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MAGIC MARKERS (B): Managing Credibility in Social Media

Liliana Lopez Jimenez and Matthias Tietz wrote this case solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

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“We better monitor these social media reactions closely,” said Carlos Cortés, audio director and writer at Magic Markers. It was October 2017, and Cortés was summing up the latest developments in Magic Markers’ various social media accounts at the company’s all-hands meeting. In managing the company’s social media presence, he tracked much more than “likes.” He was among the first to notice that social media reactions to the company’s animated videos were particularly affected by the general public’s prior beliefs about the video’s topic. Sometimes, these reactions had worked in the company’s favour, as in the TransMilenio video, when a large audience of dissatisfied transit system users empathized immediately with the message conveyed by the video’s catchy heading (“Why Doesn’t TransMilenio Work?”) and reacted positively to the video. Conversely, when the ideas expressed in a video contradicted the general public’s beliefs, a larger number of negative reactions ensued, especially in the form of adverse comments posted in response to the video. Cortés described the negative comments as follows:

They can go as far as saying that we are liars who sell out to corporate interests. They reflect pretty unsophisticated beliefs, and a deeply rooted unwillingness to engage with the complexities of the issues we are explaining. Commentators overlook the fact that we do our due diligence, talk to customers, debate their arguments, and strive to explain things in a truthful way. Now, we try to keep in mind that comments can be noise. In [terms of] numbers, negative comments are a tiny fraction compared to the “likes” and “views” our videos get. That’s the thing: positive reactions are just numbers, while negative reactions come as bitter words.

Most of the metrics used to evaluate media producers in the animated-video industry were indirect measures of performance. They did not focus on what producers did but on how audiences reacted to content. Media producers took action in an effort to boost such measures as the numbers of views, likes, and shares. However, some factors that influenced these metrics remained out of the media producers’ control. For example, producers had no control over the posting of competing videos on topical subject matters that could pull the audience’s attention away from their own videos.

The management team at Magic Markers felt they could not be passive observers of the effects of simplistic or biased prior beliefs on audiences’ reactions to their videos. Because credibility was at the core of their value proposition and corporate identity, they needed to deal with these effects head-on. Many of its customers hired Magic Markers to produce explanations that would be well received by its target audiences. Having Magic Markers’ credibility questioned would be like punching holes in the stories it animated. The management team considered that when Magic Markers explained complex issues to interested audiences, it served a social function—one that shaped the company’s identity. Hence, a lack of credibility hurt the company’s sense of purpose.

Safeguarding Magic Markers’ reputation was of immense importance to the founders, Santiago Espinosa and Christian Delgado, and to their entire team. Yet, doing so in a cost-effective way, and ensuring customers did not get the impression that Magic Markers was promoting hidden agendas, was easier said than done. The leadership team decided that Cortés was best positioned to offer suggestions on how to address the organization’s reputation. He was therefore given the freedom to draw on the expertise of others in the company and to evaluate outside options. His report was expected at the next board meeting in January 2018.