Crisis Management and Image Restoration through Social Networking: Analysis of Maggi Crisis

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ABSTRACT

The study aims to discern how social networking sites have become an important tool in enabling immediate crisis communication. Juxtaposing theories on crisis and strategies of image restoration the paper aims to analyze the recent Maggi Crisis. The case study takes Twitter and Facebook as points of analysis. The paper observes that although social networking site facilitates immediate communication, it can cause a lot of damage to the reputation of the organization if utmost care is not taken in the message that goes out. The paper will further analyze the possibilities and limitations provided by social networking sites to the companies at the time of crisis. The paper concludes that damage control to a great extent could be exercised through adoption of apt strategies right away.

KEYWORDS

Communication, Crisis, Image Restoration, Management, Social Media, Social Networking
INTRODUCTION

The development of social networking sites have led to an entirely new way of communicating, characterized by the virtue of immediacy and being highly viral. This has resulted in higher expectation of immediate communication by the stakeholders. The newer form of social media facilitates bi-directional communication. As the social networking site is characterized by immediacy, crisis communicators have increasingly gained importance. They have been given a reactive role to control reputational damage once the public has discovered and evaluated the crisis. With the coming in of social media, companies now have various channels to communicate and deliver message to the public without delay. It has also reduced the significance of the so-called “middle-men”, who until now had served as a form of filter that messages passed through before reaching the public which has helped in controlling bias. However, it comes with the added responsibility of communicating accurately with the public to control the damage.

DEFINING CRISIS

In The Handbook of Crisis Communication edited by W. Coombs, a crisis is defined as “the perception of an event that threatens important experiences of stakeholders and can impact the organization’s performances”. (Coombs & Holladay, The Handbook of Crisis Communication, 2012) A crisis can be said to be an unpredictable event that threatens to harm both the stakeholders and the organization; it can negatively affect the organization owing to the tarnished image incurred post the event. Crisis may be assembled into Economic, Employer or Reputational groups which would be the deciding factor for the strategy to be adopted for image restoration. The Situational Crisis Communication Theory (SCCT) framework by Coombs framed crises into victim, accidental and preventable clusters. A crises classification scheme was put forward by Coombs in 1995 which enables a typology of crisis. The scheme states four crisis types, namely, faux pas, accidents, terrorism and transgressions. Further, they are sub-categorized into external/internal and unintentional/intentional clusters. A faux pas crisis occurs when an external agent transforms an unintentional action into a crisis. This implies that the company considers the action appropriate. The outcome of the crisis depends on which definition the stakeholders choose to believe. An accident is usually impossible to predict and can happen during an ordinary day within an organization. This type of crisis leads to minimal organizational responsibility due to its random nature. Both types of crises can be equally unintentional however studies show that stakeholders have a tendency to attribute less blame to a crisis caused by nature than by human accidents.(Egelhoff & Sen, 1992)
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