

HOW TO CHOOSE THE RIGHT WEAPON

Social media represent both a catalyst for and weapon against brand crises. Communicators should know the right approach to take

by Peter Kerkhof, Friederike Schultz and Sonja Utz

The BP oil spill and the Toyota recall crisis once again document that organisational crises pose a major threat to brands. Crises frequently lead to negative word-of-mouth, which in turn may result in substantial financial losses for corporations. An important but challenging task of corporate communication departments is timely and adequate reaction when a crisis occurs. Different stakeholder groups such as consumers, investors, political actors or the general public have different interests in the corporation, which makes it hard to react in an adequate manner. Increasingly, organisational crises and corporate interventions take place in social media such as Twitter, Facebook or weblogs, facing brands with new choices about what to say, where to say it and how to say it.

WHAT TO SAY: SITUATIONAL CRISIS COMMUNICATION Research on crisis communication has mainly focused on the question of what to say during an organisational crisis and has typically compared the effects of different crisis communication strategies on consumers or, more generally, the public. The most popular ap-



proach is the so called 'situational crisis communication theory', or SCCT (as formulated by W.T. Coombs in "Protecting Organisation Reputation During a Crisis", *Corporate Reputation Review*, 10(3), 2007). SCCT distinguishes several categories of crises, such as accidental or intentional crises, and argues that the success of a crisis response strategy (e.g., apologising, showing sympathy, or providing information) depends on the type of crises and perceived crisis responsibility. For example, in case of a crisis for which the organisation has little responsibility (e.g. cancellation of flights due to the ash cloud), informing the public might be enough.

The danger of brands being damaged by a crisis has increased with the recent rise of social media. Social media pose a serious challenge

to corporate communication departments because of the high speed of information transfer, and the interactivity and the public character of both the consumers' and corporate responses. At the same time, social media present opportunities to corporations. In traditional media environments, corporations need to build media relations with journalists in order to inform the public and respond to critical concerns. In social media environments, organisations can communicate directly with their stakeholders. Therefore communication departments increasingly do not only issue classic press releases, but use social media such as Facebook, organisational blogs or Twitter to communicate with their stakeholders (as both BP and Toyota did recently). However, the art of communicating in social media is different from the art of

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writing a press release. Whereas journalists can be expected to focus on the substance of a crisis response, for the larger audience the way a response is formulated and the medium through which the message is delivered may affect their immediate reactions. Below we present evidence from two studies that strongly suggest that the effects of 'where' and 'how' to communicate may be as powerful as the effect of 'what' companies say as a response to an organisational crisis.

WHERE TO SAY IT: THE CHOICE OF MEDIA CHANNEL MATTERS

In "Is the medium the message? Perceptions of and reactions to crisis communication via twitter, blogs and traditional media" (*Public Relations Review*, 37(1), 2011), F. Schultz, S. Utz and A. Göritz examined whether or not it matters which channels are used to spread crisis responses by comparing the effects of various crisis response strategies (apology, sympathy, information) sent through different media channels (online newspaper, blog, or Twitter). Using an experimental design, respondents read a fictitious report about a major crisis of an automotive concern, and received either an online newspaper article, an organisational blog or a tweet, all of which contained a crisis response. (To deal with the problem that messages in tweets are much shorter, the tweet contained a link, and participants who clicked on the link were directed to the blog.)

After being exposed to one of the three different responses in one of three different media channels, participants were asked to report the perceived organisational reputation, their behavioural intentions regarding the brand (negative word-of-mouth, boycott), and their so-called 'secondary crisis communication' intentions: the intentions of the respondents to share the corporate

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message (forward, retweet, show to others), and to communicate in response to this message (reply, write a comment or a letter to the editor).

The results showed that the medium mattered more than the message: there were almost no differences between the crisis response strategies, but there were clear medium effects. Respondents who read the tweet were less likely to boycott the organisation than respondents who read a blog or a newspaper article. For respondents

who received the tweet and clicked on the included link to the blog post the perceived reputation of the organisation was highest. A reason might be that Twitter is associated with open and dialogic communication, and thereby signals corporate openness to the public's concerns and the willingness to solve the problem at hand.

The communication strategy (information, apology, etc.) affected the willingness to participate in a boycott and spread negative word-of-mouth. In contrast to predictions from earlier crisis communication theories, the communication strategy to inform was much more successful than apologising or showing sympathy with the victims. This difference was most pronounced in the Twitter example, probably because the short tweets clearly summarised the main message.

Interestingly, the participants (including frequent Twitter users) were more likely to communicate (share, react on) about newspaper articles than about blogs and tweets. Overall, Twitter users were more likely to share a corporate response with others.

Taken together, this study shows that where to respond matters as strongly as what to say. In that sense, social media represent a promising channel to use in order to protect a brand from being damaged. In particular, reaching Twitter users appears to be beneficial in times of crisis: getting Twitter users on your side may, in the long run, lead to more positive brand evaluations in the social media landscape.

HOW TO SAY IT: THE IMPORTANCE OF A HUMAN VOICE Recently, Tom Kelleher compared the effects of personal forms of organisational communication, such as blogs, to more impersonal forms of communication, such as corporate websites ("Conversational voice, communicated commitment, and public relations outcomes in interactive online communication", *Journal of Communication*, 59, 2009). Respondents who read messages on a corporate blog experienced the company's communications as more human compared to consumers reading information on a corporate website. Moreover, they perceived the company to be more committed to maintaining good relationships with its customers. Both experiencing an organisation as human and as committed to its customers helped to build trust in the organisation.

The work by Kelleher shows the powerful effects of using social media such as blogs to communicate to the public. However, the question is whether choosing a social medium to communicate is sufficient to be perceived as more human and as committed to customers. Also, the

EXECUTIVE SUMMARY

A double-edged sword

- ▶ Prevalence of social media exacerbates damage to the brand in a crisis
- ▶ A multichannel approach to crisis communication serves the brand best
- ▶ Getting Twitter users on your side is a big positive in terms of reputation
- ▶ Newspaper articles are the most popularly-shared medium
- ▶ A personal tone of voice humanises your brand when responding to a crisis

question is whether the same kind of effects of using social media can be established when a brand is accused of producing faulty products or of being involved in moral transgressions.

Together, we recently conducted an experiment using a recent scandal involving Swedish retail clothing company H&M as a starting point ("Crisis PR in social media: An experimental study of the effects of organisational crisis responses on Facebook", paper to be presented at the 61st Annual ICA Conference, Boston, May 2011). In the beginning of 2010, a news article appeared in the *New York Times* stating that the H&M store in Manhattan discarded bags of unsold and unworn garments. The garments were destroyed by making holes in them to prevent them from being sold elsewhere. A few hours later, popular American weblog the Huffington Post followed the *New York Times* in reporting about the case and the H&M Facebook page soon overflowed with reactions from fans. H&M responded on its Facebook page

in a formal and corporate manner, stating "H&M is committed to take responsibility for how our operations affect both people and the environment. Our policy is to donate any damaged usable garments to charity. We're currently investigating an incident in a NY store that is not representative of our policy (.....)".

The aim of our experiment was to establish the effects of humanising this response on Facebook. We crafted four Facebook crisis responses by combining a personal versus an impersonal tone of voice with two different crisis communication strategies (denial versus apologies). The personal message

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was delivered by a spokesperson that mentioned her name and used her photograph as a profile picture. The message was written using the first person. The impersonal message was delivered by H&M, using the logo as a profile picture, and was written in the third person. The results showed the double-edged effect of apologising: apologies led to higher credibility and a more positive attitude towards the response, but increased the perceived responsibility of the organisation. As expected, we found that a personal tone of voice did indeed make participants perceive the brand as more human and more committed to its customers. Also, participants who wrote down their immediate thoughts after reading the news article and the

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personal response reported fewer negative thoughts regarding the brand compared to participants who read the impersonal response. Interestingly, the effects of the tone of voice were strongest in the case of denial: the most positive results for the brand were obtained when H&M denied what happened using a personal tone of voice.

CONCLUSION When challenged by a crisis, brands are increasingly faced with the question of which media channels to use and how to respond given the choice of channel at hand. Media choice matters, as we saw in the first study above. Using Twitter gave the brand an advantage (in terms of reputation) over using a newspaper article or a blog. Still, the newspaper article was the medium type people were most likely to share. The results of the second study show that within social media, brands communicating in a human voice are more likely to succeed in protecting the brand from further damage. Combining the two studies strongly suggests using a multichannel approach to crisis communication around your brand, using both traditional press releases and more informal and human social media messages and interactions. This is not to say that substance does not matter anymore; it does however stress the importance of making additional choices regarding where and how to communicate. |



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