

**THE DARK SIDE OF SOCIAL MEDIA FOR STARTUPS: MANAGING ONLINE CRISES AND REPUTATION**Ms. Neha Gupta<sup>1</sup>, Dr. Jitin Gambhir<sup>2</sup><sup>1</sup>Research Scholar, K.R. Mangalam University<sup>2</sup>Associate Professor, K.R. Mangalam UniversityEmail: [gneha6267@gmail.com](mailto:gneha6267@gmail.com), [jitinkumar.gambhir@krmangalam.edu.in](mailto:jitinkumar.gambhir@krmangalam.edu.in)**Abstract**

The paper will examine the role of the social media in intensifying reputational crises in startups, its causal factors, trends, and the nature of proper response processes in a digitally reliant ecosystem of entrepreneurs. The objective of the study is to learn the way startups, with their limited resources, founder-led communication, and fast visibility, experience and overcome the crisis which is generated on the online platform. The issue is that startups are becoming more vulnerable to digital backlash, misinformation, and ethical scandals as they tend to worsen quicker than the responses to the traditional crisis. Although much has been written on corporate crisis communication, there is a research gap in the application of the traditional models, such as Situational Crisis Communication Theory (SCCT) and Image Repair Theory, to, or their lack of applicability to, startups. The research has a second data research design, which is the synthesis of the peer-reviewed journal articles that were published from 2018 to 2025. Thematic analysis leads to the identification of three fundamental lessons: (1) the availability of social media generates exposure and potential to reputational damage; (2) customer backlash, data breach, ethical scandals are all examples of crisis triggers; and (3) recovery is promoted by quick, open, and emotionally intelligent communication. The results show that the conventional crisis models should be transformed to support the startup agility, visibility of the founder, and digital immediacy. This paper suggests an imaginary model of Rapid Digital Reputation Recovery (RDRR) that combines emotional intelligence and real-time transparency. The value of the contribution is that the authors apply the crisis communication theory to early-stage companies and provide some realistic strategies to establish digital resilience and ethical communication cultures.

**Keywords:** Social Media, Startups, Online Crisis Management, Reputation Risk, Digital Com**1. Introduction**

Digital entrepreneurship has revolutionised the way new businesses build, organise and relate with stakeholders. Social media has become an essential visibility, engagement, and brand development tool, and startups can reach audiences, test their ideas, find investors, and gain some level of legitimacy with minimal costs (Camacho et al., 2022). Nevertheless, such reliance also brings about high reputational risks. The transparency that facilitates the outreach may increase the impact of crises, misinformation, and backlash that undermine the credibility and viability of a startup. This digital dependency was hastened by the COVID-19 pandemic and showed significant weaknesses. Adamopoulos and Malik (2021) also noted that numerous startups, especially in economies with developing economies, did not have hardened crisis management infrastructure and were very vulnerable to social media backlash. The problems that started off as small-slight communication issues tend to grow into a greater scale reputation crisis due to the virality of information on the Internet and the attention of the masses. Startups are distinct in the business environment, now strained in resources, structurally dynamic and requiring founder-based branding (Pakura and Rudeloff, 2023). All these features render them quick and delicate. Being in a situation where the PR teams or communication processes are absent, they have to make up answers, often on the spot. According to Pakura and Rudeloff (2023), social media increases brand awareness and interaction, yet it is easy to lose that benefit and cause harm when making a bad decision. Equally, Da Silva Giordani et al. (2023) also demonstrated that social media promotes innovation and resilience and that it puts firms at risk of reputational shocks when without properly monitored. According to Tajpour and Hosseini (2021), there was a direct correlation between social media usage and entrepreneurial performance, where it leads to visibility and motivation on one hand, and exposes reputational harm on the other hand. Therefore, operational success cannot be achieved without online reputation. Although it is vital, the available literature is more interested in the benefits of digital interaction rather than in the aspect of crisis containment and recovery. Research like Camacho et al. (2022) focuses on growth plans, whereas Adamopoulos and Malik (2021) give importance to external shocks but not internal readiness. This paper attempts to fill that void by analysing the negative aspect of social media in startups, the ways companies handle online crises, and defend their reputation in the face of internet threats. It will attempt to draw together theoretical and empirical evidence in understanding crisis dynamics in startup ecosystems through a systematic review of secondary data consisting of recent peer-reviewed journals.

Therefore, the study objectives are threefold:

- To examine the role of social media in the formation and growth of crises within the startup setting.
- To critically examine any available models of crisis communication and reputation management as they relate to digital entrepreneurship.
- To create a conceptual framework that combines social media risk management and startup resilience, based on secondary data.

The rest of the paper is structured in the following way. Section 2 includes the critical literature review discussing the two-sided character of social media to startups, the theories of reputation management, and the patterns of online crisis noted. Section 3 also describes the research methodology, which is the secondary data collection and analysis. In Section 4, the author describes the most important findings and thematic insights of the previous research. In section 5, the conceptual framework to be used in managing a startup social media crisis is introduced. The last section, Section 6, will include conclusions on theoretical implications, managerial suggestions, and future research directions.

**2. Literature Review****2.1 Social Media as a Double-Edged Sword**

The integration of social media within the startup ecosystem is a growth driver and a significant weakness. It helps startups to attain marketing presence, innovation, and direct customer interactivity with minimum cost. According to Mujahid and Mubarak (2021), social media has a positive effect on the sustainability of a startup, as it helps entrepreneurs to connect with customers and investors, create together, and grow in scale. But it is the same visibility that is putting startups at reputational risk in the form of misinformation, trolling, and algorithmic bias. It is due to the informal character of communication within startups that it tends to become more prone to misinterpretation and backlash, and the algorithms tend to magnify all the emotionally charged and negative information, so minor concerns may grow rapidly. This duality was enhanced by the COVID-19 pandemic. According to Susanto et al. (2021), the lockdowns significantly pushed startups to rely on social media to survive: they used it to sell items online, build communities, and collaborate with influencers. However, this reliance also negatively increased misinformation and fluctuating customer mood. The people who were not strategic in their communication plans were the greatest losers of confusion and online explosions. Foris et al. (2022) underline that the strategic social media usage and managerial resilience can be described as the capability of a startup to overcome a crisis. Most of the founders, however, do not underestimate their ability to exercise power over online narratives because in digital contexts, the users, rather than the companies, are in power. This decentralisation exposes startups, especially to online criticism and the culture of cancellation. According to Peixoto et al. (2023), the social media activity of startups has a diachronic nature, which is the innovation, growth, crisis, and recovery, although the negative impressions of social media users have an indelible long-term digital footprint, corroding trust and investing confidence. Overall, the studies that have been reviewed show that social media can be a two-edged sword to startups, as they can

be seen, become innovative and grow, but can also be ruined in terms of reputation in a short period of time. Social media cannot be evaded by startups; they have to establish systems that deal with its volatility and reputational risks.

## 2.2 Reputation and Crisis Management Theories

Crisis management theories like the Situational Crisis Communication Theory (SCCT) by Coombs and the Image Repair Theory by Benoit are all useful in terms of understanding the way an organisation responds to a crisis; how the organisation talks, timetable, and who takes the blame. Nevertheless, they do not apply to startups because of the discrepancies in their structure, leadership approach, and resources. The unstructured PR systems are not always present in startups, which are usually informal, led by key founders, and improvisational. According to Silva et al. (2023), the adaptive leadership and open communication ensured emerging companies survived crises such as the pandemic, not written crisis plans. Though this flexibility helps in the short-term survival, it exposes the possibility of an impulsive response on social media, which may further intensify the reputational damage. Likewise, Bărbulescu et al. (2021) State that innovation and learning may transform crises into a new growth opportunity, but reputational safety requires proactive solutions, including open communication policy and online tracking systems, to avoid an online backlash. As Rodrigues and Noronha (2023) emphasise, effective unicorn startups can cope with crises due to their ability to make decisions in a short period of time and control the narrative as the principles of SCCT are applied at an online pace. Smaller startups, however, cannot follow this with the same strategies since they do not have enough capital and their teams are smaller. The theories will therefore have to be applied to start-up realities, where reputational threats are changing within hours. According to Guckenbiehl and Corral de Zubielqui (2022), in times of crisis, startup businesses tend to pivot business models, yet the sudden digital transformation may confuse the audience or promote confusion on the internet. These lessons suggest the importance of an integrated crisis system that integrates agility and reputational sensitivity, which is what the traditional theories only slightly cover. In general, SCCT and Image Repair Theory are still applicable, though they need to be changed according to the foundational requirements of startups, the centrality of founders, and digital forces. A more agile, transparent, and emotionally intelligent hybrid model is more appropriate for startups that are operating in the turbulent, high-visibility social media crisis.

## 2.3 Startup Vulnerability on Social Platforms

Social media is vulnerable to structural, cultural, and behavioural vulnerabilities in startups. The reliance on the personal branding of the founders is blurring the boundary between professional and personal identity, which places them at risk of a backlash and loss of reputation. As Ghi et al. (2022) observe, even though digital transformation leads to competitiveness, the competencies of the founders become more dependent on personal competencies, and the online behaviour of founders is directly proportional to the corporate reputation. As a result, reputational crises are personalised and affect investor trust negatively because, as Sreedharan and Suresh (2023) put it, financial and reputational health are twin phenomena- controversy results in loss of customers and capital. As stressed by Hokmabadi et al. (2024), digital tools are only a part of resilience; marketing abilities such as monitoring, crisis simulation, and content control are also important. In the absence of them, startups are likely to face reputational losses in the long run. As Foris et al. (2022) and Silva et al. (2023) point out, in times of crisis, informal communication led by founders, which may benefit quick adaptation, may contribute to misinformation because of flexibility. Most of the startups focus on the rate of innovation at the expense of the communication strategy, which leads to the lack of consistency in the message and defence reaction, which only serves to increase the reputation damage. Rodrigues and Noronha (2023) also explain that the emotional intelligence of founders determines the consequences of the crisis: an understanding leader will reduce the level of backlash online, whereas a defensive person will only increase it. Therefore, the main vulnerabilities are human-centred, and they are associated with leadership, the level of digital literacy, and coping with pressure. Guckenbiehl and Corral de Zubielqui (2022) and Bărbulescu et al. (2021) go on to mention that constant innovation and pivoting, which are the key elements of startup agility, may be perceived as instability in the online environment where algorithms enhance uncertainty and speculation. The lack of reputation capital to withstand such shocks is common in startups. All in all, literature mentions overexposure, ineffective crisis structures and the lack of digital resilience as the most crucial threats. The startups are therefore dealing with a precarious digital ecosystem where visibility increases vulnerability. In order to overcome this, a combined structure of digital transformation, marketing resilience, and emotional intelligence is a prerequisite to reputation protection in the socio-media world.

## 2.4 Patterns Observed in Secondary Studies

The reviewed secondary literature that analyses different entrepreneurial settings shows evident patterns in the process of how the startups experience, manage and overcome the social media-inspired crises. The evidence suggests that there are three prevailing types of crises, namely, customer backlash, data privacy leak, and ethical scandals, which depend on the platform, the level of user activity, and the communicative response approach of the firm. These patterns are summarised in Table 1.

<b>Crisis Type</b>	<b>Typical Platform</b>	<b>Impact</b>	<b>Recovery Approach</b>
Customer backlash	X / Instagram	Sales drop, negative reviews	Transparent apology
Data privacy leak	Twitter / Reddit	Trust loss, legal risk	Speedy factual update
Ethical scandal	LinkedIn / X	Brand credibility loss	Leadership accountability

**Table 1: Patterns of social media crises observed in startup studies**

Customer backlash is the most prevalent social media crisis among startups and is usually brought by either unmet expectations, misleading advertising, or unethical brand communication (Susanto et al., 2021). The same reaction is magnified on platforms such as X and Instagram, and startups that have low brand maturity do not have a buffer of trust to absorb the reaction (Mujahid and Mubarak, 2021). Clear communication and the quickest possible apologies can be used to rebuild confidence (Foris et al., 2022). Another type of crisis is an invasion of data privacy, which inflicts legal and reputational harm. Such crises are aggravated by poor internal communication and disjointed accountability, whereas timely clarification and transparency in the legal framework can help in their recovery (Peixoto et al., 2023). Ethical scandals: The misconduct of the leaders or unfair practices are quickly shared on professional networks such as LinkedIn, which makes the credibility of these platforms doubtful. Recovery can be enhanced through leadership accountability and ethical audits (Rodrigues and Noronha, 2023; Silva et al., 2023). The nature of the platform determines the dynamics of the crisis: emotional reactions are more likely on the Instagram platform, whereas rational discussion is flourishing on LinkedIn or Reddit (Guckenbiehl and Corral de Zubielqui, 2022). The more resilient startups in integrating digital transformation and marketing can address crises (Hokmabadi et al., 2024). Strong companies make crisis learning an opportunity, institutionalising feedback and social listening (Bărbulescu et al., 2021; Ghi et al., 2022). Finally, ethical, adaptive, and transparent communication can always turn a crisis into a reputational development opportunity.

## 2.5 Identified Gaps

Though the analysed studies make a strong contribution to the field of knowledge about the resilience of startups and social media use, there are three significant gaps that remain prevalent in the current literature.

To begin with, there is a significant lack of research on startups and their crises. The majority of empirical and theoretical studies, including the research of Hokmabadi et al. (2024) and Rodrigues and Noronha (2023), discuss business resilience and digital transformation on a general SME scale and do not focus on the distinctive communicative and reputational weaknesses of startups. Most of the crisis management models, such

as the corporate or state-based ones, presuppose the availability of the established PR departments and brand equity which startups usually do not have. As a result, the process of developing and implementing crisis communication plans by resource-restrained startups in rapidly changing digital contexts is under researched.

Second, cross-sectoral comparative studies are few. The current literature is mostly focused on the analysis of technology and digital start-ups that are more prone to scrutiny on the internet. Nonetheless, Sreenivasan and Suresh (2023) indicate that financial resilience and agility in communication are significantly dissimilar across the healthcare, education, and creative sectors. In the absence of comparative analyses, generalisations of the best practices and the development of universal models of the social media crisis response are hard to make. This necessitates frameworks that are sensitive to the sector, which understand differences in how the audience behaves, risk perceptions, and media visibility, based on context.

Third and most importantly, there exists no unified model that connects the digital culture, the reputation dynamics, and the crisis agility in the environment of startup ecosystems. Although Mujahid and Mubarak (2021) identify the relationship between the adoption of social media and the sustainability of the startup, and Foris et al. (2022) comment on the concept of resilience and reconstruction after the crisis, the studies fall short of conceptualising the role of digital behaviour, organisational learning and online reputation in dynamic interaction at the time of the crisis. The disjointed coverage of such dimensions has created gaps in the theories, which constrain the predictive and prescriptive capabilities of existing models.

To ensure the deficiencies are addressed, the current paper suggests a theoretical model based on secondary literature, which combines digital engagement, vulnerability of startups, and crisis response agility. This kind of framework is essential not only to the theoretical development but also to help entrepreneurs manage their social media presence more strategically.

### 3. Methodology

#### 3.1 Research Design

The proposed study will use a qualitative secondary design based on a systematic literature review (SLR) method to investigate the way startups can handle social media crisis and reputation threats. The approach is consistent with the findings of Susilawati et al. (2025), whose guidelines point to the importance of systematic multi-phase methodological procedures in the synthesis of the current knowledge in the social science and management settings. The systematic review is the only way to guarantee transparency and reproducibility, as well as the depth of knowledge through observing the stages of the systematic review in a step-by-step manner, that is, identifying, screening, and analysing the relevant academic literature. The literature review targets articles published in peer-reviewed journals in the past three years (2018-25) that represent the dynamic nature of digital entrepreneurship, crisis management, and online branding in the face of global upheavals like the COVID-19 pandemic. In line with Islam et al. (2022), the methodological orientation of the study is interpretivist because it seeks to derive meaning out of the existing studies and not to test a hypothesis. The study takes into consideration the contextual and social aspects of knowledge production within startup ecosystems by focusing on the interpretive synthesis. Since the focus of the study was on interpretation and theory-building, a secondary quality analysis was considered to be the most appropriate one. Cheong et al. (2023) emphasise that secondary qualitative methods are useful to allow researchers to obtain new conceptual insights by using the already available datasets, especially in cases when the primary data collection is limited due to a lack of time or access. This methodology also facilitates a decolonial and inclusive research position (Denscombe, 2025), in the sense that it appreciates other sources and other parts of the world, rather than focusing on one empirical setting.

#### 3.2 Inclusion Criteria

The review adhered to preset inclusion and exclusion parameters to guarantee rigour and relevance as outlined in Table 2.

Parameter	Inclusion Criteria
Publication type	Peer-reviewed journal articles
Years covered	2018–2025
Context	Startups or Small and Medium Enterprises (SMEs)
Keywords	“social media crisis”, “reputation management”, “digital branding”, “entrepreneurship”

**Table 2: Inclusion criteria for systematic literature review**

The sources were found in Scopus, Web of Science, Emerald Insight, Elsevier, and SpringerLink, after the keyword search and Boolean operations. Abstracts and titles were filtered to include only the relevant ones on digital entrepreneurship and online crisis management, and duplicates were excluded. This made sure that the final dataset was a credible and high-quality academic work that would concur with the research goals.

#### 3.3 Data Collection & Analysis

These three phases were based on the three-stage process by Dubey and Kothari (2022): (1) selecting the necessary studies with the help of specific search queries; (2) filtering the search results according to the methodological assurance and relevance of the research context; and (3) coding the data and synthesising the information with the help of qualitative analysis. In order to boost methodological triangulation as one of the principles of management research (Dzwigol, 2022), the review included articles on the works of various disciplinary perspectives, such as entrepreneurship, communication, and digital innovation. Thematic analysis was done in accordance with the six-step model suggested by Braun and Clarke (2019): familiarisation, coding, theme identification, review, definition, and reporting. Digital Visibility, Crisis Amplification, and Reputation Strategies were the themes that came up during this process and formed the structural framework on which the analysis of how startups experience and react to social media crises would be applied. It is this thematic organisation that facilitated descriptive and interpretive synthesis and enabled the study to be able to relate micro-level communication behaviour with macro-level reputational outcomes. In order to reduce the risk of bias in the researcher, the review has used the iterative coding cycles, cross-grounding the interpretations with the original study situations, which is in line with the reflexive practices described by Cheong et al. (2023). Internal consistency and theoretical integrity. These themes were confirmed by repeating pattern matching across studies.

#### 3.4 Ethical Considerations

The study was based only on publicly available academic sources, which satisfied all the requirements of the ethical considerations of secondary research. There were no human subjects or confidential information. According to Islam et al. (2022) and Denscombe (2025), ethical rigour of secondary analysis implies openness in sourcing data, intellectual property recognition and misrepresentation prevention. The research follows these principles by referencing all the sources correctly and through analytical impartiality in the interpretation.

### 4. Findings and Discussion

#### 4.1 Theme 1: Social Media Visibility and Vulnerability

The evaluation proves that digital presence is both a stimulus of growth and a reputational risk. The startups rely on social media to have cheap branding, attract investors, and build a community. The sources like X, Instagram, and LinkedIn allow access to the market but also generate hyper-exposure. One bad post may escalate to a crisis since startups do not have a history of goodwill or a diversified communication channel to

absorb reputational shock. Secondary sources (Mujahid and Mubarak, 2021; Peixoto et al., 2023) suggest that at the beginning of their operations, startups view visibility as a measure of legitimacy. However, this perception has a hidden twin threat: transparency amplifies the small irregularities in the working of operations into viral scandals. As an example, the issue of customer discontent due to service delays can escalate into social outrage when augmented by commentary or participation in the trend on the part of influencers. These algorithms that increase engagement also continue with sensational negativity. Visibility implies such emotional closeness between founders and audiences as well. Most startup leaders build their own brands on social media; this personalises the business at the cost of boundary control. When the founders express their views or react to the criticism without any thought, the company's identity is mixed up with personal behaviour. Therefore, the lack of strategic boundaries of visibility transforms the characteristics of entrepreneurial authenticity into vulnerability. Concisely, the former thematic trend shows that, although social media visibility drives traction in the market, it also makes one more vulnerable to backlash owing to a lack of communication maturity and resource base.

#### 4.2 Theme 2: Crisis Triggers

Four common crisis triggers that are identified throughout the literature review are misinformation, viral negativity, ethical failures, and internal leakages. Misinformation comes about when messages created by the user distort the brand. New businesses do not have professional monitoring tools and thus rumours are more spread than clarifications. As an example, the false advertising of product safety or financial integrity may spread and be validated after the fact. Viral negativity is usually preceded by unsuccessful campaigns or trampled adverts. The example of BrewDog, a UK craft-beer startup that became a global brand, provides the representation of this dynamic. In 2021, critical posts highlighting inconsistencies between ethical statements put forward by BrewDog and the internal culture went viral. The reaction undermined the customer confidence and morale level of employees, compelling the company to apologise publicly and reform the structure. Unethical behaviour creates crises that are not limited to products. The case of the FTX collapse in 2022 is an illustration of how the misconduct of founders in the area of financial transparency lost the trust of not only the company itself but also the crypto-startup ecosystem at large. Although a big digital exchange was at stake in this case, the process of reputational contagion by social media resembles smaller-scale startup crises: the diffusion of information, the amplification of emotions, and the creation of polarised popular opinion. Leaks of an employee are a less obvious but more common stimulus. Dissatisfied employees post photos or internal complaints that question the corporate integrity. The OYO Rooms scandal (2020/2021) is one example, as employees gossiped and shared views online, and partners disagreed about their affiliation with the company, making it look predatory. The contagiousness of insider voices highlights how weak the internal communication culture of startups usually is. All these triggers together reveal that the crisis at startups is not always related to operational failure but rather the result of communication failure and perceived moral inconsistency. Since startups have a high-visibility and low-formality business model, all of the stakeholders, such as employees and customers, serve as a potential source of negative stories.

#### 4.3 Theme 3: Crisis Management and Recovery

The review points out that transparency, authenticity and speed are always more effective compared to defensive communication. Companies that make mistakes are recognised and report corrective measures more easily than those that try to hush it or deny it. This is congruent with the empirical findings of the research on resilience (Foris et al., 2022; Hokmabadi et al., 2024), which emphasises adaptive agility as a factor in survival. Startups tend to react immediately to things, unlike traditional corporate settings that require approval chains to be followed, which is usually not the case. This immediacy facilitates authenticity at the same time, requiring emotional intelligence. The emotional tone of the founder, which, as Smith and Taylor (2024) remark, is empathy, humility, and composure, is a significant factor in influencing the public perception in the case of a digital crisis. The effect of emotional contagion on the Internet is quick; sympathetic communication makes the brand more human, and arrogance or apathy increases hostility.

The concept of transparency is evident through three practices of secondary studies;

Sharing of truths - telling of validated details on the matter and remedial actions.

Accountably, visibly, they must be willing to take the blame publicly rather than give it out.

Stakeholder communication - keeping comment boxes open, frequently asked questions, or even live question and answer sessions to restore faith.

The strategies of recovery vary depending on the type of crisis. In the case of customer backlash, a service rectification and open apology are adequate. The incidents of data breaches are supposed to be mitigated through technical evidence. The scandals related to ethics require the accountability of leadership and value realignment. The competitive variable in any situation, speed, is where startups compete by responding to viral emergence within six hours; the narrative spread is likely to be contained, and those that do not react fast, more than a day, leave misinformation to take over sentiment cycles. The thematic synthesis then promotes one of the core principles, namely agile honesty rather than procedural defensiveness. The Startups are responsive; they should bring the same agility to recovering their reputation and make it their ultimate tool of defence.

#### 4.4 Comparative Insights

Aspect	Corporate Firms	Startups
Media Team	Dedicated PR and legal units	Founders or junior staff
Crisis Response Time	24-48 hours	< 6 hours (real-time expected)
Reputation Recovery	Gradual and structured	High-risk, high-impact; depends on founder visibility

**Table 3: Comparative crisis-response characteristics between corporates and startups**

The relative data explains that the scale of organisational activities defines the velocity of crisis. Corporations have buffers, formal teams, established audiences and diversified channels, and therefore the damage to reputation diffuses slowly. Startups, on the other hand, have reputational flashpoints, in which digital attention peaks in hours. Institutional trust is something that can be counted on by corporates; official responses and refined apologies are anticipated by customers. Startups are run on the principle of trust volatility, where the public opinion and trust of the founder change depending on the persona that s/he have on the internet. Therefore, crisis management is performed as an act of authenticity, and not procedure. In addition, the startups usually perceive the occurrences of crisis as existential, rather than episodic. The recovery, then, should be in the form of an operational reform coupled with a repositioning of the brand. The examples of success, e.g., the subsequent sustainability commitments of BrewDog or the reorganisation of OYO, demonstrate that self-correction and the inclusion of stakeholders can turn the crisis into a rebranding.

#### 4.5 Integration with Theory

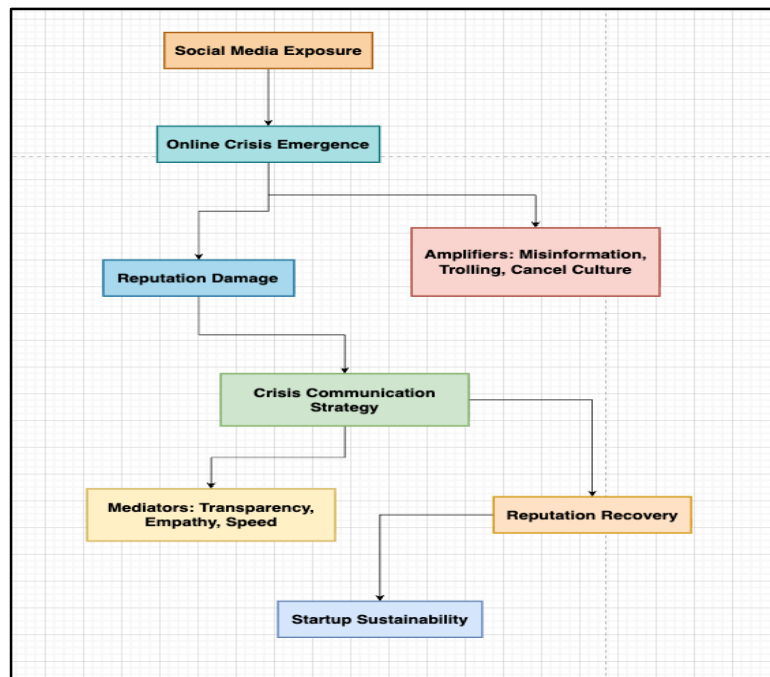
The current theories existing in crisis communication, such as Situational Crisis Communication Theory (SCCT) and Image Repair Theory (IRT), provide some background knowledge but present structural constraints when implemented to start start-ups. SCCT (Coombs, 2022) categorises the crisis according to the ownership and suggests strategies to deny, diminish, or rebuild according to the perceived culpability. But SCCT assumes that there exist formal communication systems and stakeholder segmentation, which is not the case with most startups. In a start-up,

there is no clear delineation of internal and external audiences; customers, investors, and employees may use the same online environment. Therefore, strict categorical answers (e.g. denial or justification) may seem incomplete or artificial. Image Repair Theory uses rhetorical approaches, such as apology, corrective action, mortification, but presumes that media cycles remain steady. Startups experience an endless and algorithmic process in which stories change every hour. Conventional image repair, in other words, has to be condensed into digital micro-interventions: live statements, interactive posts, and constant tone calibration. To fill these contextual gaps, this paper suggests the Rapid Digital Reputation Recovery (RDRR) model, incorporating findings of thematic analysis and theoretical criticism. RDRR model stresses four interrelated pillars:

- Agility: Problem recognition within hours through the available channels.
- Emotional Transparency: an expression of care and accountability by the founders and the fundamental leaders.
- Adaptive Messaging: Dynamics of in-time updates based on the platform sentiment.
- Learning Loop: Post crisis reflection as an institutionalisation of systems of social listening and codes of ethics.

This model makes the response to a crisis a defensive response to a regaining of trust process. It is in line with the entrepreneurial mentality of testing, experimenting, and perfecting communication methods at a quicker pace than product attributes. A combination of SCCT and IRT with the RDRR system is rich in theory and at the same time enables one to accommodate the startup reality. Agility supersedes the formal process, emotional openness supersedes the corporate diplomacy, and real-time iteration supersedes the fixed pronouncements to the public. The last thing is that being reestablished is not done by the legal means of digital reputation, but rather by the believable susceptibility and receptiveness to communicate, shared learning, and unceasing adjustment.

#### 5. Conceptual Framework



**Figure 1: Conceptual Framework**

(Source: Self-Developed)

The conceptual framework demonstrates the exposure to social media to be an enabling factor and a weakness of start-ups. The high digital presence increases the likelihood of engagement, not mentioning that reputational risks become elevated in cases when crisis occur. The online amplification algorithms (virality or algorithmic bias) amplify and disseminate such crises faster, which may arise due to false information, ethical issues, or faultiness of the processes. This is mediated by the response strategies (transparency, emotional intelligence, and authenticity) to affect the negative impact on the reputation and sustainability. Integrating the Theory of Situational Crisis Communication (SCCT) with the principles of agility in a startup, the paradigm indicates that timely and emotionally responsive and transparent response could transform an online crisis into an opportunity to establish trust. This model therefore links exposure, amplification and adaptive response in a cycle which is reciprocated to determine long-term brand equity and resilience of the startup.

#### 6. Conclusion and Implications

This paper has critically examined the negative aspect of social media in terms of startups; how online presence helps in increasing visibility and also increasing exposure to reputations. Startups, which are characterised by branding led by founders and a lack of PR capacity, are disproportionately exposed to destruction when an online crisis erupts. The results show that being transparent, quick to respond and emotionally intelligent is essential in regaining credibility and continuing to grow.

##### **Practical Implications:**

To prevent crises, startups are recommended to build Crisis Playbooks and have pre-established escalation procedures, utilise an AI-based sentiment analysis application to identify signals of impending crisis and foster an open culture of communication that values empathy and responsibility. The development of social media literacy among founders and employees may greatly slow down the speed of crisis escalation.

##### **Theoretical Implications:**

The paper builds on the crisis communication theory by making it within the framework of startup agility and digital immediacy.

##### **Limitations and Future Scope:**

Since the research was based only on secondary data, the next generation of research must provide an empirical test of the Rapid Digital Reputation Recovery (RDRR) model in other sectors and countries to draw generalised information about the resilience of startups during crises.

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