Functional and Ethical Brand Failures in Social Media Discourse: The Role of Influencers in Shaping Consumer Reactions

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Abstract

This study investigates how brand failure type (ethical vs functional) and influencer follower size (micro vs macro) shape public reactions. Considering the effectiveness of influencers and the differential impact of brand failure types in shaping public opinion, this area is both timely and important. The study focused on two failures within the fast fashion industry, an ethical (H&M) and a functional failure (SHEIN). User comments on four influencer videos were analysed. The main findings illustrate that ethical failures result in negative comments with high social validation, whereas functional failures remain active for longer periods. Regarding follower size, macro-influencers tend to maintain public debate for longer periods of time because of the increased visibility and the recirculation of their content, whereas micro-influencers host emotionally concentrated negative discourse. The study highlights the importance of understanding the real effect of failures in algorithmically driven environments and has important managerial implications regarding crisis management.

Keywords: Brand failures, Functional and Ethical Failures, Influencer marketing, Macro and Micro Influencers, Sentiment analysis