A SOCIAL MEDIA CASE STUDY INCORPORATING
BENOIT’S IMAGE RESTORATION THEORY IN CRISIS COMMUNICATIONS

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Abstract

**Title:** A Social Media Case Study Analysis Incorporating Benoit’s Image Restoration Theory in Crisis Communications

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This research study analyzed prominent cases in crisis communications with a focus on the traditional crisis response used in each case, derived from Benoit’s Image Restoration Theory, and how that response was incorporated (or not incorporated) into the organization’s social media channels as part of the overall crisis communication strategy. The exploratory meta analysis was conducted utilizing five crises taking place during the rise of social media use in public relations: the Volkswagen emissions test scandal, the NFL domestic violence cover-up, the BP Deepwater Horizon oil spill, the Penn State football Sandusky scandal, and Lululemon’s yoga pant malfunction crisis. A SWOT analysis was conducted for each business or organization with a description of factors that led to the crisis, along with an in-depth examination of the crisis response and public reaction. Recommendations are provided for improved use of social media in corporate crisis situations, including the benefits of social media monitoring.
**Introduction and Statement of the Problem**

Social media has become a necessary tool in the modern public relations practitioner’s repertoire as social media platforms increasingly replace or are the catalyst to various areas of modern public relations practice (Walker, 2014). To apply social media to any specific area of public relations and communications, an understanding of social media’s overall impact on the practice of public relations is required.

Organizations operating without a social media presence lose control of fundamental public relations functions, such as reputation management, relationship management, and crisis communications (Walker, 2014). Whereas social media can often be the origin of a crisis; in contrast, it can be used to proactively monitor for mentions or conversations started by publics, and can enable practitioners to react at the speed needed to keep up with a crisis. Thus, an increasing number of companies, organizations, and individuals are using social media outlets to gauge the sentiments of their publics, prevent crises, or cope with crises (Fearn-Banks, 2011).

The impact of social media on public relations has attracted much attention since its adoption due to the potential for new opportunities in communication while simultaneously changing the way organizations disseminate and receive information, respond to stakeholders, and research audience views and motivation (Bridgen, 2011). Social media has changed the communications processes of organizations; however, many companies were not quick to realize how social media empowered stakeholders to engage differently with their brands (Breakenridge, 2012).
The speed with which communication takes place is redrawing the rules for managing reputation and branding (Jones, Temperley, & Lima, 2009). There is a social media version of the ill-fated “no comment” – a lack of response through the most prominent social media channels of Facebook, Twitter, and in many cases, a company/personality blog, is today’s equivalent. As audiences look to social media for a direct acknowledgement of a crisis as it unfolds, key publics are left to make assumptions and form perceptions based upon what has been heard or seen elsewhere. In these cases, the threat of rumors or misinformation spreading without control or opportunity for timely response may damage an organization’s reputation.

The customer’s demand for immediate and direct communication requires old processes to be reevaluated and updated to accommodate a new communications approach (Breakenridge, 2012). Never before have professional communicators been tasked with not only making statements, but also understanding sentiment viewed through the eyes of traditional media and the actual public who is empowered to communicate directly via blog, tweet, post, and so on. Professionals must discover new research methods, develop specific policies to guide employee and public participation, experiment with content through a variety of social media channels, and learn to connect and build relationships with stakeholders through new technologies.

Walker (2014) describes a contemporary approach to crisis communications:

I am more convinced than ever before that the single biggest factor determining the success or failure of a person, organization or company when a crisis suddenly strikes is their gut reaction. It influences your approach in ways you don’t even realize in the heat of the moment. […] you can gamble that life
experience will lead you to make good decisions instinctively, or you can join me on a journey to explore the realities of what your reaction is likely to be, what it should be, and the approach you can take to produce a winning outcome for your organization’s reputation. (p. 2)

Learning how to be prepared for crisis and reputation management issues and incorporate social media effectively has become a priority in the practice of public relations (Breakenridge, 2012). The union of communications and technology offers public relations professionals the potential to mold their performance in a more strategic direction. The lack of complete control over the spread of information that social media presents creates deep challenges in managing social media or learning how to use it in a company’s favor, and public relations professionals have an important role to play as they expand their disciplines with innovative research and the development of social media agendas (Schneiderman, Preece, & Pirolli, 2011). Understanding how to overcome these obstacles is of paramount importance to public relations professionals in the daily activities that are associated with protecting an organization’s brand and reputation.

**Review of Related Literature**

When the era of “Web 2.0” emerged in the late 1990s, there was a transformation in the way people utilize the internet for communication and consumption. In turn, consumer interaction with all types of organizations through Web 2.0’s most well-known outcome, social media, and the way organizations must practice
public relations to manage relationships was forever changed. Walker (2014) summarizes the social media implications for crisis communications:

Today’s crisis communications environment is more explosive and more potentially devastating to both your brand and your own career than ever before. In today’s hyper-connected world, information travels at the speed of a mouse click and opinions are formed in the time it takes to read 140 characters or glance at a picture. (p. 1)

Early communications theories are a framework for consideration of Web 2.0’s impact on the practice of public relations. Metcalfe’s Law, first presented circa 1980 by electrical engineer and Ethernet co-creator Robert Metcalfe, was formulated based upon the connectivity of devices but is considered applicable today. It suggests that, just as the increased connection of computers increased the strength and reach of Ethernet, as the number of people in a network grows, connectivity also increases (Hendler & Golbeck, 2008). The power of web networks has extraordinarily increased the speed and reach of social communication; as each person links to the other’s content, the value grows exponentially.

Grunig and Hunt’s (1984) two-way symmetrical model of the four models of public relations can also be enhanced by Web 2.0 developments. Web 2.0 serves as a catalyst to negotiate with publics, resolve conflict, and promote mutual understanding and respect between the organization and its publics as the two-way symmetrical model suggests. Social media has also presented challenges to some of the earliest communications models in addition to affecting budget allocation, workflows, and even
the definition of media, communications, and customer experience (Smith & Zook, 2011). The theory of dialogic communication developed by Kent and Taylor (1998) incorporated the World Wide Web as a multi-channel environment where negotiation between organizations and publics can be made and introduces the Web into public relations theory for the first time.

This “hyper-connected world” and communication revolution have contributed to two decades (and counting) of social media developments that requires communications professionals to continuously adapt their practices. Prior to Web 2.0, where “Generation C” – content, creation, connections and choice (Hardey, 2011) – is king, the earliest websites were static and filled with one-way content that left no room for voice or opinion, reflective of Grunig’s one-way asymmetrical model. Web 2.0 became a tool for consumer and citizen empowerment (Jones et al., 2009), making the practice of reputation management a two-way process. It is a true combination of influence from consumers and the efforts of organizational leaders and a testament to Grunig’s two-way symmetrical communication approach. Web media allowed for an increase in the free flow of information, co-streamed by the audience and sometimes including professional writers; a pertinent question for our time is: Who is branding whom? Corporate reputation has also become a contested concept as social web gave birth to professional consumers, referred to as “prosumers”, who are thought-leaders and attract audiences of their own. “Prosumers” are using social media as a sounding board for product reviews, sharing and visually documenting experiences, and much more. Customization aspects of new media increase the power of these professional consumers who now exert control over how, when, where and what they will do online
without regard for previous restraints and limitations of traditional media (Hill & Moran, 2011). The majority of social media content is produced by the public, in public, and the dynamics that have shaped public relations of the past are not only present in social media, but are accentuated and amplified by it (Breakenridge, 2012).

The social media phenomenon has become the dictator of communications practices for modern business, and the 21st century is seeing an explosion of internet-based messages transmitted through these media; they have become a major factor in influencing various aspects of consumer behavior including awareness, information acquisition, opinions, attitudes, purchase behavior, and post-purchase communication and evaluation (Mangold & Faulds, 2009). There are many definitions of social media, but the definition used as the basis of this proposed research comes from White (2012):

Social media are forms of electronic communication through which users create online communities to share information, ideas, personal messages and other content. Social media provides a way for people to connect to other people using the Internet and a host of services. Information can be exchanged, collected, aggregated, and disseminated in a split second. Social media is in its infancy and continues to grow and develop. (p. 9)

The term social media is most commonly associated with networks like Facebook and Twitter. While these sites are social media leaders, the true originator is the ever-growing community of “weblogs”, now known as blogs, which emerged as early as 1998 and are considered the cornerstone of social media (Colliander & Dahlen, 2011). The use of blogs grew from an estimated 30,000 in 1998 to at least 3 million by 2004
(Johnson & Kaye, 2004), with that number currently reaching over 100 million. Blogs have served as an information source for journalists and other key audiences and have been credited for breaking stories that otherwise may have been ignored by traditional media.

Bloggers and early-adopters of social media, dubbed as “new influencers” (Gillin, 2007) in literature on the impact of social media, began to “tear at the fabric of marketing as it has existed for over 100 years, giving rise to a new style of marketing that is characterized by conversation and community (Gillin, 2008, p. 11).” In an article from Folio profiling Redbook’s social media adaptation and strategy, vice president and publisher Mary Morgan stressed Redbook’s realization of the social media impact – “We could look at social media and see the consumer talking. It was almost like having a live conversation with them; it’s a very meaningful connection that was hard to do before social media (Kinsman & Botelho, 2011, p. 39).”

As these open lines of conversation and community became stronger, influence patterns shifted and communications professionals addressed those changes by contributing to Web 2.0 technology on behalf of their brand. In an early account of blog success in business, the New York Times reported that a blog endorsement helped an unnamed company boost its sales from $100,000 to $4 million (Colliander & Dahlen, 2011), one of the first indicators that social media would become a necessary part of business and public relations. Following the trail blazed by blogging, many categories of social networking sites have broadened the scope of social media. The quantity and diversity of online communities across the World Wide Web, along with a number of
new technologies that enhance both social interaction and content management, have bred an array of increasingly participatory practices (Tisselli, 2010).

In addition to the blogosphere, which is supported by a collection of various blogging platforms, the networks with the most value and the most utilized within social media by public relations professionals are Facebook, Twitter, LinkedIn, and YouTube (Luo & Jiang, 2012). Facebook and Twitter are identified as primary networks whose reach and effectiveness are amplified by content that can be created by and integrated from secondary networks like Instagram, LinkedIn, and YouTube, among others. Founded in 2004 and 2006 respectively, Facebook and Twitter each posted triple-digit growth by 2009, and individual use grew from an average of three hours per week in 2008 to five and a half hours per week in 2010 (Taylor, Lewin, & Strutton, 2011). In July 2011, Facebook was poised to hit 700 million users and Twitter ready to hit 200 million users (McCafferty, 2011). Self-reported by each platform, as of the third quarter in 2015 Facebook hit 1.55 billion users worldwide, and Twitter hit 307 million.

In the Time Magazine 2010 Person of the Year cover story of Facebook founder Mark Zuckerberg that highlighted the unprecedented reach of this network, Lev Grossman wrote, “In less than seven years, Zuckerberg wired together a twelfth of humanity into a single network, thereby creating a social entity almost twice as large as the United States; if Facebook were a country it would be the third largest behind only India and China.” In their early incarnations, Facebook, Twitter and other social media were used mostly for staying connected with friends and sharing private content; none of these portals were specifically designed for collecting or disseminating information on politics, public affairs, consumer brands and/or products, or even crises. Today,
interactions with the social media presence of their favorite politicians, public administrators, entertainers, brands, or some combination thereof are just as high as users’ personal interaction with one another.

As Facebook and Twitter continue to prove their worth, smart franchises enlist social media to enhance their brands, engage customers, and seek out new business (Ohngren, 2012). A study conducted in 2011 by digital communications agency, The Group, indicated that 56 percent of top Financial Times Stock Exchange (FTSE) 100 companies were running a corporate Twitter account at the time of publication, and the number of FTSE 100 companies with a corporate Facebook page grew from 25 percent in 2010 to 38 percent in 2011 (Papasolom & Melanthiou, 2012). Leading by example, Coca-Cola CEO Muhtar Kent became a pacesetter for social media integration when he took the reigns as Coca-Cola’s CEO in 2008. Just a few years later in 2011, Kent was interviewed by Harvard Business Review about Coca-Cola’s decision to put a focus on social media:

The world of communication is evolving at a fast pace; in the past, we needed premium advertising to create effective consumer impressions… today, consumers are much more empowered, and you need to communicate with them. […] We have more than 33 million Facebook fans on the Coca-Cola Facebook page, the largest following of any single brand, and it wasn’t even created by us. You still need great advertising, but that’s just part of a dialogue. (Ignatius, 2011, p. 96)
In an article highlighting the activities of several franchised brands as evaluated by advertising, marketing, and public relations firm Ogilvy and Mather, the results of social media integration were highly favorable. The study focused on major fast-food franchises like McDonald’s, KFC, Taco Bell, Subway, and Wendy’s and found that patrons of these restaurants were more likely to pull out their wallets after being exposed to content on Facebook and Twitter (Ohngren, 2012). Of people exposed to McDonald’s social touchpoints, there was a 45 percent increase in perception that the fast-food giant provided the “best value for the money” (p. 136) and people who were exposed to social media for KFC were seven times more likely to spend more than they did before connecting with the brand online.

The Domino’s pizza franchise utilized social media in a significant role to achieve its nearly 10 percent year-end sales spike in 2010, according to Chris Brandon, a public relations manager for the company (Ohngren, 2012). When Domino’s introduced their new pizza recipe in 2010, the company had about 500,000 Facebook fans and 10,000 Twitter followers; in 2012, their social media base had increased to more than 4 million Facebook fans and 100,000 Twitter followers – a 700 percent increase on Facebook and 900 percent increase on Twitter in just two years. Brandon said:

A lot of people who had written us off or hadn’t tried Domino’s in a long time gave us a second chance when they saw positive feedback on social media. Through social media, we’re able to find out how they came back and if they’re pleased they rediscovered us. (p. 136)
In an article for *Harvard Business Review*, a bank executive described some of the unprecedented challenges social media has created. A customer who would normally qualify for the lowest level of service has an impressive 100,000 followers on Twitter. The bank isn’t doing much yet with social media, and has no formula for adapting it to specific customers, but the exec wonders if the customer’s “influence” might merit special treatment (Wilson, Guinan, Parise, & Weinberg, 2011). Social media offers a clear opportunity to meet multiple audiences where they are gathering, communicating, and generating audiences of their own that can be leveraged for company benefit. For professionals in the non-profit sector, social media adoption presents an especially large benefit due to their limited monetary resources (Curtis, et al., 2010) as the majority of social media activity can be done at little to no cost. According to a 2007 PRSA Wired for Change survey, the majority of public relations professionals state that the use of communication technology has made their jobs easier by expediting the circulation of information to reach broader audiences (Eyrich, Padman, & Sweetser, 2008).

Many companies still have difficulty adjusting to a world where consumers can speak so freely with each other and businesses have increasingly less control over the information available about them in cyberspace (Kaplan & Haenlein, 2010). Historically in public relations, companies were able to control news and other company information through strategically placed press releases, among other public relations activities managed by public relations professionals. More information is being spread without instigation or influence from those who used to control information. It is also important to note that not all users of social media are necessarily customers of an organization and
likewise, not all customers of an organization use social media (Ang, 2011), so clearly identifying or targeting audiences who are connected with an organization through social media can become a challenge.

Online social communities provide a new channel for diffusing information, but at the same time, estimating diffusion is now more challenging because of the large amount of information being exchanged on the internet and the added uncertainty of identifying the information source (Garg, Smith, & Telang, 2011). The scale and speed of social media can make falling short extremely painful, and some managers are hesitant to fully integrate social media platforms into their communication strategy (Porter, Donthu, MacElroy, & Wydra, 2011).

Some of the additional risks of social media include the potential for polarized discussions as users selectively view and share only materials aligned with their views (Schneiderman et al., 2011). Social media users will utilize their personal social media channels in ways that are not directly related to a company’s planned public relations efforts, but can affect them positively or negatively depending upon the content and the way in which it spreads.

Managing the onset of a crisis and the need to respond in a manner that protects the organizational image is one of the largest single challenges brought on by social media. As it is introduced in Benoit’s (1997) theory of image repair discourse and crisis communications, image is essential to organizations and is a central concept to the field of public relations; firms may take preventive and restorative approaches to image problems, and social media offer a platform for both. One of the most important concepts of this theory in relation to the evolution in practice of crisis communication is
that perceptions are more important than reality. The important point is not whether the business is in fact responsible for the offensive act, but whether the firm is thought to be responsible for it by the relevant audience. Social media can have a serious impact on perception as information travels from channel to channel.

While conventional marketing wisdom has long held that a dissatisfied customer tells ten people, in the age of social media, the customer has the tools to tell 10 million about their experiences (Gillin, 2007). This rapid evolution of social media makes employing the theory of image repair and the activities surrounding crisis communications even more of a challenge than ever before. Gillin illustrated one of the first documented incidents in which the negative customer service experience of a typically ordinary consumer turned “prosumer” with Web 2.0 technology at his fingertips went viral through social media. On June 13, 2006, Vincent Ferrari made a call to America Online (AOL) to cancel his account. With knowledge of AOL’s poor customer service, he recorded the call so that he could share with friends in case anything “funny” happened. He captured an exchange that lived up to the bad rap of AOL customer service and presented a completely unsatisfactory image of AOL. This was likely a daily occurrence at the time; Ferrari made his call during a period of major decline for AOL. What altered the course of this customer’s experience and its reverberating impact on AOL’s image was his choice to share it and make it social. Ferrari posted the audio file to his personal blog, and also sent an email containing the file to Consumerist.com, a consumer advocacy site that specializes in telling nightmare stories, and digg.com, a social media site where readers vote for their favorite articles. Consumerist linked the file to their own website, and over 300,000 requests were made to download the file
from Ferrari’s blog. The story was picked up by the New York Post, New York Times, CNBC and NBC, to name a few; Ferrari was also interviewed by Matt Lauer on the Today show, and the story appeared on Nightline.

AOL issued an apology and claimed to have fired the customer service representative. A little less than two months later, AOL announced that it would stop charging certain customers for access to its service; a spokeswoman said the decision was reached after months of analysis and had nothing to do with the Ferrari incident (Gillin, 2007). As a result, Gillin issued this advice to marketing and public relations professionals: “The disruptive power of social media is made starkly real in crises [like the AOL swarm] and it’s something businesses will have to learn to adjust to (p. 3).” It is not clear in Gillin’s book or in other research related to this incident whether AOL employed any form of social media in response to this incident.

Gillin’s account of the incident also recaps the audio’s viral timeline. Ferrari’s audio file spread online within a matter of days and gained momentum consistently for months as its reach grew and users continued to interact with the content. With regard to the power of social media in this and other examples, managers must begin to question how the power of social media can be harnessed to the benefit of the organization (Mangold & Faulds, 2009). It is harder and harder to control brand image; although there are many challenges when dealing with a vocal and media-savvy public, companies are also able to react quickly to change their behavior (MarketWatch: Financial Services, 2011). Social media can both cause a crisis when content shared by a user goes viral, and can also be utilized by public relations professionals to monitor the environment before a crisis happens or manage a crisis as it unfolds.
While some elements of traditional media relations or crisis communications remain in tact for some organizations, others are disseminating messages to wider audiences directly through social media rather than having messages mediated by journalists or other third parties (Bridgen, 2011) and the mediating role played by traditional media has diminished (Khang, Ki, & Ye, 2012). Traditional strategies like news releases and their preparation and distribution are shifting to practices that are more relevant to the social media environment (Waters, Tindall, & Morton, 2010). The social media news release, first used by SHIFT Communications in February 2006, allowed for readers and observers to interact, contribute, and build on the content presented by organizations. With the embedding of photos, audio and video, and linking to microblog and blog posts, the social media news release is a vehicle to increase the discovery rates of news releases and statements via search engines and to gain traction with those who want quick, compressed details. Some companies are also working directly with popular bloggers who they feel may release information faster than traditional media outlets to a more targeted audience. In an article about social media use in public relations, Richard Edelman of Edelman Public Relations explained, “We have to be very much a part of the conversation by reading key bloggers, and be prepared to contribute to the conversation by having relationships like those we have with reporters (Bridgen, 2011, p. 62).”

Transparency and accountability are required to operate effectively in an environment where people are engaging in online conversations about a brand; conversations are more sophisticated, skeptical and demanding (Jones et al., 2009). Walker (2014) compared managing a crisis to being accused of a crime and subjected
to the “court of public opinion”; instead of a jury of twelve peers, the jury is made up of millions on social media, plus customers, shareholders, stakeholders, government officials, even an organization’s own employees. Walker also compared social media activity to security systems, medical alert buttons, and similar devices:

It would be unthinkable to live without these early warning systems; most would consider it reckless. And that is why we should never consider foregoing social media monitoring. Social media is your alarm system. Social media is your early warning radar of an impending potential disaster. (p. 59)

Many experienced crisis communicators are still exploring, developing, and learning how to best use social media (Fearn-Banks, 2011). It is becoming increasingly integrated into resources for active public relations professionals as a necessary and integral part of the crisis communication process, whether it be monitoring social media for potential complaints/threats or responding to an already heightened crisis situation. White (2012) asked public relations practitioners about the benefits of using social media; there were a range of responses, including:

- Lots of people use them.
- It is a great way for information to be distributed.
- It provides immediate responses to large numbers of people.
- You can distribute surveys anytime in a variety of ways in order to get quick feedback.
- If emergency managers could use all their resources, which include the Internet, then they can create almost boundless means of communication. (p. 13)

This directly related to the information flow where practitioners responded that social media is beneficial for sharing data, comparing results of implemented plans,
developing better programs, reducing the amount of time it takes to conduct interviews face-to-face to provide media information, and providing access to certain data.

Experts reiterate that there are many reasons for practitioners to use social media for their own professional needs (White, 2012). However, there are many concerns when it comes to the idea of using social media – simply being online poses vulnerability and problems with security, information integrity, and robustness. Just as there will be many ways to demonstrate how the benefits of social media can be actualized, there are ways to demonstrate the minimization of negative consequences.

Social media is a reflection of what goes on in real-world interactions between people; the same norms, mores, and rules can be carried over to the “virtual” setting. Communication remains the same, only the way we give and receive information has changed (White, 2012). Breakenridge (2012) recommended a new area of expertise catered to the growing need of specialization in social media – the “pre-crisis doctor.” This practice suggested that public relations professionals and their peers must be trained in the use of social media during a crisis, and that preparing and handling crises through newer communications channels requires strategy and planning long before an incident actually occurs. The difference between the public relations crisis manager and the “pre-crisis doctor” is the role of proactively monitoring social media conversations and tracking sentiment of customers and other stakeholders when conversations are “under control.” The new expectation is to listen long before a crisis escalates, and to have a strategy for use of the many different social media channels that will help a practitioner address a crisis, tell the company’s story amid an onslaught of voices carrying a variety of opinions, and keep the situation from spiraling out of control.
Method

This research examined social media integration in the practice of contemporary public relations in the area of crisis communications. An exploratory meta analysis was conducted utilizing five case studies of prominent public relations crises taking place during the rise of social media use. The analysis incorporated the framework of Benoit’s image repair discourse in crisis communications theory and compare each of these historically utilized crisis response strategies to the outcomes of the cases to determine: 1) which strategy was used, and 2) its effectiveness as applied in the social media environment.

One case study per image restoration strategy was evaluated from the categories of Denial, Evasion of Responsibility, Reducing Offensiveness of Event, Corrective Action, and Mortification, further summarized in Table 1. The analysis of each case study includes a brief history and growth of the company or organization featured in the case literature. A SWOT analysis for each organization at the time the incident occurred was conducted to identify internal strengths and weaknesses and external opportunities and threats that contributed to its performance in the area of public relations and crisis communications through the use of social media.

The following research questions are answered in the content of each analysis:
1. Which restoration strategy (primary strategy and any potential secondary strategy) was used in this case?
2. How was this strategy executed through social media?
3. How did this strategy affect the company or organization’s performance?
The analysis identified the perceived outcomes of social media use in crisis communications for each case study and how these uses reflected historic crisis communications theories. It also incorporated modern theories of crisis communications that are reflective of adaptation to the social media environment. The nature of the case study analysis is evaluative in order to contribute to ongoing research on best practices in social media use for crisis communications within the practice of public relations.

**Case Studies and Findings**

**Mortification: Volkswagen’s Emissions Test Scandal**

Headquartered in Wolfsburg, Germany and employing over 500,000 people worldwide, Volkswagen Automotive Group (VW) is the world’s largest automaker, clocking in at just over 10 million vehicles sold in 2014 (MarketLine, 2015). The Volkswagen family of brands includes luxury lines like Audi, Skoda, Porsche, Bentley, and Lamborghini that give the company a broad global presence and relevance. In September 2015, a U.S.-based scandal became the largest in its namesake Volkswagen brand’s history, rocking the company’s leadership and threatening consumer allegiance to the diesel-fuel technology VW is known for in the United States.

**SWOT Analysis.** Tobe Berkovitz, chair of the Department of Mass Communication, Advertising and Public Relations at Boston University, referred to VW’s biggest weakness as the foreshadowing to such a crisis event, “VW has been losing market share and losing the race for consumers; they were already a brand manufacturer in trouble, and don’t have a strong brand image to fall back on (Garcia, 2015. para. 4).” Although VW reigned as world’s largest automaker at the time of the scandal, dips in unit sales and product recalls in some countries made the company
slightly less stable than usual. As shown in Table 3, an April 2015 SWOT Analysis by MarketLine outlined factors that made Volkswagen susceptible to the emissions test crisis that began just five months later.

Volkswagen has been historically respected for its strong focus on research and development capabilities to continuously expand the brand’s product portfolio, and to improve functionality and quality of existing products (MarketLine, 2015). Across all of its major markets, the demand for eco-friendly cars and electric vehicles has been rapidly increasing as the environment continues to be a growing area of concern for many governments and people around the world. The VW brand has emerged as an innovator in response to these environmental concerns, leading the way in research and making significant investments in the development and marketing of hybrid vehicles.

Though diesel technology is widespread throughout Europe and other markets, over the past decade VW has invested heavily in marketing the concept to Americans as a new, green alternative to hybrids without having to give up superior acceleration or handling (Vella, Geler, & Luckerson, 2015). Through consistent and savvy advertising, VW has always sought to make their cars’ quirks a selling point, evident through the company’s “Truth in Engineering” tagline, which has become especially significant at the break of the emissions test scandal. In essence, Volkswagen’s brand identity in the United States rests entirely on its vehicles’ uniqueness, including the introduction of diesel-fuel technology and its environmental benefits.

**Crisis Timeline and Response.** Researchers at West Virginia University’s Center for Alternative Fuels, Engines and Emissions engaged in an independent study observing emissions of diesel cars sold in America, part of ongoing high-level research
on emissions reduction. Cars were driven over 2,000 miles in a variety of terrains and weather conditions throughout the study, putting them through far more rigorous testing than mandated by the Environmental Protection Agency (EPA). Realizing something was amiss with the Volkswagen vehicles, the university contacted the EPA (Hall, 2015). Of the discovery that would send waves through the Volkswagen Automotive Group, the Center’s interim director Daniel Carder said, “This study shows how data-driven, independent research can have a real-world impact (West Virginia University, 2015).”

By September 3, the EPA had concluded their investigation and informed VW executives of their findings; they issued a formal violations notice on September 18 alleging that the automaker built and used technology in diesel-fueled vehicles to cheat on required emissions tests (Vella et al., 2015). Volkswagen admitted to installing defeat devices in its VW Passat, Jetta, Golf, and Beetle as well as the Audi A3 model. The illegal software was designed to conceal emissions of nitrogen oxide when a formal emissions test was being conducted by detecting certain circumstances present during an emissions test, such as vehicle wheels spinning when the steering wheel is not moving. Outside of the standard emissions test, vehicles automatically switch to a “road calibration” mode that enables other valued Volkswagen features like better gas mileage and improved acceleration, but results in heightened nitrogen oxide levels. It was discovered that in real-world driving, the vehicles emit 10 to 40 times more pollution than advertised, or permitted by the Clean Air Act, affecting some 482,000 cars sold in the United States and as many as 11 million cars globally since 2008.

Under EPA rules, Volkswagen faces $37,500 in fines per vehicle not in compliance with federal clean-air standards – up to $18 billion total (Vella et al., 2015).
The United States Department of Justice quickly launched a criminal probe and several independent lawsuits were filed citing fraudulent concealment and false advertising, among other claims. The biggest business crisis in Volkswagen’s 78-year history wiped more than a third off of its share price, forced out its long-term chief executive, and reverberated through the global car industry and German establishment (Cremer, 2015) – after its initial public admission of guilt, the carmaker is under pressure to identify those responsible, fix the problems caused for consumers, and save its reputation.

The Volkswagen crisis falls into a category of scandals that often entail shocking revelations about a company; however, it is far from typical as it includes intentional government rule-breaking and almost certainly involves many VW engineers and top decision makers (Comcowich, 2015). Volkswagen CEO Martin Winterkorn resigned in the wake of the scandal; in his resignation announcement and apology video posted to the VW website on September 20, Winterkorn accepted responsibility, but admitted no wrongdoing on his part, saying “I am shocked by the events of the past few days… Above all, I am stunned that misconduct on such a scale was possible in the Volkswagen group (Beaubien, 2015, para. 8).” The first response from Michael Horn, head of Volkswagen in the United States, also alluded to no personal wrongdoing. “In the spring of 2014, I was told that there was a possible emissions non-compliance that could be remedied,” Horn said in his statement. “I was also told that the company engineers would work with the agencies to resolve the issue (Cremer, 2015, para. 5).” The company also suspended more than 10 senior managers, including three top engineers, and hired U.S. law firm Jones Day to conduct an external inquiry.
Although these figureheads released statements quickly, the company overall came under fire for its handling of the crisis, with lawmakers, customers and investors saying it was too slow to release information and determine next steps (Cremer, 2015). Within the first two weeks, Volkswagen had not yet organized a recall for the 11 million affected vehicles, leaving the owners of those vehicles to wait and wonder (Fasse, Murphy, & Schnell, 2015) while also bruising the company’s reputation and crushing its market value with a series of corporate communications missteps (Garcia, 2015).

The overall response was described by public relations experts as halting and disjointed – “The biggest thing you’re starting to see is this trickling of information; everything is kind of slow, and it keeps the story on the front pages,” said Justin Joseph, associate professor of crisis communications and management at Boston University (Garcia, 2015, para. 3). Beyond its initial apology, the company reacted at a pace that allowed the crisis to spin out of control as new revelations chipped at its reputation; Volkswagen could have commented in more detail, and more quickly, releasing more information at a single time.

The standard public relations crisis playbook calls for corporations to act quickly; the first 48 hours are critical in a company’s ability to recover (Comcowich, 2015). Silence enables speculation and reflects badly on the company and brand, as media outlets will publish stories and the public will reach conclusions without the organization’s comments. Fraser Seitel, president of New Jersey public relations firm Emerald Partners and adjunct public relations professor at New York University, said, “the company must be very much disclosure-oriented in order to try and win back their credibility (Garcia, 2015, para. 18).”
Social Media Implications. New details in the scandal created headlines daily in every kind of global news media, and its no surprise that it also became a hot topic on social media (De Beule, 2015); the Volkswagen brand faces an uphill battle in winning back consumer trust. The YouGov Brand Index, which tracks daily consumer perception across a variety of channels, showed that Volkswagen’s rating was at its lowest point since 2009 as of Monday, September 21, just three days after VW’s emissions cheating became public knowledge. The brand took an even bigger hit in its home base of Germany, where VW’s buzz score plummeted to -8 from its normal 18 – 22 range. YouGov Brand Index CEO Ted Marzilli compared the situation to the unintended acceleration crisis that struck Toyota five years ago, prompting massive recalls:

When Toyota had its global recalls in 2010 and the company’s chairman had to appear in front of Congress, it took more than a year for them to recover in perception. As more news is revealed, their scores could drop event more. (Schulz, 2015)

The number of negative tweets involving Volkswagen jumped to 16,070 between September 18 and 21, compared to 766 negative tweets just days before, according to Amobee Brand Intelligence, a global marketing technology company that monitors digital content across more than 600,000 sites (Schulz, 2015). Amobee found that 24 percent of all digital content engagement around Volkswagen from September 18 to September 21 mentioned “emission,” compared to just 14 percent prior to the scandal. Assaf Henkin, senior vice president of Amobee, said:
The analysis of Volkswagen reveals that consumers are paying attention to what these brands do in relation to environmental impact of their vehicles; it is an opportunity for the brand to be transparent, using earned and owned media to show how they plan to move forward and address the issue. (Schulz, 2015)

Volkswagen struggled to use its social media channels appropriately and in a timely manner during the emissions crisis. On September 22, four full days after the scandal broke, VW published a tweet directing audiences to an online apology by resigning CEO Martin Winterkorn (see Appendix A Figure 1.1); this was the only official statement published on social media accounts on that day and for several days after.

The day that Volkswagen issued the apology video, 75.2 percent of all messages on social media about VW were negative – the delayed, limited response clearly contributed to negative sentiment, as people directing messages to the company’s official Twitter account had not received any replies (De Beule, 2015). Twitter’s 140-character limit also makes the platform a less favorable outlet to rely on during a crisis, especially as the first and only platform used to issue an initial apology – consumers may have wanted to see more written from the company expressing the mortification it was attempting to convey, instead of a general description directing them to the video.

The hashtags #BuyBackMyTDI and #VWGate were developed by social media users to get the conversation trending (De Beule, 2015). Twitter users also began using Volkswagen’s previously established hashtag #VWCares to grab VW leaders’ attention and provoke a response during the crisis – this particular hashtag was originally created to communicate with consumers daily on Twitter about general issues they’re experiencing, but was now being leveraged to spread criticism. Because so much of the
backlash came through Twitter, it would have been wise and strategic for Volkswagen to reach out to customers individually on the platform they were using most in the heat of the crisis. Unlike the global Volkswagen account, the U.S.-based Twitter account began actively responding to people in real-time a few weeks following the crisis.

On Facebook, the response was also slow and subject to the criticism of social media users. On September 17, just one day prior to the emissions scandal becoming public, Volkswagen America’s Facebook page at facebook.com/VW posted advertising imagery linking to a video of newest celebrity spokesperson Adam Scott – the video was titled “Party” and the social media content promoting the video read “Mr. Scott is throwing a party. Are you on the list?” Because of the post’s proximity to the scandal, and its cheeky nature, it became the target of negative comments by Facebook users. It was also the first thing users saw for several days when they turned to social media outlets for acknowledgement of the situation. One Facebook user and Volkswagen driver commented, “As someone who has owned, driven and loved VWs for more than 40 years, because of your criminal actions, I will probably NEVER buy another. #BoycottVW Shame on you.” Another user simply wrote “Das Cheaters” referencing another popular Volkswagen brand phrase.

As Volkswagen’s crisis communication plan seemed to finally be coming together, the brand posted a series of updates on its Facebook page, including the official response from CEO of Volkswagen America Michael Horn on September 24 (see Appendix A Figure 1.2). The message explicitly communicated feelings of mortification and a desire to win back the trust of several audiences and stakeholders the company knew it had damaged relationships with because of its actions.
Responses posted to the apology message were mostly positive and supportive of the company’s efforts to right its wrongs – using another play from the crisis management playbook of delivering an appropriate and sincere apology seemed to work in VW’s favor. However, VW continued to move slowly in disseminating information regarding recalls and other actions that would impact the direct needs of consumers. On September 27, a post to VW’s Facebook page announced the launch of VWDieselInfo.com as the hub of resources to keep the community informed and updated. Volkswagen also began using a recurring message to consumers in subsequent social media content: “Thank you for your patience as we work to remedy this issue and regain your trust (see Appendix A Figure 1.3).”

Volkswagen’s largest downfall in its mortification response to this crisis was the pace at which it reacted; using the mortification approach when the response was issued was the right move to soften the hardened exteriors of many consumers, as an alternate response such as shifting the blame or denial would have likely irreparably damaged many relationships. Volkswagen also did not immediately respond directly to comments and complaints made by consumers on social media, which can make members of an audience feel ignored. Not only did this crisis impact the environment globally as such high emissions from vehicles can cause heavy pollution, but it caused personal concern for vehicle owners who felt lied to or deceived in the quality of the product they purchased.

Some public relations professionals sympathized with Volkswagen’s unique obstacles as a global brand. Melissa Arnoff, senior vice president at public relations firm Levick in Washington said, “VW’s situation is made more difficult by the slew of
questions that need to be answered before a plan of action can be fully hatched… Will other government agencies get involved? How do they resolve issues for existing VW owners? (Garcia, 2015, para. 13)” However, properly managing a crisis requires a quick response, even if that happens before a formal corporate statement has been created; especially if a company’s audience is particularly active on social media, the social team must be empowered to reply showing empathy to angry and upset customers (De Beule, 2015).

**Reducing Offensiveness – Minimization: NFL Domestic Violence Cover-up**

The National Football League (NFL) is an American institution entrenched in society in a variety of ways – not only do the 32 individual franchises have a significant economic and historical impact on the cities within which they are located, but the league as a whole has produced some of the most well-respected and admired cultural icons both from its coaching staffs and players for decades. The teams themselves generate billions of dollars in revenue, and team members have become known as philanthropists and pillars of their communities. For many fans, supporting their favorite NFL team is a way of life. Just before the beginning of the 2014 season, the NFL faced its worst crisis in over 50 years following a domestic violence incident involving former Baltimore Ravens running back Ray Rice; the incident was uncharacteristic of the league and its players, and NFL Commissioner Roger Goodell faced widespread criticism for his reaction.

**SWOT Analysis.** Roger Goodell became Commissioner of the NFL in 2006; he began his journey to the highest executive position in the NFL as an intern, and since then the league has encompassed the entirety of Goodell’s professional career. Prior to
2014, the league experienced a variety of internal crisis situations, including the New England Patriots “Spygate” scandal, a players’ lockout, the New Orleans Saints “Bountygate” scandal, a referees’ lockout, and the ongoing Redskins team name battle (Kandel, 2013). The majority of crisis situations in NFL history have involved team or player violations of league rules and regulations, or behavior that has impacted the integrity of the game – otherwise, the league has maintained a generally favorable image and brand position with the public as outlined in Table 4.

Under Roger Goodell’s leadership, America’s favorite sport has grown even stronger and more popular. The league’s lucrative television rights have increased exponentially, and the valuations of its 32 franchises continue to increase – even the Buffalo Bills, historically the system struggler, sold for an NFL-record $1.4 billion in 2014 (Gillette, Boudway, Chemi, Kolhatkar, & Soshnick, 2014). Although the NFL is financially sound and benefits from a generally favorable public image, its greatest opportunity is also its most significant threat – constant media attention from traditional and online news outlets leverage the ups and downs of the NFL to increase their own popularity by either covering their audience’s favorite team or breaking and covering the latest scandal.

**Crisis Timeline and Response.** In February 2014, a video emerged of former Baltimore Ravens running back Ray Rice dragging his unconscious fiancée Janay Palmer (now his wife) from an elevator to their car in an Atlantic City casino parking garage. The shocking imagery appeared to be a case of domestic violence, although at the time no video footage was available from inside the elevator where the alleged assault actually occurred. The incident came as a surprise to many after Rice’s six
successful seasons in the NFL; Louis Bien, a sports analyst for sbnation.com, stated that during the time of the assault, Rice had become “arguably one of the league’s best running backs and a face of the Baltimore Ravens (Murphy, 2014).” The NFL, Baltimore Ravens and Atlantic City Police collaborated in creating a response and attempted to reduce offensiveness of the event by alluding that Janay provoked Ray’s actions or may have been violent towards Ray during the incident as well; this defense was not well-received or generally accepted by the public, but according to the NFL there had been no evidence to prove exactly what happened.

Following a brief investigation and announcement of findings by the NFL, in the summer of 2014 Ray Rice was suspended for two games under the NFL’s personal conduct policy, and a wave of grassroots condemnation emerged for the light two-game suspension (see Appendix B Figure 2.1). Allegations also surfaced that Goodell cut a deal with Ravens owner and golfing partner Steve Bisciotti to make sure Rice only missed two games (Zirin, 2014). Right before the start of the season, Goodell backtracked and said he was wrong in his choice of punishment for Ray Rice – there would now be a new policy on domestic violence where players would be suspended for a minimum of six weeks and could receive a lifetime ban. Some applauded the decision, while others thought it was a pure public relations stunt that might in fact discourage the spouses and partners of NFL players from reporting domestic violence incidents if they feared the loss of their partner’s NFL career.

Many people came to Rice’s defense throughout the ordeal, including Ravens Head Coach John Harbaugh, General Manager Ozzie Newsome, and Bisciotti. In an interview with the NFL, Harbaugh commented, “The two people obviously have issues
that they have to work through, and they’re both committed to doing that... They understand their own issues, they’re getting a lot of counseling, so I think that’s really positive (Murphy, 2014, para. 5).” Harbaugh also explained why the team’s leadership had so much faith in Rice, saying, “There are a lot of facts and a process that has to be worked through in anything like this. There are a lot of question marks. But Ray’s character, you guys know his character, so you start with that.”

A period of perceived “crisis averted” existed until September 8 when gossip news source TMZ released a video from inside the elevator showing Rice arguing with Janay and knocking her unconscious; speculation that Janay had provoked or assaulted Rice was inevitably squashed (Wheaton, 2014). The Ravens immediately terminated Rice’s contract and he was suspended from the NFL indefinitely. Goodell claimed that it was the first they had seen of the additional video, but many fans, critics and members of the media were skeptical of this claim. Sources referenced several other incidents during which the NFL had been capable of carrying out a thorough investigation or exercising its power and resources in times of need. There were 18,000 pages of evidence gathered by the NFL while investigating the New Orleans Saints bounty allegations, the league once strong-armed major marketing partner Toyota to change an entire ad campaign, and major cities gift multimillion dollar stadiums for the benefit of its franchises – yet they allegedly were not able to obtain the second video.

Soon after, the Associated Press reported that the NFL had in fact received the second video in April (Wheaton, 2014), and there were accusations that league officials had never actually sought out the additional footage themselves (Lynch, 2014). Goodell
had no choice but to issue a sweeping response admitting multiple missteps in handling the situation. In his next statement to the media, he said:

At our best, the NFL sets an example that makes a positive difference; unfortunately, over the past several weeks we’ve seen all too much of the NFL doing wrong. That starts with me… I got it wrong on a number of levels, to the process that I led, to the decision that I reached. But now I will get it right and do whatever is necessary to accomplish that. (Worland, 2014)

Along with vowing a more severe punishment for and thorough investigation into domestic violence acts committed by NFL players, Goodell pushed for new partnerships with two leading advocacy groups for domestic violence victims and the league pledged funding for the National Domestic Violence Hotline and National Sexual Violence Resource Center (Worland, 2014). The NFL also hired a former FBI director to lead an investigation of existing league policies and immediately address any further issues.

Many of the NFL’s deep-pocketed partners generally stood by the league but issued statements of their own indicating that they were keeping an eye on the situation – big names like FedEx, McDonald’s, PepsiCo, and Verizon Communications were impacted by the scandal through marketing and sponsor relationships (Gillette et al., 2014). Anheuser-Busch issued the strongest sponsor warning, saying “We are disappointed and increasingly concerned by the recent incidents that have overshadowed this NFL season. We are not yet satisfied with the league’s handling of behaviors that so clearly go against our own company culture and moral code.”
**Social Media Implications.** The full-disclosure response came too little, too late for many – the court of public opinion was already issuing its verdict throughout social media. Neither the NFL nor the Ravens kept up with the public’s need for acknowledgment of what was happening through the channels being used by fans to discuss the issue; there was almost zero reference to the crisis on both the NFL and the Ravens social media accounts, and the posts that were made appeared more as news updates about an external third party rather than the league’s own crisis to address (see Appendix B Figures 2.2 & 2.3). For a crisis revolving around such an emotionally driven issue as domestic violence, no emotion or perceived responsibility was evident in related social media content, making the NFL’s actions seem empty and reactive.

The crisis spanned nearly eight months, giving journalists, fans, critics and various other audiences plenty of time to develop their own conclusions while the NFL continued to fumble its opportunity at proper crisis management. Roger Goodell was not meeting his audiences where they were gathering, and a social media firestorm ensued. The hashtag #FireGoodell was rampant across all social media channels for months, and his questionable integrity as a leader was tarnishing the entire organization’s brand (Wheaton, 2014). Especially around the time of the second video’s release, allegations that the league had viewed the second video before they attempted to minimize Ray’s actions went without a direct response, and reactions on social media became headlines that cemented a damaged image and reputation for Roger Goodell, as well as the Ravens leadership and the league (see Appendix B Figure 2.4).
Corrective Action: BP Deepwater Horizon Oil Spill

BP Plc. is one of the world’s leading international oil and gas companies, providing fuel for transportation and energy for heat and light, among other product lines. Headquartered in the United Kingdom and employing tens of thousands in both its retail locations and in its more technical engineering and oil drilling operations, BP is a widely recognized brand in almost 80 countries. The Deepwater Horizon oil spill that began in April 2010 in the Gulf of Mexico is cited as the worst oil spill in U.S. history, and is equally cited as one of the most disastrous crisis communications cases in the 21st century.

SWOT Analysis. BP has a very strong explanation behind its current visual brand as an indication of its structure and beliefs as an organization, which contributes to a strong market position. In 2000, the yellow and green Helios logo and accompanying brand imagery was launched to symbolize a “dramatic break with tradition;” it is a pattern of interlocking shapes representing BP as a single entity created by many parts working as one, and its colors and shape suggest heat, light, and nature as a reflection of the greatest source of energy – the sun itself (BP Global, 2015). As outlined in Table 4, a significant ongoing threat exists for BP that later contributed to its Deepwater Horizon crisis.

Crisis Timeline and Response. On April 20, 2010, Transocean’s Deepwater Horizon oil rig that BP was leasing for $500,000 per day exploded fifty miles off the coast of Louisiana in the Gulf of Mexico (Webley, 2010). The explosion burned for hours, which turned into days as it was producing a massive amount of 336,000 gallons of oil daily and carrying some 700,000 gallons of fuel oil. As the situation progressed, it
was determined that 11 of the 126 workers on board were unaccounted for. The rig sank two days later, and the focus turned to the environmental impacts that the explosion and its aftermath could have on the Gulf of Mexico and surrounding shorelines. On April 23, the search for survivors was called off. BP also made an early announcement that no oil was escaping into the ocean following the explosion, but the Coast Guard confirmed that a leak was occurring thousands of feet below the water’s surface.

BP became solely responsible for the response and cleanup efforts. Many attempts to activate the well’s emergency system and stop the leaking oil were unsuccessful, and the spill’s impact continued to worsen. The government launched a federal investigation to determine the cause of the explosion, and further examination concluded that at the height of the spill, up to 210,000 gallons of oil were spilling into the Gulf every 24 hours (Webley, 2010). On May 11, executives from BP, Transocean, and Halliburton (which performed the rig’s cement work) made their first appearance before a Senate committee; each testimony laid the blame on another company.

Although BP CEO Tony Hayward maintained that they could not have been responsible for the accident itself, saying “we are responsible, not for the accident, but for the oil (Smithson & Venette, 2013, p. 402),” Mike Williams, a survivor of the explosion, painted a different picture. Williams indicated that drilling was behind schedule, and BP’s manager onboard the rig wanted to pick up the pace; in fact, BP was so concerned with completing the project quickly to save money that they neglected industry guidelines in order to expedite drilling. Findings from the Oversight and Investigation Committee inevitably found that “time after time, it appears that BP
made decisions that increased the risk of a blowout to save the company time or expense (Smithson & Venette, 2013, p. 402)."

BP’s most prominent official response to the public via press releases and other media coverage was to take corrective action by consistently updating the public on their plans to resolve the environmental impacts and prevent similar accidents in the future (Choi, 2012). The company also compensated victims of the spill, due in part to mounting pressure from the government. On June 16, BP and government officials met in Washington, D.C. to negotiate the terms of BP’s compensation package; the results included BP assenting to establish a $20 billion fund to pay damage claims to thousands living and working along the gulf coast, including fishermen and others who make their living in the ocean (Veil, Sellnow, & Wickline, 2013). They also agreed to establish a separate $100 million fund to pay the oil rig workers who were left jobless and without a paycheck by the 6-month halt on all oil drilling imposed by President Obama shortly after the explosion.

The responses from Hayward caused the most detrimental public perception issues of all. A CEO needs to convey a number of things when a crisis causes death, economic harm, or environmental damage, all of which were present in this crisis; the worst mistake is to portray oneself as the victim, which happened when Hayward commented to media in late May 2010 with, “I’d like my life back (Scudder, 2010).” Hayward also gave a premature evaluation of the disaster’s outcome when on May 18, just shy of a month following the beginning of the crisis, he called the environmental impact of the explosion “modest.” The crisis unfolded for several months and ultimately
leaked oil in excess of hundreds of millions of gallons into the Gulf waters by the time the leak was contained (Scudder, 2010; Webley, 2010).

**Social Media Implications.** On May 19, 29 days after the start of the crisis, @BPGlobalPR sent out its first tweet: “We regretfully admit that something has happened off of the Gulf Coast. More to come (Schock, 2010) (see Appendix C Figure 3.1).” The @BPGlobalPR account sent hundreds of tweets out into the Twittersphere throughout the duration of the crisis amid a slew of comments and criticism regarding BP’s crisis communication efforts (see Appendix C Figure 3.2). The catch was that the @BPGlobalPR Twitter handle did not belong to BP’s social media/communications team, but instead was operated by an anonymous writer who uses the name Leroy Stick and created the account to air his grievances about BP’s inadequate response (Jacques, 2010).

The impact of @BPGlobalPR creates a critical example of why social media use is a necessary factor in crisis communications strategy and a required tool for dissemination of a crisis response. Many members of the public mistook the parody account as an official BP account due to the fact that no official social media responses from BP existed before @BPGlobalPR came into play – BP waited until the crisis hit to engage in social media (Schock, 2010). Shel Holtz, principal of Holtz Communications, weighed in on why BP deserved some of the blame for the existence of @BPGlobalPR:

He’s not attacking what BP is doing to cap the oil leak, he’s attacking the way BP is communicating. Would this have started if BP had done good public relations? They have made a lot of mistakes, and that created an environment that was just
fertile for something like @BPGlobalPR to capture people’s attention. (Schock, 2010)

Once BP began engaging with the public via its verified Twitter account for the U.S., @BP_America, much of the damage had already been done and further efforts to manage the crisis on social media were met with negativity and distrust, or posts from the “real BP” were ignored in favor of the parody account (Choi, 2012). BP initially wanted to shut down the sardonic account, but Twitter’s policy allows for parody accounts as long as they don’t mislead or deceive. BP demanded the impostor rewrite his bio, and he did, but not without commentary: “We are not associated with Beyond Petroleum, the company that has been destroying the Gulf of Mexico for 52 days (Wauters, 2010).”

BP tried to quell public anger with a video featuring Hayward apologizing and promising corrective action with “we’ll make this right.” It was mostly seen as a failed public relations stunt; it was a good idea for Hayward to try to address the public directly but, it seemed forced (Wauters, 2010) and as if the company was scrambling to overcome the negativity and mockery caused by @BPGlobalPR. They also created more negative attention for themselves when it was reported that the company purchased several red-hot search terms like “oil spill” on Google, Bing and Yahoo’s search engines in an attempt to direct search users to their official website and social media accounts rather than parody accounts (Van Buskirk, 2010). According to David Binkowski, senior vice president of word of mouth marketing at the MS&L Group, BP didn’t begin its social networking campaigns in earnest until one month after news of the
spill broke; when it did, the company was careful not to apologize for or admit to having done anything wrong, other than accepting responsibility for fixing things.

**Evasion of Responsibility – Defeasibility: Penn State Football Sandusky Scandal**

Penn State University is the largest public institution in the state of Pennsylvania, with over 100,000 students across 24 campuses (O'Connell, Krivacek, Rathsam, & Teixeira, 2013). In addition to its size, Penn State athletics have been a focal point of pride for the university, once described by CNN as boasting one of the richest athletic departments in the country, “almost uniquely well-suited to weather severe financial penalties (O'Connell et al., 2013, p. 5).” Its football program is especially storied, boasting two national championships, three Big Ten conference titles, and five undefeated seasons in its history (Dzyak, 2015). Former head coach Joe Paterno took the reigns in 1966 and guided the Nittany Lions to the most wins by any coach in Division I history, as well as the most bowl appearances and the most bowl wins. Paterno was also known for instilling the mantra “success with honor” within his athletes, which most specifically referred to his expectations of players off the field and in the classroom.

**SWOT Analysis.** Prior to the scandal that hit Penn State football and the university, which is cited as the worst scandal in collegiate athletics history, Penn State University was widely recognized as a desirable Division I school with a strong, supportive fan base for its football team (O'Connell et al., 2013). A combined examination of both Penn State University and its football program prior to the scandal is outlined in Table 5.
Crisis Timeline and Response. News of the Sandusky Scandal first hit headlines when Sara Ganim, a crime reporter for *The Patriot-News* in Harrisburg, PA, broke the story in March 2011 that former Penn State assistant football coach Jerry Sandusky was the subject of a grand jury investigation for sexually abusing young boys (Fahn, 2012). On November 4 of the same year, the Pennsylvania State Attorney General’s office handed down 40 child sexual abuse charges against Sandusky, alleging that he abused eight boys over a 15-year period that began in 1994 (Guiniven, 2012). Athletic director Tim Curley and vice president of finance Gary Schultz appeared in court soon after Sandusky was indicted for their own arraignments on charges of perjury and failure to report abuse. Several other key figures, including beloved coach Joe Paterno and the university’s president Graham Spanier, had previously testified regarding their knowledge of Sandusky’s crimes. The investigation actually started as early as 2008, but the university had kept the scandal quiet for quite some time until it was virtually impossible to prevent details from surfacing.

A potential university-wide cover-up started to take shape beginning with the claims of a young graduate assistant who overheard the most aggressive of Sandusky’s acts in the Penn State football locker room and reported it to Paterno; Paterno said he then passed the information on to Curley and Schultz, who allegedly never informed authorities (Talty, 2011). Both Paterno and Spanier released statements absolving themselves of any wrongdoing, but, under pressure from public outrage that the two men should have done more in dealing with the alleged abuse, Penn State’s Board of Trustees removed them from their positions. Removal of the university’s president in the middle of such a crisis created a leadership vacuum that the board itself tried, but failed,
to fill, and the results contributed to the disastrous nature of the situation (Ketchen, 2014).

Penn State University and its football program took an enormous hit from both the public and the media’s perception. The more information that continued to surface, the more outraged the public became with increasing evidence that high-level athletics staff as well as university officials had known of Sandusky’s behavior and orchestrated a cover-up to protect their reputations and avoid “bad press” at the expense of Sandusky’s victims (Guiniven, 2012). When the university failed to stand up for itself or communicate openly and transparently with audiences when crisis hit, others quickly decided it was open season on Penn State and started to kick the university when it was down. Steven Fink, president and CEO of Lexicon Communications, who is also widely known as the “Dean of Crisis Management” for his pioneering work in the field, gave his perspective on Penn State’s response:

At a certain level, I understand the university’s silence, for I have seen it many times with clients. Because of the shame the Board of Trustees felt on behalf of the university it served, it most likely felt that any protest on its part would send a wrong message to its ever-growing legion of critics. (Ketchen, 2014)

The Board’s silence was also likely due to the lack of a communication or crisis management plan prepared specifically for their use in such a situation (Talty, 2011). Responses and behaviors from individuals who were pinpointed by the media and courts as part of the possible cover-up also contributed to the ongoing perception that on all counts, Penn State University was attempting to evade responsibility and move
forward silently until the coast was clear. The same week that the scandal hit the news, and before being fired, Paterno was scheduled to speak at his weekly Tuesday press conference, but Spanier canceled it at the last minute. Paterno then held an impromptu press conference on the front lawn of his home that did not address the allegations, but instead enabled him to lead a raucous crowd of students in a “We are Penn State” chant.

The National Collegiate Athletic Association (NCAA) also came down harshly on the school. Prior to the beginning of the 2012 football season, it was announced that the Nittany Lions would be barred from postseason play for the next four years, and beginning in 2013 they would lose 10 scholarships annually through the 2016-17 academic year (Wolff & Gagne, 2012). Perhaps the most devastating of all for the school, its students and fans, and the act mandated by the NCAA that spoke the loudest, was the requirement that a bronze statue of Paterno be taken from its perch on the sidewalk in front of Beaver Stadium and moved to storage. NCAA leadership revealed what the removal of that statue had represented in symbol: an unprecedented repudiation of a storied college football program which was made even more difficult and emotional for a conflicted Penn State community by Paterno’s passing earlier that year in January 2012 from lung cancer. Even several years following the break of the scandal, Penn State has never put forward a single human being, leadership or spokesperson, to answer questions from the media and the public (Fahn, 2012).

Several members of the Board of Trustees filed an appeal against the sanctions, citing that they were “excessive and unreasonable” and potentially damaging to future players and coaching staff who were not involved in the scandal (Van Natta, 2012). The
parties eventually reached a settlement of lighter sanctions, including a smaller monetary fine after the university pledged to use $12 million to develop its own child sex abuse prevention programs (Thompson, 2015).

**Social Media Implications.** Penn State University graduate Kelly Burns interned with Penn State Football Marketing & Promotions from May 2009 through April 2012; during that time, she ran the Penn State Football Facebook and Twitter accounts, and was a member of the social media team when the Sandusky scandal emerged (Scott, 2012). Burns was asked in the summer of 2011, a few months before Sandusky’s arrest, to remove any photos of him from the Facebook page – foreshadowing that someone within the university knew what was coming. On November 5, 2011, the day Sandusky was arrested, the story went worldwide instantly, but the Penn State football social media accounts fell silent. Burns said:

> Our Facebook and @PennStateFball Twitter lit up but that was difficult because initially we were not allowed to post. We were not permitted to post anything about the scandal, nor were any other people working for the University; so we went completely dark. (Scott, 2012)

On November 11, the social media team was permitted to post about The Blue Ribbon Campaign against child abuse, and then on November 16 they were allowed to post some simple messages about football; nothing about the crisis was ever allowed (Scott, 2012), even in present day. With social media endlessly buzzing about it for months on end, and with the public curious to know the university’s position, the decision to do nothing and stay silent was the worst thing that Penn State could have
chosen to do (Fahn, 2012). Instead, in a situation where there is a plethora of different publics paying close attention and turning to social media both for answers and to express their own opinions, Penn State should have been transparent and consistent in regards to updates and news linked to their social media accounts (Fiske, 2011).

With the complete silence exhibited on its own social media accounts, it is likely that the university was also not monitoring social media engagement from fans and followers to observe what they are sharing online and note questions or sentiments to be addressed proactively in the future. With no responses to their grievances, or acknowledgement of a detailed report released outlining just how intricate the cover-up was, fans, media and critics slayed Penn State and its football program (see Appendix D Figures 4.1 & 4.2).

**Denial – Shifting the Blame: Lululemon’s Yoga Pant Malfunction Crisis**

Lululemon Athletica, Inc. is known for its yoga-inspired athletic wear; with most retail items ranging from $60 to upwards of over $200 per piece, the brand is also known for its high-end price tag and thus the status it brings to its target audience. Founder Chip Wilson began his empire with a yoga studio in Vancouver, British Columbia, which quickly became a community hub for fitness and healthy-living education (Bayley, Beale, Dubinsky, & Peedin, 2013). The company is still headquartered in Vancouver and has entered the U.S., New Zealand and Australian markets.

**SWOT Analysis.** Lululemon’s niche market and high price tags have created a loyal cult following of fitness enthusiasts who also indulge in conspicuous consumption. The company heavily markets its commitment to quality and innovation in the health
and fitness industry, exemplified by the creation of a patented fabric. Further details outlining Lululemon’s brand and market position prior to the crisis are outlined in Table 6.

**Crisis Timeline and Response.** In March 2013, following widespread complaints from consumers that Lululemon’s trademark Luon yoga pants appeared sheerer than usual, the company issued a massive recall (Murray, 2013). In a rash of embarrassing discoveries, women were noticing that their pants were unexpectedly see-through while bending over or stretching during exercise, and sometimes in other settings. The brand attributed the unacceptable “level of sheerness” to a manufacturing problem; shares immediately dropped.

CEO Christine Day, who sat at the helm of the company for five years, announced her resignation on June 10. It was not clear in her statement whether the yoga pant malfunction was a contributor, although analysts and the public speculated that it was and that her exit had been planned for quite some time (Murray, 2013). Attention on the company continued to grow, and in July a former Lululemon employee divulged to the Huffington Post that during her time working for the brand, only skinny shoppers were appreciated at her store and management was discriminatory to those who wear larger sizes.

On November 7, Lululemon co-founder Chip Wilson appeared on Bloomberg TV to give an interview addressing the growing media attention and quality concerns. Customers had also begun complaining that the pants were pilling and stretching out of shape, which was uncharacteristic of the Lululemon brand and quality promise. In his Bloomberg interview, Wilson shifted the blame for quality issues onto the consumer,
saying, “Quite frankly, some women’s bodies just don’t work for [the pants]. It’s really about the rubbing through the thighs, how much pressure is there over a period of time (Dockterman, 2013).”

An online petition circulated within a week, calling for Wilson to apologize; he responded with a teary video posted to the company’s Facebook page in which he apologized to his employees for the repercussions of his actions and said he felt “sad” about what they’d been dealing with in the aftermath of so much bad press; he did not, however, apologize to consumers (Dockterman, 2013). In the following months, more first-hand accounts from former employees about the secret “fat-shaming” culture existing within Lululemon began to hit the news, and it appeared almost as if the Lululemon brand was trying to capitalize on the public’s attention to its insensitivity. On December 3, angry shoppers in Bethesda, Maryland urged Lululemon to remove window signage in its local store that rhymed “cups of chai” and “apple pies” with “rubbing thighs” (Murray, 2013) (see Appendix E Figure 5.1).

A securities fraud lawsuit was also filed against the company in early December claiming that Lululemon intended to sell the hundreds of thousands of nearly-sheer yoga pants and hoped the defect would remain undiscovered; shareholders accused Lululemon of hiding the defects, using deep discounting to boost market share, and concealing plans to replace Day as CEO (Stempel, 2013). On December 10, Chip Wilson announced his resignation and Laurent Potdevin was named the company’s new CEO.
In early 2014, Lululemon was still fighting to regain its place in the fitness and activewear market. A Seeking Alpha report on Lululemon that was posted on January 13 said:

Women now have a choice in the yoga and athletic space, and Lululemon has ceded some ground to these rivals. It remains an open question whether Lululemon can regain customers it lost to these companies event if its brand image heals. (Berg, 2014)

Throughout the beginning of the year, sales forecasts continued to show a decline in sales, and competitors like Nike, Under Armour, and Athleta were poised to benefit from Lululemon’s PR disaster (Murray, 2013).

Social Media Implications. Although the majority of social media posts the company may have made appear to have been removed or hidden in time that has passed since the crisis, sources show that Lululemon attempted to utilize its social media channels to integrate its crisis response where consumers would be looking for answers (Soni, 2014). However, the brand’s key messaging that would be the foundation for their social media activity, such as Chip Wilson’s apology to his employees rather than to consumers that was published in a video on both Facebook and YouTube, did little to leverage the positive power of social media in a public relations crisis. One woman wrote in a comment made directly on the video’s Facebook post, “How about apologizing to the customers he fat-shamed? (CBS News, 2013).” The original YouTube video remains accessible, but is un-published meaning that it does not show up on the brand’s YouTube channel without a purposeful search, and the
comments made on the video reflect the poor public reaction to Chip’s message (see Appendix E Figure 5.2).

The posts that do still exist on Lululemon’s official Facebook page around the height of the crisis show the anger felt by social media users and Lululemon’s negligence to respond directly to any negative comments, while still taking time to respond to neutral comments or those referencing a different subject all-together. The insensitivity to its current situation also seemed to prevail in social media content, as evidenced in one post that advertised a particular tank top as having a loose fit that “feels like being naked.” One user commented, “Yes! Your No Limits tanks ARE kick ass! Your Wunder Unders lately, though, make me em-bare-ass-ed.” Another commented, “Feels like being naked is not exactly a plus!” (see Appendix E Figure 5.3). Not only was their poor public relations response making consumers angry, but the noticeable change in quality of their products at an unwavering high price point drove customers to lash out via social media as well (see Appendix E Figure 5.4).

**Summary and Conclusion**

In these five social media case studies incorporating Benoit’s traditional Image Repair Discourse theory, the use, or misuse, of social media impacted the severity and scope of each situation, as well as the organization’s challenges to repair its damaged reputation. Social media can certainly intensify a crisis, such as BP’s struggle to regain composure after a parody Twitter account mocked its brand and its poor response, making any sort of social media recovery impossible and resulting in a complete loss of control online. In all of these cases, it is evident that when a brand is silent or mismanages its owned social media channels during a crisis, publics, news outlets, and
critics who have mastered social media will tell the story on their own. Social media requires as much technique, attention and skill during a crisis as any other crisis communication management tool.

Social media adds a complexity to crisis communications; the multiple channels, user-level control of messaging, and real-time delivery make social media far more complex than press releases and conferences (Dougherty, 2015). Social media can also be the origination of a crisis in itself; from lewd photos of senior management on Facebook and Instagram, to proprietary information leaks on Twitter and LinkedIn, in the age of social media, the number of potential crisis scenarios has increased exponentially (Affect Public Relations, 2014). Adapted from Affect’s 2014 white paper addressing social media crisis management, the recommended steps to successful social media integration into crisis communication are:

1. Implement policies to address potential vulnerabilities – developing a company-wide social media policy is a good place to start to prevent crises that originate on social media.

2. Use social media as a tool for crisis monitoring – social media is an important space for brands to listen as much as they are talking. Social media monitoring tools can catch a potential crisis, or an incident where it is first being discussed by audiences via social media, before it spirals out of control.

3. Understand the response-ability of social media – platforms like Facebook and Twitter and the variety of other platforms that have emerged have significantly altered the rate at which information is exchanged and consumed. The window of time organizations have to respond has also
significantly decreased; crucial crisis response time on Facebook is within 12 hours, and on Twitter a crisis can spread within a matter of minutes.

4. Establish a framework for response – determine in advance who will be responsible to jump in and give preliminary responses at the beginning of a crisis. As was described in the Volkswagen emissions crisis case, much of the criticism and reputational damage VW experienced was due to its slow response rate, and management should have given the social team the power to acknowledge consumers, even if an official statement was not yet prepared.

5. Build a social media crisis toolkit – an effective crisis response toolkit contains communications templates that organizations use as part of what is considered traditional crisis communication, such as press releases and prepared statements, which can be shared across social media channels. Make social media a core part of the toolkit with inclusion of pre-approved content for blog posts, tweets, and other social media platforms that mirror the organization’s overall crisis response efforts.

6. Know where to respond – the mistake that the majority organizations made in these cases is that they didn’t meet their audiences where they were gathering and talking about the issue. Responding to a crisis where it first breaks, or where audiences are talking the most, is an important step to ensuring key messages reach constituents directly.

7. Prepare employees in advance – as is true with traditional crisis communications, making certain that all employees in all departments and at
all levels are prepared to respond to queries is essential to maintaining a consistent message. Personnel should also know what is expected of them if friends or family reach out via social media to ask about what’s going on.

8. Establish the proper tone – in the wake of a crisis, it is easy for the more informal tone that is often used on social media to be mistaken as insensitivity. Tone of voice should always be developed in relation to the context and situation at hand.

9. Flip the automation kill switch – the focus of social media channels should be on the crisis when it hits. Maintaining automated posts that are upbeat or off topic during a crisis will be perceived as insensitive to the needs of consumers and all affected parties.

10. Be honest and transparent – even sharing continued bad news will be appreciated for its honesty and will help re-establish long-term trust once the crisis abates.

Based on recommendations regarding proper use of social media during a crisis, the best course of action for ongoing and proactive crisis management, and to change the way social media is regarded during a crisis, is to have a social media manager as a dedicated staff position (Coombs, 2014). Whether it is a full-time position or a central part of a full-time staff person’s responsibilities, a social media manager oversees the organization’s social media strategy to ensure that it helps support the overall communications plan. As illustrated by these cases, it is important to have someone designated to monitor and assess social media sentiment from audiences in real-time,
listen to stakeholders, and craft messages for various social media outlets, as well as detect early warnings of a social media-based threat.

Identifying a key member of the communications team dedicated to social media may have enabled the organizations studied in this research to develop better responses that would translate well in social media content and salvage relationships in the process. As has been true in traditional public relations for several decades, “no comment” does not resonate well as a crisis response and neither does silence on social media.
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Table 1

Image Restoration Strategies of Image Repair Discourse Theory (Benoit, 1997)

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Key Characteristic</th>
<th>Illustration</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Denial</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Simple Denial</td>
<td>Did Not Perform Act</td>
<td>Coke Does Not Charge</td>
</tr>
<tr>
<td></td>
<td></td>
<td>McDonald's Less</td>
</tr>
<tr>
<td>Shift the Blame</td>
<td>Act Performed by Another</td>
<td>Exxon: Alaska and Caused Delay</td>
</tr>
<tr>
<td><strong>Evasion of Responsibility</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provocation</td>
<td>Responded to Act of Another</td>
<td>Firm Moved Because of New State Laws</td>
</tr>
<tr>
<td>Defeasibility</td>
<td>Lack of Information or Ability</td>
<td>Executive Not Told Meeting Changed</td>
</tr>
<tr>
<td>Accident</td>
<td>Act Was a Mishap</td>
<td>Sears' Unneeded Repairs Inadvertent</td>
</tr>
<tr>
<td>Good Intentions</td>
<td>Meant Well in Act</td>
<td>Sears: No Willful Over-Charges</td>
</tr>
<tr>
<td><strong>Reducing Offensiveness of Event</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bolstering</td>
<td>Stress Good Traits</td>
<td>Exxon's Swift and Competent Action</td>
</tr>
<tr>
<td>Minimization</td>
<td>Act Not Serious</td>
<td>Exxon: Few Animals Killed</td>
</tr>
<tr>
<td>Differentiation</td>
<td>Act Less Offensive</td>
<td>Sears: Preventative Maintenance</td>
</tr>
<tr>
<td>Transcendence</td>
<td>More Important Considerations</td>
<td>Helping Humans Justifies Tests</td>
</tr>
<tr>
<td>Attack Accuser</td>
<td>Reduce Credibility of Accuser</td>
<td>Pepsi: Coke Charges McDonald's Less</td>
</tr>
<tr>
<td>Compensation</td>
<td>Reimburse Victim</td>
<td>Disabled Movie-Goers Given Free Passes</td>
</tr>
<tr>
<td><strong>Corrective Action</strong></td>
<td>Plan to Solve or Prevent Problem</td>
<td>AT&amp;T Promised to Improve Service</td>
</tr>
<tr>
<td><strong>Mortification</strong></td>
<td>Apologize for Act</td>
<td>AT&amp;T Apologized</td>
</tr>
</tbody>
</table>
# Table 2

## SWOT Analysis of Volkswagen Automotive Group (MarketLine, 2015)

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Broad product portfolio leverages brand strength to drive growth and presence in all major automotive markets</td>
<td>- Recent product recalls negatively impacts volumes and business growth</td>
</tr>
<tr>
<td>- Robust research and development capabilities help maintain market position of leadership</td>
<td>- Decline in unit sales of certain brands impacts overall performance</td>
</tr>
<tr>
<td>- Favorable global market presence</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Poised to benefit from growing demand for hybrid electric vehicles and other eco-friendly alternatives</td>
<td>- Competition in global automotive market impacts financial condition</td>
</tr>
<tr>
<td>- Recovery of automotive market in U.S. strengthens market share</td>
<td>- Environmental protection regulations strain margins, primarily impacting diesel technology</td>
</tr>
</tbody>
</table>
Table 3

SWOT Analysis of National Football League (Kandel, 2013)

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Popularity; NFL is most-watched sports league in America</td>
<td>- NFL has been associated with risk of severe injury with long-term effects</td>
</tr>
<tr>
<td>- Strong, developed infrastructure with history of effective business model and success</td>
<td>- Addition of new teams/expansion is unlikely</td>
</tr>
<tr>
<td>- Skilled and experienced management with high desirability to work for league</td>
<td>- Reach is mostly limited to United States as no franchises lie in any other country</td>
</tr>
<tr>
<td>- Fan loyalty</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Canadian and European markets; ways other than developing new franchises that tap into international markets (i.e. International Series that began in 2014)</td>
<td>- Changing safety regulations</td>
</tr>
<tr>
<td>- Improved game day experience with new stadiums popping up throughout the league</td>
<td>- Shift towards political correctness impacts some of the long-standing traditions and symbols of the NFL</td>
</tr>
<tr>
<td>- Technological innovation with Fantasy Football and mobile apps as two early examples for growing fan engagement through technology</td>
<td>- Constant media attention amplifies negative news</td>
</tr>
<tr>
<td>- Constant media attention to highlight positive news</td>
<td></td>
</tr>
</tbody>
</table>
Table 4

SWOT Analysis of BP Plc. (Wang, Liu, Curry, & Raven, 2013)

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>§ Dominant market position, consistently ranked in top ten of Fortune’s Global 500</td>
<td></td>
</tr>
<tr>
<td>§ Vast product portfolio enables company to serve varied market needs</td>
<td></td>
</tr>
<tr>
<td>§ Largest producer of oil in Gulf of Mexico</td>
<td></td>
</tr>
<tr>
<td>§ Political attention associated with producing oil</td>
<td></td>
</tr>
<tr>
<td>§ Working with hostile foreign governments</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>§ Increasing demand for natural gas and clean energy</td>
<td></td>
</tr>
<tr>
<td>§ Oil and gas exploration projects and new discoveries in different countries sustain the industry</td>
<td></td>
</tr>
<tr>
<td>§ Risk of oil spills and fires can cause significant damage and incur unplanned costs</td>
<td></td>
</tr>
<tr>
<td>§ Intense competition</td>
<td></td>
</tr>
<tr>
<td>§ Volatile gas and oil prices</td>
<td></td>
</tr>
</tbody>
</table>
Table 5

**SWOT Analysis of Penn State University and Athletics Program** (O'Connell, Krivacek, Rathsam, & Teixeira, 2013)

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consistently ranked in top 100 for overall institution ratings</td>
<td>Elitist mentality within athletics program creates rivals</td>
</tr>
<tr>
<td>Strong and profitable athletics program</td>
<td>University success increasingly relies on athletics success</td>
</tr>
<tr>
<td>High ability to provide financial aid, with average of 51.5 percent of full-time undergraduates receiving assistance</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Successful football program allows for highest possible recruiting capabilities</td>
<td>High level of expectation from fans and media</td>
</tr>
<tr>
<td>Profitable athletics sponsorships</td>
<td>Competition with other universities for national visibility</td>
</tr>
<tr>
<td></td>
<td>Competition for athletics recruiting</td>
</tr>
</tbody>
</table>
Table 6

SWOT Analysis of Lululemon Athletica Inc. (Bhasin & Lutz, 2013; Bayley, Beale, Dubinsky, & Peedin, 2013; Soni, 2014)

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Trademarked “Luon” textile made from 86 percent nylon and 14 percent Lycra has proven benefits that make customers willing to pay its high prices</td>
<td>▪ High retail price is unattainable for many general consumers</td>
</tr>
<tr>
<td>▪ Quality promise guarantees that products will last up to five years</td>
<td>▪ Overall low brand recognition within larger athletic wear market</td>
</tr>
<tr>
<td>▪ Style and comfort details are engineered in construction</td>
<td>▪ Narrow and repetitive product line</td>
</tr>
<tr>
<td>▪ High-income clientele with products characterized as “consumer discretionary” meaning that customers will spend freely on Lululemon when income levels are healthy</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Expansion of product line with incorporation of new prints, colors and textures could reinvigorate existing and draw new customers</td>
<td>▪ Competitors include larger and broader companies like Nike and Under Armour</td>
</tr>
<tr>
<td>▪ Offering more variation in price point could tap into new customer base</td>
<td>▪ Ebb and flow of economy can impact financial stability of target market</td>
</tr>
<tr>
<td>▪ Continued fitness craze</td>
<td>▪ New entrants and copycats penetrating market</td>
</tr>
</tbody>
</table>
Appendix A

Volkswagen Emissions Crisis on Social Media

Figure 1.1, Volkswagen’s first social media response to emissions crisis.

Figure 1.2, President and CEO of Volkswagen Group America Michael Horn’s first response on social media.
Figure 1.3, Volkswagen’s launch of VWDieselInfo.com for ongoing crisis updates.

We've launched http://VWDieselInfo.com to keep our community updated with information regarding affected TDI vehicles. Thank you for your patience as we work to remedy this issue and regain your trust.
Appendix B

NFL Domestic Violence Cover-up on Social Media

Figure 2.1, Example of public’s social media response to Ray Rice’s initial two-game suspension.

Figure 2.2, Social media integration by Baltimore Ravens showing distant relationship with ongoing crisis.
Figure 2.3, Screenshot of only remaining post by NFL Facebook page.

Figure 2.4, Example of public disapproval of Goodell’s crisis management.

"Roger Goodell’s existence, who he is, what he has turned the NFL Commissioner’s office into is now symbolized by Ray Rice’s brutal left hand striking Janay Palmer, and striking her again. Mr. Goodell is an enabler of men who beat women. His position within the National Football League is no longer tenable.”

- Keith Olbermann
Appendix C

BP Deepwater Horizon Oil Spill on Social Media

Figure 3.1, Parody account @BPGlobalPR’s first tweet about BP oil spill.

Figure 3.2, Example of ongoing tweets by @BPGlobalPR.
Appendix D

Penn State Football Sandusky Scandal on Social Media

Figure 4.1, Example of public response to crisis management on social media.

Figure 4.2, Example of sports media personality response to crisis management.
Appendix E

Lululemon’s Yoga Pant Malfunction Crisis on Social Media

Figure 5.1, Bethesda, MD store window with “Cups of Chai, Apple Pies, Rubbing Thighs?”

Figure 5.2, Chip Wilson’s video posted to YouTube with comments from users.
Figure 5.3, Example of poorly timed marketing on Lululemon’s Facebook page following scandal.

Figure 5.4, Audience acknowledgment of quality issues in addition to crisis created by poor response.