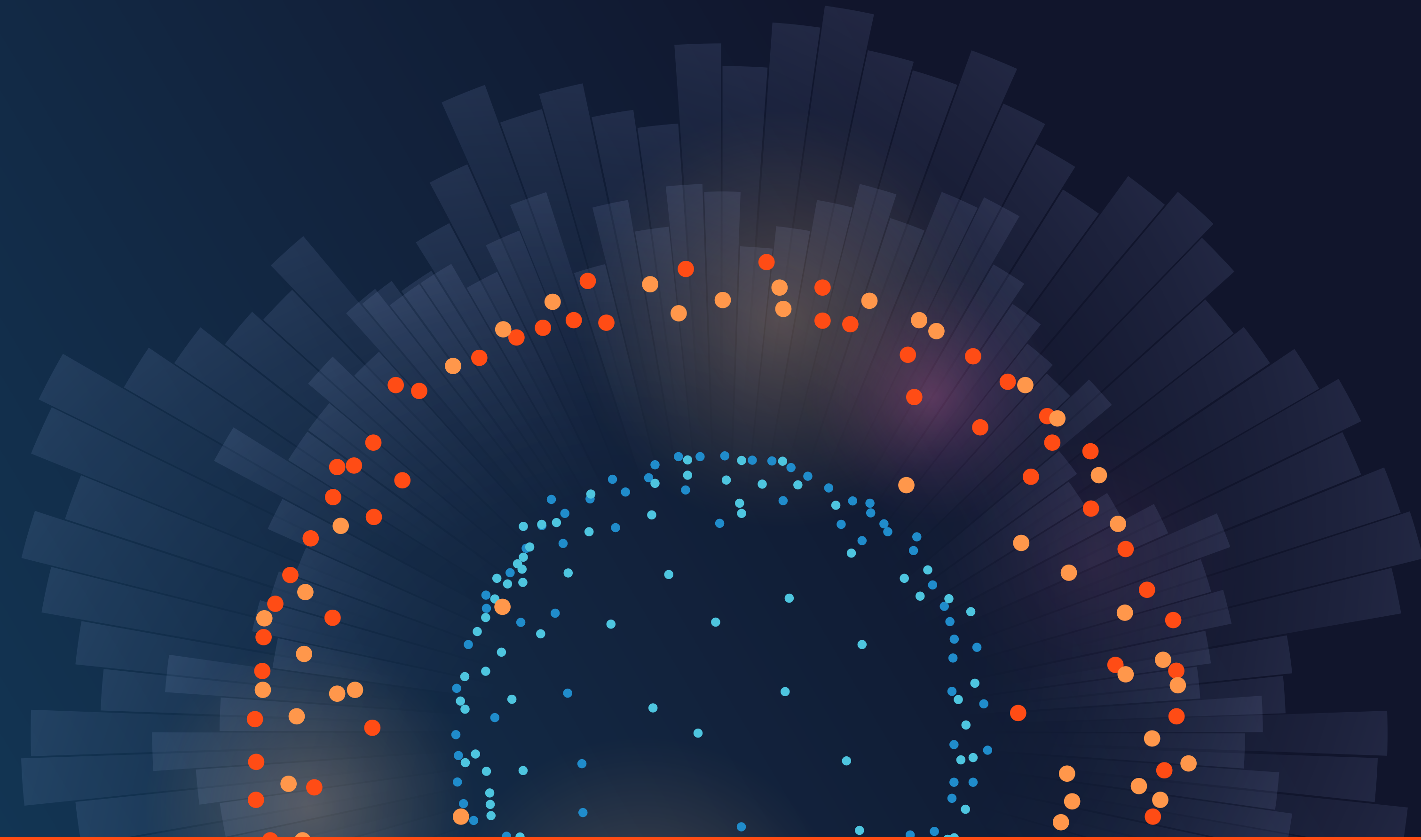


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**Three Shifts** in the Digital Landscape that  
Change the Playbook for **Reputational  
Risk Management**

# This guide will help brand stewards adapt their **reputational risk mitigation** tactics to keep up with the pace of change.



Global executives attribute 63% of their company's market value to their company's overall reputation,<sup>1</sup> with 79% of business leaders reporting that keeping up with the speed of digital is a significant challenge to risk management.<sup>2</sup>

This guide describes recent shifts in consumer expectations, online behavior, social media use and data handling, and explains how these trends impact the detection and mitigation of threats.

<sup>1</sup> <https://www.webershandwick.com/news/corporate-reputation-2020-everything-matters-now/>

<sup>2</sup> <https://www.pwc.com/us/en/services/consulting/cybersecurity-risk-regulatory/library/global-risk-survey.html>





# 1

## Data privacy legislation and sentiment

Spurred by public opinion and mandated by law, increasingly stringent data privacy requirements have compelled brands to reconsider the methods they use to understand their audience.

Legislation like the European Union's General Data Protection Regulation (GDPR) and the California Consumer Privacy Act (CCPA), the death of the third-party cookie and Apple's string of privacy-centric operating system updates have obscured the digital landscape and online behavior from brand stewards. Consumer sentiment has also driven increased privacy and more transparent data handling. An August 2021 KPMG survey found that:

- **86%** of the U.S. general population say data privacy is a growing concern
- **68%** are concerned about the level of data being collected by businesses
- **40%** don't trust companies to use their data ethically, and
- **30%** aren't willing to share their data for any reason.<sup>3</sup>

These sentiments are echoed internationally. **A 2022 Deloitte UK global survey found that less than 50% of consumers feel that organizations follow ethical digital practices, and only 22% believe that digital technologies used to deliver products and services are safe, secure, and sustainable.**<sup>4</sup>

Legislation makes data privacy a matter of legal risk; consumer sentiment makes it a source of reputational risk as well. Insights derived from social media can fill in consumer intelligence gaps laid bare by tightening privacy restrictions – without actually transferring or acquiring the data itself.

And for reputational risk management specifically, advanced social analysis offers a unique path for identifying key influencers, understanding both branded and non-branded sentiment and making strategic predictions related to reputation and business growth.

### Strategic questions to consider:

- What can social media intelligence reveal about perceptions of your brand or its work?
- What type of consumer intelligence insights can you gain without transferring or acquiring the data itself?

<sup>3</sup> <https://advisory.kpmg.us/content/dam/advisory/en/pdfs/2021/corporate-data-responsibility-bridging-the-consumer-trust-gap.pdf>  
<sup>4</sup> <https://www2.deloitte.com/content/dam/Deloitte/uk/Documents/risk/deloitte-uk-global-digital-risk-survey-2022.pdf>

# 2

## Proliferation and evolution of platforms

The pandemic increased the use of social media use and made online community building more widespread. Over the last few years, major platforms have been in the headlines for real and perceived privacy violations, and demographic differences in social media use and online behavior have grown more distinct.

Helped along by these circumstances, new platforms focused on community building, privacy, and temporary content formats have proliferated. Many of these networks now rank among the largest and fastest-growing online communities worldwide.

- Reddit, a message board platform where most users post anonymously under non-identifying handles, is the second fastest-growing platform in the U.S. **Its users increased 25.9% in 2020 and 14% in 2021, reaching 330 million monthly active users in 2022.**<sup>6</sup>
- Discord, an alternative community-based social forum, saw its user numbers triple over the last few years, reaching **150 million in 2022.**<sup>7</sup>

- For the third year in a row, video-driven social media network **Tiktok was the top app downloaded worldwide in 2021.**<sup>8</sup> For young adult demographics, it has surpassed Google as the go-to search engine.<sup>9</sup>

The growing amount of forums, online communities and content formats make it difficult for brands to implement a comprehensive monitoring strategy that spans the most relevant conversations.

Typical social listening tactics like intelligence dashboards, monitoring branded mentions or following specific hashtags only scratch the surface of the quantitative data available across networks. They also fail to capture qualitative insights expressed through non-branded conversations and multimedia content formats.

### Strategic questions to consider:

- On which social media platforms are your target audiences most engaged?
- Have you updated your strategies for gauging consumer sentiment to accommodate shifts in online behavior?

<sup>6</sup> <https://foundationinc.co/lab/reddit-statistics/#:~:text=Reddit%20has%20330%20Million%20Monthly%20Active%20Users>

<sup>7</sup> <https://www.cloudwards.net/discord-statistics/#:~:text=Discord's%20user%20number%20has%20tripled,to%20150%20million%20in%202022.>

<sup>8</sup> <https://blog.hootsuite.com/tiktok-stats/>

<sup>9</sup> <https://www.nytimes.com/2022/09/16/technology/gen-z-tiktok-search-engine.html>



# 3

## Controversy over values & opinions drives authentic conversation underground

Fringe networks, alternative forums, and the dark web provide havens for expressing opinions that have drawn ire or violated the terms of use on other platforms.

### Open Network

Open social platforms are characterized by a low degree of anonymity, with a large proportion of individuals using their real names and identities.

*Facebook, Twitter, Instagram, Pinterest, YouTube, Reddit, BeReal, Mastodon*

### Closed Network

Apps and tools with end-to-end encryption options that allow users to share and communicate in secure or controlled groups.

*WhatsApp, Snapchat, Discord*  
*\*Some open networks also include closed or semi-closed groups and environments.*

### Fringe Network

Largely anonymous sites and forums intended as safe havens to discuss controversial subjects with like-minded participants.

*Gab, Parler, Truth Social*

### Dark Web

Internet destinations that are intentionally hidden and accessed through anonymized, decentralized networks by people who wish to maintain privacy, avoid censorship or evade surveillance.<sup>10</sup>

*Tor (Browser)*

As a result, more and more conversations occur within exchanges where unverified information thrives. With no editorial authority or review, misinformation can spread online at an alarming rate. Strong peer-to-peer networks fuel individual confirmation bias, while polarized echo chambers filter out opposing views. With algorithms that automatically favor engaging content, false information can spread like “digital wildfire”, especially on closed platforms.

**Businesses should be aware that misinformation and disinformation can travel from closed networks to open networks, and that foundational social listening tactics may be ineffective at revealing their source.**

## Strategic questions to consider:

- Which values/opinions do you seek to better understand, and where are these opinions best represented online?
- Are you evaluating reputational risk on platforms where your audience is likely to speak freely?

<sup>10</sup> <https://sgp.fas.org/crs/miso/IF12172.pdf>



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# Adapt your playbook: Map your reputation on the digital frontier

The speed of online data transmission and influence means that a company's outlook can change within moments. Storyful's timely, actionable insights empower businesses to uncover opportunities, identify key influencers, monitor sentiment and manage the spread of information throughout the digital landscape.

Storyful Intelligence's experienced analysts source, authenticate and contextualize data from a combination of social and digital sources to create unique, unified perspectives that help brands better forecast reputational risks and market trends, understand influencers and assess market impact.



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