businesses are:
 - a. Google Search Results
 - b. Google Reviews
 - c. Facebook & Facebook Reviews
 - d. Yelp
 - e. Trip Advisor
 - f. Trust Pilot
12. The most commonly utilised platforms to damage the reputation of individuals are:
 - a. Google Search Results
 - b. Facebook
 - c. Reddit
 - d. 4Chan
 - e. YouTube
13. A common trend amongst the above platforms is the lack of identification required to publish material of any kind. Said another way, most users can and often do avail

¹ <https://www.nytimes.com/2015/02/15/magazine/how-one-stupid-tweet-ruined-justine-saccos-life.html>

themselves of complete anonymity prior to publication, reducing any inhibitions that may have previously restrained them from acting for fears of repercussions.

14. Furthermore, many of these platforms avail themselves of friendly jurisdictions to host their infrastructure.

Case Study

A client who operates a successful t-shirt printing business in New York receives notifications from clients that orders have not been received. Upon concluding their investigations, it was revealed that a company in China had copied the clients website, business name and inventory, and was running advertisements in America. The company had taken payment from US citizens, who thought they were dealing with the American based company.

Within 24 hours, we were able to shut down PayPal as the credit card merchant, ensuring no further orders could be placed.

Within 72 hours, we ensured the AWS shut down the site and refused registration of the domain name.

The case study indicates that many offenders can reside in countries which may have less respect for intellectual property rights, or more respect for freedom of speech, but despite this, we are often able to overcome these jurisdictional issues.

15. An observation that provides reassurance for the continued growth of the Reputation Management industry is the linear user growth of social media platforms and the continued creation of new platforms. So long as users remain the same or grow, and platforms exist where people can publish and converse, Internet Removals will have a self sustaining source of work which is replenished daily by new users and new posts.

The Problem

16. On face value, the problem is easily identified as an identity that is vulnerable to technology and bad actors. This is however, a largely simplified view of the problem which has in turn created the Reputation Management industry.
17. Digging deeper, the problem may manifest as an embarrassing picture, a negative search result or a low star rating; however, it is often far worse and more pernicious than that. The problem which gives rise to damage to a person or businesses reputation is, in our view, human nature.
18. We do not intend to discuss the topic of human nature in detail; however, it is relevant to a conversation of 'why' reputational damage occurs, as well as 'intended' versus 'actual' use. The intended use of the internet and social media platforms is to enhance connectivity; however, the actual use in many cases is the selfish and careless rant of

an allegedly aggrieved person, with no consideration for any adverse consequences which may arise from their publication.

19. The intended use of the internet and social media should not stop people from publishing the truth; however, our 9 years of experience indicates that most customers, competitors, ex-employees, ex-lovers and ex's of all categories, rarely publish a fair and balanced account online.
20. The considerations above are important, as they demonstrate two immutable facts:
 - a. Human nature has consistently demonstrated a trend to favour self interests and accordingly, it drives actors to publish selfish and biased accounts online.
 - b. Every human interaction creates another opportunity for new publications, whether it is a heated Twitter exchange, a late bus or bad meal.
21. These immutable facts in conjunction with industry growth statistics indicate positive trends towards continued, year on year growth, both in the number of pernicious publications which harm reputation, and the number of potential clients.
22. The problem as articulated above is also identified by the creators of the TV show Black Mirror. See the episode 'Nose Dive': <https://www.youtube.com/watch?v=R32qWdOWrTo>.

The Triggers

23. Common triggers which cause damage to a businesses reputation are:
 - a. Poor quality of product or service.
 - b. Negative interaction with employees.
 - c. Negative customer service interaction.
 - d. Safety defects or misleading product/service descriptions.
 - e. Conduct of employees outside of employment.
 - f. Toxic corporate culture, purpose and/or lack of social responsibility.
 - g. Privacy breaches.
 - h. Unethical conduct, i.e. Facebook and Cambridge Analytica.²
 - i. A failure to promote diversity and inclusion within the workplace.
 - j. Lacking respect for local customs.

The Clients

24. Continuing from the discussion on the nature of the problem and applying our understanding of the infrastructure utilised to harm a person's reputation, we can easily define our clients as:

² <https://www.theguardian.com/technology/2019/mar/17/the-cambridge-analytica-scandal-changed-the-world-but-it-didnt-change-facebook>

Persons, associations, corporations, celebrities (or others) > who have a reputation > that has been compromised > on social media, forums or websites.

25. The types of clients include but are not limited to lawyers, doctors, accountants, banks, mechanics, car dealerships, celebrities, adult entertainers, influencers, athletes, advisors, manufacturers and government. In fact, over our 9 years of operation, we are hard pressed to identify an industry or client type where our services have not been requested.
26. Essentially, every mum and dad, son or daughter, CEO or CFO, bank or builder, can be and often is, a client of Internet Removals.

The Issues

27. The most common issues for clients are:
 - a. Revenge Porn (Image based abuse)
 - b. Defamatory Search Results/Reviews
 - c. Intellectual Property Infringement
28. The following case studies provide insight into 'how' harm occurs to a person or corporation's Reputation.

Case Study: Revenge Porn #1

A client presents to Internet Removals suicidal upon learning that 54 videos had been taken of her privately, while engaged in sexual acts with her abusive husband. The publication occurred as a result of the client leaving her husband, after 3 years of rape, abuse and assault.

Our client came from a very small community in Sydney and the prospect of this community becoming aware of these videos caused great stress and anxiety.

Within 48 hours, Internet Removals had successfully removed all videos. We continued periodically to monitor for new videos and upon a number of occasions, we identified and removed any new video within 24 hours.

Case Study: Revenge Porn #2

Playboy model exposed 'massive, highly organized' illegal online porn ring:
<https://www.thesun.co.uk/news/11582101/playboy-model-exposed-massive-illegal-online-porn-ring/>.

Australian company Internet Removals told The Daily Beast with Yein's help, they have taken down more than 136,000 images and videos from the internet.

Reputation management company Internet Removals typically charges for its services, but spokesperson Jasmine Loh told The Daily Beast that "the scale of harm caused by incidents was enough to warrant immediate action without cost to any of the victims."

Case Study: Defamatory Search Results

See: https://www.youtube.com/watch?v=yxAt1Y_3yag&feature=emb_title.

29. With over 454,000 counts of success, there are no shortages of case studies. As with Internet Removals capability to service all client types, we are capable of solving a multitude of digital issues for clients.
30. See more success stories at <https://enquire.internetremovals.com.au/>.

The Impact

31. While scientific research into the total damage caused to reputation on a yearly basis is lacking, the Peloton case study below clearly depicts the quantifiable value that business can lose as a result of damage being caused to their reputation.

Case Study:

"Peloton loses \$1.5bn in value over 'dystopian, sexist' exercise bike ad".

On YouTube the video is still gaining thousands of views every hour, but was attracting five "thumbs down" ratings for each "thumbs up". Peloton turned off comments on the YouTube post.

See: <https://www.theguardian.com/media/2019/dec/04/peloton-backlash-sexist-dystopian-exercise-bike-christmas-advert>.

32. Anecdotally, Internet Removals has witnessed businesses become insolvent, directors terminate staff due to loss of revenue, businesses make decisions to rebrand, businesses lose tenders or contracts, celebrities or athletes lose contracts, individuals are turned down for jobs and worst of all, the loss of life.
33. An article titled "trolled to death" explains the tragic scenario of beloved model Charlotte Dawson. When discussing impacts, there is nothing more tragic and permanent than death as a result of online trolling. See more: <https://www.dailymail.co.uk/tvshowbiz/article-2565903/Trolled-death-Model-Charlotte-Dawson-bombarded-vile-messages-Twitter-just-hours-death.html>.
34. The Charlotte Dawson story is one of thousands. A Google Alert for 'trolling suicide' or any permutation of the keyword will deliver haunting results to your inbox on a daily basis.

The Statistics

35. 97% of consumers search online for local businesses.
36. 85% of consumers trust online reviews as much as personal recommendations.
37. Nearly 3 out of 4 consumers trust a company more if it has positive reviews.
38. 60% of consumers say that negative reviews made them not want to use a business
39. Consumers read an average of 7 reviews before trusting a business.
40. Every additional one-star Yelp rating causes an increase in the business's revenue as high as 9%.

The Spend

41. On average, customers of Internet Removals:
 - a. Present with 3 URLs of concern to them; and
 - b. Spend approximately \$1800.00 AUD to resolve these problems.
42. According to some industry research, bad reputation is costing over American businesses over \$537 Billion alone. This is money being spent with firms yearly, to help manage and improve online reputation.

Conclusion

43. While human nature remains the same and technology continues to increase the number of platforms and ease of access to these platforms, the Reputation Management industry will continue to flourish.
44. The only known inhibitors to continued growth are a radical change in human use of these platforms, the existence of these platforms or extreme legislative reform. At present, none of these risks pose any likelihood of materialising.

For additional information on the information above, or anything else, please contact our office on 1300 039 196 or via email team@internetremovals.com.au.