The effect of crisis type and crisis disclosure on corporate reputation

Student Name: Mare van Nieuwpoort

Student Number: 427685

Email: 427685mn@eur.nl

Supervisor: Dr. Yijing Wang

Master Media Studies Media & Business

Erasmus School of History, Culture and Communication

Erasmus University Rotterdam

Master thesis

May 2020

The effect of crisis type and crisis disclosure on corporate reputation

Abstract

Employees have become increasingly impactful and valuable for businesses. However, next to positive added value they can also form risks for the companies that they work for. In recent years, with the rapid rise of social media, it has become increasingly easy for employees to voice their opinions about the corporation online with an audience of millions, whether the opinion or experience that they share is positive or negative (Kaul & Chaudhri, 2017). Research has found that consumers see employees of a company as a credible source with regards to company information, emphasizing the increased risk for companies. This is further supported by the fact that several real life examples have shown that information unrelated to the company or industry that the employee is working in can also impact the way that consumers think about the company. In other words, employees are seen as direct representatives of the company and its values, by the consumer.

Research has shown that the online behaviour of employees can have an impact on the customers perception of the corporate reputation. A direct consequence of this is that it can still hurt the company when employees tweet, post or blog about things other than the company, by going against society's or the company's moral codes. Due to these risks, this research aimed to investigate how crisis type and crisis disclosure influence the corporate reputation when the crisis is generated by an employee. No research has focused on the involvement of employees with regards to crisis communication before, giving this research the opportunity to explore this realm and add to the currently available literature base. Hypothesis 1 stated that an intentional crisis would wield more power over consumers and would therefore result in a more negative perception of the corporate reputation. Hypothesis 2A and 2B focused on when the crisis was disclosed by the company versus disclosed by a third party media outlet, in which case literature suggested that company disclosure would give a more favorable perception of the corporate reputation.

To investigate the relation between corporate reputation and crisis disclosure and crisis type a survey experiment was conducted. The experiment used several stimuli representing the different crisis types and crisis disclosure scenarios, to be able to investigate the posed research question and to test the offered hypotheses. To further test the hypotheses, the data was analyzed using independent-sample t-tests, following that a regression analysis was conducted to analyze the additional variables included in the survey to check for other possible moderators, such as crisis responsibility, customer trust, customer satisfaction and demographics.

After a thorough analysis of the data this study found that an intentional crisis is more harmful to the corporate reputation than an accidental crisis, in both disclosure type scenarios, company

disclosure and third party media outlet disclosure. Additionally, company disclosure wielded the most positive results in either crisis type situation, the accidental crisis and the intentional crisis.

Moreover, results showed that both crisis type and crisis disclosure had a significant effect on the perceived corporate reputation. As suggested by the first hypothesis which was accepted on account of the gathered results. Intentional crises have a more negative impact on the perceived corporate reputation than an accidental crisis. This result could be due to the theory proposed by Coombs and Holladay (2002) that more responsibility is accounted to the company, according to consumers, when consumers perceive the crisis to be the company's responsibility. In support of this statement the results showed a significant effect of crisis responsibility on the post-crisis reputation. In line with these findings, the results have shown that consumers experience a decline in perceived corporate reputation even when an individual employee is responsible for the crisis.

In relation to crisis disclosure, this research found that the perceived corporate reputation turned out more positive when the company decided to self-disclose the crisis, as opposed to a third party disclosing the same crisis, regardless of what type of crisis was disclosed. Concluding that consumers have a more favorable attitude towards companies that self-disclose their wrongdoings during a crisis.

Additionally, customer trust and customer satisfaction showed to be high predicting variables for the corporate reputation. When being exposed to one of the crisis situations, consumers that reported having more trust in the company and being more satisfied with the company perceived a higher corporate reputation. Therefore, showing that consumers who experience more loyalty towards a brand are more likely to be forgiving towards the company and its reputation following a crisis.

From these findings we can conclude that, for organizations, it is advisable to continue to support projects that ensure a better corporate reputation as well as programs that support the creation and enhancement of customer trust and customer satisfaction. This study has shown that these concepts are significant variables leading to a better corporate reputation, which could lead to benefits such as, increased financial performance and more loyalty amongst employees.

Table of contents

1. Introduction

How the internet is used by consumers has changed over the years. When the internet was an upcoming tool in the business world it was used in more traditional ways such as websites, email and forums. After a period of transition, internet users now spend an increasing amount of time on social media platforms or many-to-many platforms, that aim to spark dialogues between users (Kaul & Chaudhri, 2017). This transition is defined by Croteau and Hoynes (2012) as narrowcasting. Narrowcasting refers to the transition of broadcasting media such as television to more narrow or niche markets that aim to appeal to a smaller target group. For example, an advertisement about Nivea on TV where a general audience is targeted, transitioning to a Twitter account dedicated to skincare which appeals to the consumers interested in this specific topic. This may seem like paradise, to only have content customized to your needs. However, this modern online world has risks because of limited regulations with regards to the ease with which online content can be shared on social media platforms. With limited regulations users will start taking advantage of the situation and violate the safe space that social media platforms aim to provide their users.

The lack of rules online can be illustrated with a situation that occurred on March 15th 2019. A shooting in a mosque in Christchurch, New Zealand, was livestreamed on Facebook by the attacker for the whole world to see. After the incident the video was spread online by other users. The whole video and parts of it were uploaded on Facebook, YouTube and Twitter in extremely large numbers in the 24 hours following the attack (Abbruzzese, 2019). During this time social media platforms had a difficult time removing the video from their platforms. A spokesperson from Facebook said that the platform had blocked over 1.2 million uploads and had removed over 300.000 video's from the platform pertaining to the attack. Many employees spend their time manually deleting posts that were used to share the horrible video (Abbruzzese, 2019). This example shows that online freedom can also be abused by internet users. Users are able to share confidential information, or other possibly harmful content, like the above mentioned shooting (Tong & Lo, 2017). Abbruzzese (2019) also reported the dissatisfaction of many governments with the current state of affairs regarding online regulations. Many countries have experienced difficulties with regulations because the internet does not fall under a specific country or under the power of most governments due to jurisdiction issues.

The shift from traditional internet use to the current situation of online sharing on many-to-many platforms, has brought along a new risk for corporations. The information shared by social media users does not get filtered or analyzed before the post appears online, it is therefore much easier to unleash a corporate crisis by sharing information that could harm the company.

An example of internet freedom that has led to a corporate crisis, was a tweet from PR executive Justine Sacco. During her journey to South Africa she posted several tweets, that were meant to be funny, on Twitter, including: *"Going to Africa. Hope I don't get AIDS. Just kidding. I'm white!"* (Ronson, 2019). She turned her phone of during the 11-hour flight and therefore missed the enormous backlash that the tweet received all over social media. Many people perceived the tweet as extremely racist. Amongst the responses was a tweet from one of Sacco's colleagues: *"I'm an IAC employee and I don't want @JustineSacco doing any communications on our behalf ever again. Ever".* A tweet from Sacco's employer also joined the conversation: *"This is an outrageous, offensive comment. Employee in question currently unreachable on an intl flight".* The tweet that Justine send did not only hurt her personally, it also hurt the reputation of the company. Since many people, as illustrated above, associated the tweet directly with the company even though the company itself was not responsible for the behaviour of the employee (Ronson, 2019).

Due to crisis situations like the one caused by Justine Sacco, Coombs and Holladay (2012) have identified crisis types and extended previous crisis research by adding another type of crisis, the "paracrisis". They define paracrisis as a situation that acts like a crisis but does not require any direct action from the crisis communication response team. According to Coombs and Holladay (2012) a paracrisis could be manifested into a crisis, which therefore requires an adapted response strategy, which will be explained later in this paper.

The transition from traditional to modern forms of internet use, has had both positive and negative implications. The crisis caused by Justine Sacco would not have happened on such a large scale, but on the other hand a paracrisis can be identified at an early stage and a real crisis might be prevented from happening. The change has also increased the chance of a crisis occurring because there is a much faster turnover of information online. Before the internet and social media, companies had the opportunity to contain a paracrisis that occurred. They would have been able to solve the crisis before it was known to the public, in some cases. However, with the arrival of the internet it has gotten more difficult to keep information a secret (Coombs & Holladay, 2012). With many internet users all over the world, users have the power to make a paracrisis known to the larger public in a short amount of time. Small issues can be blown out of proportion in a matter of minutes, and thus creating a crisis where one could have been avoided (Monty, 2014). This was illustrated by the tweet from Justine Sacco that went viral in several hours despite the fact that the tweet was not meant to be offensive in any way.

Moreover, Benoit (1997) argues, that a company needs to take action when people perceive the company to be responsible for a crisis, even though they might not be directly responsible for the crisis. Consumers will not have access to all information needed to form a complete narrative with

regards to the crisis, in which case, their perceived reality might form a threat to the company reputation (Walsh & Beatty, 2007). If a company is believed to be responsible for a crisis, the corporate reputation is in jeopardy. Which explains why Benoit (1997) emphasizes taking action even when the company itself does not feel like they are responsible, since the corporate reputation is linked to positive business performance (Coombs, 2007).

During a crisis in a company two stakeholder groups are involved. The internal stakeholders and the external stakeholders. The internal stakeholder group consists of all people and groups that have a formal relationship with the company that is often decided by contract. This group can consist of employees, freelancers and partnering companies (Chun, 2005; Sarkis, Gonzalez-Torre, & Adenso-Diaz, 2010). External stakeholders are all groups affected by a company, outside of the corporate sphere and most likely not under contract. This group, among others, consists of society, government bodies, consumers and shareholders depending on the company (Chun, 2005; Sarkis et al., 2010).

In an increasingly digital world, with many opportunities to share information online, it is more difficult for corporations to keep internal stakeholders, such as employees, from sharing possibly harmful information online (Stangis & Smith, 2017). According to Stangis and Smith (2017) internal stakeholders have a credible position in communicating about their brand on social media, but will therefore also have the opportunity to jeopardize the company image when negative information is shared. This shared information might negatively affect the corporate reputation. However, internal stakeholders are not always aware of the fact that they are sharing either confidential information or information harmful to the corporation. Therefore, a crisis caused by an employee can be difficult to prevent, as the company has limited control over its employees when it comes to online freedom.

In crisis management Coombs and Holladay (2002) have identified three crisis clusters, the victim, the accidental and the preventable cluster. The victim cluster refers to natural disasters and other situations outside of the company's control. The accidental cluster are crises that were caused in a situation that was well intended but did not work out as planned such as, a car accident causing deliveries to be delayed. The preventable cluster includes crises that were caused with bad intentions, this includes fraud, or misconduct in the workplace. The different clusters require different response strategies. Coombs and Holladay (2002) have outlined these strategies in their situational crisis communication theory (SCCT). This will be elaborated on in the theory section.

From the clusters discussed above, a crisis caused by an employee can be regarded as an accidental or an intentional crisis. These crisis types are perceived by consumers in different ways. Carroll (2015), has found that in the case of an accidental crisis consumers assume that a company is only partly responsible for the crisis occurring. Research has shown that this has a moderate effect

on the perceived corporate reputation. However, in the case of an intentional crisis this effect on the corporate reputation is reversed, and consumers will perceive the company to be at fault in the crisis situation, which leads to a lower corporate reputation. This is a consequence of the customers perception, even though, the company might not be at fault in the crisis situation (Benoit, 1997). In the corporate sphere, as explained by Coombs and Holladay (2002), only the accidental or the intentional crisis can be caused by an employee. Since, employees are seen as credible sources with regards to company information (Stangis & Smith, 2017) they are able to influence the corporate reputation by sharing information. Therefore, it would be relevant for this research to focus on the difference in influence between the accidental and the intentional crisis clusters, when they are caused by an employee.

As was found by Coombs and Holladay (2012) an effective crisis response strategy depends on the source of the crisis disclosure. Therefore, this research has focused on company disclosure vs media disclosure in relation to crisis type in the case of an employee triggered crisis. Different studies have researched different aspects of this focus area like, employees as effective crisis communicators (Opitz, Chaudhri, & Wang, 2018), the internal vs external cause of a crisis in relation to different other variables such as a controlled or an uncontrolled crisis (McDonald, Sparks, & Glendon, 2010), as well as the use of crisis communication strategies in different situations (Coombs & Holladay, 2002; Jin, Liu, & Austin, 2011; McDonald et al., 2010). Claeys, Cauberghe and Vyncke (2010) provided empirical evidence to support the SCCT strategies supplied by Coombs and Holladay (2002). The theory connects crisis type to the most appropriate crisis response to get the most optimal result with regards to the corporate reputation. Moreover, several scholars have researched the impact of self-disclosure as opposed to no disclosure or third party disclosure in a crisis situation (Claeys, 2017; Claeys & Cauberghe, 2012; Claeys, Cauberghe, & Leysen, 2013; Claeys, Cauberghe, & Pandelaere, 2016; Fennis & Stroebe, 2013). However, a specific focus on an employee triggered crisis in combination with method of disclosure was not yet included in current researched and was therefore an interesting research gap to focus on within this study.

This study has focused on a comparison between crisis type and crisis disclosure. As mentioned before there are three types of crises, the victim crisis, the accidental crisis and the intentional crisis. However, with regards to an employee triggered crisis the victim category was not researched since this refers to natural disasters or other external factors that are outside of an employee's control and would not have been considered relevant as an experiment condition.

Crisis disclosure is regarded as an important step in crisis management, since it can determine how customers perceive the company's role in the crisis. The way a crisis is disclosed determines the

perception of the customer on the issue that is being discussed. From previous theory and research outlined in the section above the following research question was derived:

RQ: How do crisis type (intentional vs. accidental) and crisis disclosure (media vs. company) affect corporate reputation in case of an employee triggered crisis?

1.1. Scientific and societal relevance

This research will be scientifically relevant, for the following reasons: the findings will be able to shed more light on the effects of an employee triggered crisis on the corporate reputation. This research could prove to be a valuable addition to existing crisis response theories, since these theories have not incorporated an employee triggered crisis. Crisis theories often revolve around the crisis clusters as proposed by Coombs and Holladay (2002), the preventable, the accidental and the victim crisis, however in this online era, employees are an increased risk with regards to causing crises and should be incorporated in current crisis management strategies (Stangis & Smith, 2017).

Moreover, as stated by Claeys (2017) there are many cases known where companies have not responded to a crisis themselves. They either tried to keep the information hidden or they waited too long to disclose the crisis themselves, giving others the chance to disclose the crisis for them. Claeys (2017) explains that the legal department generally advises against self-disclosure because of several reasons. They would like to have all the information regarding the crisis before choosing to disclose, or they need time to create a uniform message towards the public or the company might be apprehensive to disclose information because they will become legally liable for the situation when they decide to respond. This shows that, even though research suggests that self-disclosure of a company in a crisis situation has a better effect on the corporate reputation than third party disclosure, many companies choose not to. Companies will need more research findings showing the positive implications to start changing their behaviour accordingly. Supplying them with more elaborate research to back up previous claims, might steer them in the right direction, in order to help them maintain their corporate reputation in a crisis situation.

This research does not only have scientific relevance, it is also societally relevant because it aims to find what kind of effects an employee triggered crisis has on the corporate reputation. Therefore, the findings of this study could be utilized to develop new or adapted crisis communication protocols to protect the corporate reputation of a company. These protocols are increasingly important because, with the rise of the internet and social media a crisis is more likely to occur in the public online space. This will make other internet users aware of the crisis due to the incredibly fast turnover of information online (Monty, 2014). This consumer awareness can change

the consumers perception on the corporate reputation on the company, which could lead to a decrease in purchase intent.

Since this research has focused on employee triggered crises, it could also strengthen the position of employees when discussing the terms of their employment. Many companies protect themselves against crises caused by employees, but this research might show that employees also need to be protected against company backlash. Lastly, the findings could be used to further improve crisis response strategies, by offering new insights into the preferred method of disclosure according to the audience. The disclosure method with the most favorable outcome for the company, can then be incorporated as the main means of communication in their future crisis communication strategy response.

2. Theoretical framework

2.1. Corporate reputation

In corporate reputation research several definitions have been used throughout. Walker (2010) argues that there has yet to be a unified definition that is accepted by all academics in the field of corporate reputation. Roberts and Dowling (2002) for instance, use the following definition for corporate reputation: the combined key stakeholder perception of a company's past actions and the expected future actions which form the overall appeal of a company, in comparison to competitors within the same market. Roberts and Dowling (2002) build upon earlier definitions of corporate reputation from Fombrun (1996) and state that their definition focuses on whether a company is considered 'good' or to what extend a company is considered not 'bad' by external stakeholders.

In her research Chun (2005) analyses and outlines how corporate reputation is often used interchangeably with corporate image and corporate identity, however, Chun has made a clear distinction between these concepts in which corporate reputation is the perception that internal and external stakeholders have of a company. Chun (2005) goes on to explain that corporate image is that which is portrayed to consumers externally and identity is the internal perception of the company. There needs to be a certain kind of coherence between image and identity to make sure a company can communicate the desired reputation to consumers.

Walker (2010) offers the following definition after an analysis of more current corporate reputation research, which also includes the paper by Chun: "*A relatively stable, issue specific aggregate perceptual representation of a company's past actions and future prospects compared against some standard.*" (p. 370). Walker (2010) emphasizes that accepting this definition could create a more cohesive research field by unifying the outcomes of new research on the corporate reputation topic under the same concept definition. Therefore, this research will rely on this definition proposed by Walker in the hope that it will contribute to a more unified research field.

Additionally, corporate reputation is not only a current perception of a company but as the definition above implies it also creates expectations for the future communications of the company (Taghian, D'Souza, & Polonsky, 2015). A customer expects an organization to act in a certain way that is in line with the corporate reputation that the customer perceives, which is derived from their previous experiences with that company.

Corporate reputation research has enjoyed an increase in attention in the last 15 years (Barnett, Jermier, & Lafferty, 2006). The reason that corporate reputation was undervalued in the years before is explained in an article by Barnett et al. (2006). The authors found that corporate reputation was only considered a relevant topic when it was in jeopardy. In other words, there was no focus on the corporate reputation unless a direct threat could negatively impact the reputation of the

company. However, when research found a positive correlation between corporate reputation and business performance (Coombs, 2007), this view changed and research on corporate reputation increased and gained interest (Barnett et al., 2006).

The afore mentioned thread that could negative impact the corporate reputation could have been caused by a crisis, which is why corporate reputation has been the focus of many research papers in more recent years (Coombs, 2007), since research found that a crisis has a considerable impact on a company's reputation (Ma & Zahn, 2016). In turn, corporate reputation has a positive effect on business performance. Therefore, corporate reputation has slowly become more relevant in the business world (Taghian et al., 2015). Research has found that a higher corporate reputation has a positive effect on the perception that consumers have of a crisis and therefore of the corporate reputation after the crisis has occurred (Arpan & Roskos-Ewoldsen, 2005). Meaning that a good corporate reputation can save a company in a time of crisis. This shows that having a good overall corporate reputation can be a valuable resource for a company. Corporate reputation can be negatively affected in the event of a crisis and is therefore an important asset to focus on, aiming to significantly diminish the negative effects of a crisis (Arpan & Roskos-Ewoldsen, 2005; Coombs & Holladay, 2002; Nguyen & Leblanc, 2001).

Furthermore, research shows that a good corporate reputation cannot be bought (Boyd, Bergh, & Ketchen, 2010). A company needs to invest time and work into the relationship with their stakeholders to earn their good reputation. Boyd et al. (2010) found that having a good reputation is connected to being relevant as a company. When information about a company is fresh and easy to recall, this shapes the emotions and opinions that a person feels with regards to the recalled organization. In this era of fast information people need to be constantly reminded that you are a worthy organization. This supports the authors' standpoint that a good reputation cannot be easily obtained with money but that it needs to grow and be nurtured to stay healthy. This is in line with Aula and Heinonen (2016) who found reputation to be the collection of experiences of consumers and, like a house, this reputation needs a good foundation to be able to build a relationship over time and it needs care and work to remain strong and intact.

Corporate reputation is the heart of a business strategy and has several tangible benefits. The corporate reputation can strengthen customer loyalty, it can endorse the brand and show their consumers that they are worthy of a good reputation. All of this is able to lead to better financial performance and these benefits can lead to stronger support from employees. More support from employees can serve a company well because consumers perceive employees to be credible sources for information distribution. Therefore, good employee support is likely to lead to positive communication by employees outside of the corporate sphere (Kaul & Chaudhri, 2017). This can be

seen as a vicious circle, a good reputation leads to better financial performance leading to more positive communication from employees and customers, which encourages others to view the company in a more positive light, starting the circle all over again.

In contrast to the positive implications that the corporate reputation can have, there are also increased risks that have emerged with the rise of social media and the internet. One of the new phenomena that could be a risk to the corporate reputation, is, electronic-word-of-mouth or eWOM. eWOM is much more far reaching than the previous WOM or word-of-mouth which travelled mostly through physical contact with others (Weitzl, 2014). Research has shown that more than 50% of the people shopping online consult online reviews (eWOM) before they decide to purchase a product. With eWOM, information and therefore also negative information can go viral faster than ever before (Kelleher, 2009). For this reason eWOM can have decidedly positive effects but also negative effects, which could indelibly harm the corporate reputation of a company. There is not much known about the direct effects of eWOM on the corporate reputation, however, it was found that eWOM is a good predictor for customer engagement (Dijkmans, Kerkhof, & Beukeboom, 2015), and increased customer engagement was found to have a positive effect on the corporate reputation (Floreddu, Cabiddu, & Evaristo, 2014).

2.2.   Crisis communication theories

Crisis communication is a continuously evolving field. Making it an area of interest for companies because they need to keep up with the changes in the field. A crisis is easily set of, since there is always a way to unleash a corporate crisis. Due to this possible risk a company always needs to be alert and ready to deal with a crisis at any time. Benoit's image repair discourse originated in 1997 and is still being used and therefore relevant in today's research. Coombs and Holladay's (2002) situational crisis communication theory (SCCT) has been expanded and refined by Coombs and Holladay and other scholars in more recent years. These two theories have formed the foundation for most research that has been conducted on crisis communication. Current research on crisis communication is either an adaptation of or inspired by one of these theories. Because of this, these two theories have been used as the focus of this theoretical framework, to sketch a structured picture of the current research realm of crisis communication theory. As other research has done before, the outcomes of this study has built on these theories.

In his paper, Benoit (1997) investigates image restoration theory and the different message types that can be used in crisis management situations. He argues that companies often choose communication messages that do not align with the type of crisis that they are dealing with. Benoit also explains how a message needs to be specifically designed to restore the company image in a

time of crisis and is therefore an important crisis communication tool. The author outlines two phases that a crisis will go through: the company or person that is accused of being the cause of the crisis is held responsible for the crisis and, the act that caused the crisis is considered offensive in some way (Benoit, 1997). Image restoration discourse focuses on the different messages that can be used after the crisis has materialized. The different strategies available to a company dealing with a crisis are: denial, evasion of responsibility, reducing offensiveness of event, corrective action, and finally, mortification. Some of these strategies also have sub-strategies within the suggested category in order to create a series of categories that can fit all possible crises.

The strategies will now be explained in more detail. Denial, offers two response options, the company can simply reject the allegations and address them as being false. The other option would be for the company to shift the blame to another actor in order to save their own reputation.

The second strategy, evasion of responsibility, consists of four sub response options. First of all, provocation, which means that the company in question shows that they were provoked by another action that was out of their control. Secondly, defeasibility, refers to having a lack of information or lack of control over the main elements that caused the crisis. The third option is the accident, a company can claim that the crisis occurred by accident. Finally, the company can respond with good intentions, which means that the crisis occurred when the company tried to do something that was not intended to cause any harm.

The third strategy is reduce offensiveness, a company might use bolstering to strengthen the positive attitudes regarding the company, to try and balance out the negative feelings caused by the crisis. Secondly, minimization can be used to decrease the negative feelings that are associated with the company due to the crisis. A third option in reducing offensiveness is differentiation, in which case a company groups their crisis together with more serious crises from the past in order to show the public that the current crisis is not as bad as they initially anticipated. Fourth, transcendence is employed by a company to improve the context surrounding the crisis in order to put the crisis in a more favorable light. The fifth option, is to attack the accuser to dismantle their argument and to show the public that their accuser is trying to cover up their own mistakes by accusing them. Finally, compensation can be used to reduce offensiveness, the people affected by the crisis might be willing to settle for compensation in order to reduce the impact of the crisis.

The fourth strategy is corrective action, which does not have additional response options. Here the company will promise to solve the problem that caused the crisis. The company does this to appease the customers and in this way reduce the negative impact of the crisis.

For the last strategy, a company can use mortification. Here the company will confess to having done something wrong and ask for absolution from the customers. However, Benoit (1997) argues

that this is a risky approach since it might stimulate victims to file lawsuits, which would have a more negative impact on the corporate reputation than the crisis itself might have had.

The other foundational theory, the situational crisis communication theory, or SCCT was proposed by Coombs and Holladay in 2002. This theory has focused on properly adapting crisis responses to specific crisis situations. In later work (Coombs & Holladay, 2011) they outline how their theory uses crisis responsibility as a key determinant for which crisis strategy can be used and in which way the strategies need to be adapted to be most effective. The theory has used several of the crisis response categories as proposed by Benoit (1997). SCCT focused on a crisis response that corresponds with the control that an organization has over a crisis, as well as controlling the corporate reputation during the crisis. Coombs and Holladay (2002) found that, if an organization had a high control over the crisis situation the preferred responses that were most effective were: taking blame, such as a making a full apology or the compensation strategy. In the case of a crisis that is mostly out of the company's control it would be advised to take a more defensive stance with responses like, denial and attack the accuser. In situations where a company experiences high control over a crisis it could be stated that this crisis was caused by the company and the crisis could have been avoided. When a company has low control over the crisis this is most likely a situation that could not have been prevented by the company and is therefore considered less of a threat to the corporate reputation (Coombs & Holladay, 2002). SCCT uses a two layered process to determine the most appropriate actions. First the crisis type is derived from the situation, for instance a victim crisis or a preventable crisis. Following that, contextual factors are investigated that could influence the current situation. Things that could have an influence on the context are for instance, the current reputation of the company or the company's history with dealing with crisis situations (Coombs, 1995, 2015; Coombs & Holladay, 2002). In the following section the SCCT will be elaborated on.

2.3.   Crisis type: intentional crisis vs. accidental crisis

In their research Coombs and Holladay (2002) researched the effects of different crisis types. From previous research 13 types were derived, which were subjected to tests to determine new and more refined crisis clusters. In their research they found similarities between certain crisis situations which they were then able to categorize. The final categories were defined as: the victim cluster, the accidental cluster and the preventable cluster. Reducing the amount of crisis types allowed Coombs and Holladay (2002) to focus more of their efforts on designing appropriate crisis responses that could be adapted to any type of crisis situation.

The three clusters can be explained as follows: the victim cluster consists of crisis situations that make all stakeholder groups as well as the company itself a victim, for instance after a natural disaster or during the current Corona crisis. Coombs and Holladay (2002) have found that these types of crises have a low crisis responsibility rate. A low crisis responsibility rate translates to a slight risk for the corporate reputation, depending on how the crisis is handled by the company. The accidental cluster are crises caused unintentionally by internal stakeholders or the company itself. Crises that fall under this cluster are for example, technical breakdowns and product recalls. Furthermore, because some blame can be placed on the company this cluster has a moderate attribution of crisis responsibility. This corresponds with a medium sized risk towards the corporate reputation. Lastly, the preventable cluster. This cluster consists of crises that the company has knowingly caused or has let happen without interference. Coombs and Holladay (2002) go on to explain that these are the crises in which a company knowingly put stakeholders at risk. For example, a crisis that would fit into this cluster is organizational misconduct that has caused injuries. As could be expected this cluster has the highest crisis responsibility rate and therefore, also forms the biggest risk for the corporate reputation.

As was before this research will be focusing on employee triggered crises, the victim cluster will therefore not be included in the experiment since an employee is not able to cause such a crisis. The victim cluster consists of crises happening outside of the company's control and cannot be caused by an employee (Coombs & Holladay, 2002).

Coombs and Holladay (2002) have found that an intentional crisis has the highest assumed crisis responsibility. This responsibility rate is generated by the public and is therefore directly connected to the corporate reputation. Coombs and Holladay (2002) state that the higher the crisis responsibility rate, according to the public, the more accommodating the crisis response needs to be in order to ensure the stability and the reputation of the corporation. When comparing an accidental and an intentional crisis it can be stated that, with a higher crisis responsibility, an intentional crisis is more likely to generate a decrease in the corporate reputation amongst the public. An intentional crisis is more likely to trigger a decrease in perceived corporate reputation because such a crisis often evokes feelings of anger and offense (Coombs & Tachkova, 2019). In addition to the crisis clusters and crisis responsibility, Coombs and Holladay (2002) mention the following factors having an effect in their SCCT: the company's history with crisis situations and the severity of the current crisis. Similar results of SCCT were found by Claeys et al. (2010), they broadened the research focus to include personality traits of participants when researching the perceived crisis responsibility rate.

In line with these findings, when applying the theory of different crisis clusters to the situations constructed for this research, it is expected that an intentional internal crisis has a more negative effect on the corporate reputation. This expectation is vocalized in the following hypothesis:

Hypothesis 1: An intentional employee-triggered crisis will affect the corporate reputation more negatively than an accidental employee-triggered crisis.

2.4.   The role of employees in the age of social media

The position of employees has become more powerful over the years due to the transition of the internet into the increased use of social networking sites (SNS). However, like many companies employees have been affected by this change in a negative way as well. Employees are constantly seen as company representatives online and therefore need to be careful with what they share on SNS (Kaul & Chaudhri, 2017). Next to these corporate consequences employees are also influenced in the private sphere. By being connected to everyone through SNS all the time, people feel the need to always be 'ON' (Abel, Buff, & Burr, 2016). This can be seen in the current Corona crisis which enhances this situation enormously. Most people work from home which has blurred the boundaries between their work lives and their private lives. When working from home it feels like you never leave the workplace and therefore you could always be working. Always being 'ON' further supports the point that employees are seen as corporate representatives wherever they go and whatever they do (Kaul & Chaudhri, 2017).

Kaul and Chaudhri (2017) have identified two main changes in the organizational sphere following the changes of the internet: enterprise social media (ESM), where social media is used to improve the internal communication of the organization and, employees acting as company representatives. These two topic areas also enhance each other. Through enterprise social media employees can be formed to become ambassadors of their organization. ESM can also be used internally to strengthen the connection, between employee and organization, by offering the employee a voice (Kaul & Chaudhri, 2017). The authors go on to explain that these transformations are a double edged sword. They offer people the benefit of being more connected to different parts of the company, such as colleagues, all over the world thereby supporting interconnectedness, teamwork and increasing the work pace. However, on the other hand enterprise social media is a risk because employees are increasingly seen as representatives and can easily abuse the online freedom that they have been given by the company (Kaul & Chaudhri, 2017).

Even though research shows that internal stakeholders have a significant effect on the corporate reputation (Roh, 2017), what we see is that employees as a stakeholder group with a

presence online has not been the focus of academic of business research in the past. This can be attributed to the fact that for a business, until recently, the most important stakeholder group online was believed to be customers, since they were the stakeholder group buying products. In this era of change we have seen an awareness shift towards the importance of employees for the corporate reputation and corporate representation both leading companies towards better business performance (Harter, Schmidt, & Keyes, 2003; Wright & Huang, 2012).

After the initial hype of social media slowly died down, companies started evaluating the changes that they made. These changes were made to adapt to the internet and the results of these changes needed to be investigated (Aula & Heinonen, 2016). Many companies started seeing the risks of allowing employees to be brand ambassadors in such a fast paced world. Businesses realized that the moment social media and the internet entered the corporate world, crisis communication and crisis management changed (Aula & Heinonen, 2016).

After companies realized that online sharing and their employees were both significant risk factors in the possibility of a crisis happening, they started preparing for different online situations. In many countries one of the most significant human rights is the right to freedom of speech given to people by their government (Croteau & Hoynes, 2012). However, with the rise of social media freedom of speech is judged by many more people around the world and can therefore be easily used against you in a time of crisis as was shown in the introduction with the example of Justine Sacco. With companies trying to keep employees from using social media or holding them accountable for having their own opinion online, the freedom of speech of employees is being limited.

Another relevant example of limited freedom of speech is the case of a Washington Post reporter. She was suspended from the company after tweeting about a sexual assault claim against Kobe Bryant, in the aftermath of his death. The reporter, miss Sonmez, defended her actions by saying that someone needs to be remembered in their totality (Darcy, 2020). The director of The Post did not agree with the reporters course of action and stated that these tweets were hurting the company. Miss Sonmez was asked to take down the tweets and was suspended until further notice. Her suspension then became a crisis in itself because by suspending the reporter, several other journalists argued that The Post was limiting the freedom of their employees and of the integrity of the journalist trade (Darcy, 2020). Croteau and Hoynes (2012) argue that in this era of digital media the journalist trade is at risk because, to remain relevant, news outlets have started to shift towards sharing entertainment news. By focusing their efforts on entertainment news they neglect their duty of informing society on the

important topics in need of attention within their nation, such as the dealings of the government and large corporations.

This transition towards entertainment news encouraged something that Croteau and Hoynes (2012) call, the societal blindness of corporate ownership. This is the concept that the government might offer its citizens freedom of speech but corporations can have almost as big an impact on this freedom, by deciding what information will make it to the news. Society often overlooks this censorship and fails to notice its impact on their lives. When corporations such as The Post and other large media companies dictate the news that is shared with the world, it might become a one sided conversation in which people are not exposed to more perspectives in order to make up their own minds (Croteau and Hoynes, 2012). This concept can be illustrated by the role that Facebook played in the election of the American president Donald Trump. Online media can be easily manipulated and Facebook is led by an algorithm that chooses what a user sees on their timeline by gathering intrinsic customer data (Benkler, Faris, & Roberts, 2018). During the time of the election Facebook sold large amounts of advertising space to Russian companies who allegedly tried to influence the election. Moreover, a company called Cambridge Analytica obtained large numbers of Facebook profiles with which they were able to manipulate voters by altering their available information (Benkler et al., 2018). Another example of such societal blindness is the recent #metoo movement. It was not until several newspapers broke the story which included victims/survivors speaking out, that people started realizing what a big problem this was in the media world (Boyle, 2019). Later it became known that different corporations were in some way aware of the issues but tried to cover up what was happening, due to their fear of the consequences. More people started speaking out in support of each other as well as sharing their own experiences, when they saw that they were not alone (Boyle, 2019).

What these situations have in common is their lack of transparency. This contradicts academics, since many researchers have found that, when communicating in a crisis situation one of the key success factors is transparency (Edmondson, 2020; Ott & Theunissen, 2015). By being transparent a company has more control over the narrative and the context in which the information about the crisis is shared. However, for there to be a 'safe space' to be transparent, people need to be accepting of this transparency and this has not always been the case (Edmondson, 2020). In the #metoo example discussed above, many media outlets were afraid of the repercussions of speaking out against some of the big names in the business such as Harvey Weinstein. This resulted in no transparency on the topic even though many media corporations were in some way aware of the situation (Boyle, 2019).

Instead, in times of crisis, leaders should recognize that corporate reputation is a long term game, and by being transparent throughout their business communication they can establish rapport between the corporation and its stakeholders (Kaul & Chaudhri, 2017; Ott & Theunissen, 2015). By using transparency as a constant factor in their corporate communication people are more likely to believe the company in times of crisis and will also be more forgiving with regards to the corporate reputation (Taghian et al., 2015). Therefore, customers are more likely to remain loyal to the brand over time, when another crisis might occur.

2.5.   The impact of an employee-triggered crisis on corporate reputation

As illustrated in previous sections the corporate reputation is directly affected when a crisis occurs. Several researchers (Jin, 2009; Jin, Pang, & Cameron, 2010) have found that the way a crisis is presented to consumers can affect their perception of the company and therefore alter the perceived corporate reputation. They have also found that the tone that is used in the crisis disclosure message has an effect on the emotions that consumers feel after being exposed to a crisis response (Jin et al., 2010).

Companies have many stakeholders that can benefit from or be affected by the company and therefore, be affected in a crisis situation. These stakeholders can be split into two groups, the internal stakeholder group and the external stakeholder group (Aaltonen, 2011; Chun, 2005; Sarkis et al., 2010). Internal stakeholders can be defined as all people or groups formally attached to the company, in most cases by contract. Here you can think about employees or partnering companies (Aaltonen, 2011). The external stakeholder group is more complex. It is defined as a group that is directly affected by the behaviour of a company, outside of the corporate sphere. A significant difference between the two groups is that external stakeholders also include people who might be negatively impacted by the company. For instance, people who live close to the production factory, they can experience noise disturbances or environmental pollution in their neighborhood. These situations can generate unfavorable opinions towards the business, while internal stakeholders are likely to support the company (Aaltonen, 2011). The external stakeholder group can consist of government bodies, consumers, and society as a whole (Chun, 2005; Sarkis et al., 2010).

Due to the close involvement of internal stakeholders, Mcdonald et al. (2010) have found that an internally caused crisis has a more negative effect on the corporate reputation than an externally caused crisis. The locus (internal, external) of a crisis was also found to have a negative effect on attitude and behaviour of consumers in the case of an internal crisis. The authors argue that external stakeholders see the company as weak and not in control of their internal stakeholders when they cannot prevent a crisis from happening (Mcdonald et al., 2010). Since employees are internal

stakeholders, all crises caused by an employee are grouped in the internal crisis cluster. As outlined by Coombs and Holladay (2002) crises in this cluster have the highest perceived responsibility rate since they have originated from within the company. Therefore, they form the biggest threat to the corporate reputation (Coombs & Holladay, 2002). New research then found that stakeholders were more likely to share negative messages such as complaints, on social media as a result of a preventable internal crisis being exposed (Mcdonald et al., 2010; Roh, 2017). These online messages can influence the corporate reputation because other social media users are now exposed to a different crisis message than the company wanted to present to the public. For this reason an employee triggered crisis was selected as the research focus.

2.6. Crisis disclosure: corporate vs. media

According to several scholars crisis disclosure plays a large role in the effect that the crisis response has on the consumer (Claeys, 2017; Jin et al., 2011; Utz, Schultz, & Glocka, 2013). In general, internal crises lead to stronger emotional responses from consumers (Jin et al., 2011). Furthermore, in their research Jin et al. (2011) found that a crisis that is communicated to the public by a third party on social media, when the cause of the crisis is internal, often brings forth negative emotions in consumers. These emotions include, anger, disappointment, and sadness. Mcdonald et al. (2010) found that such negative emotions following a crisis are often paired with negative word of mouth, NWOM. Utz et al. (2013) have found that people who experience anger as a reaction to crisis communication are more likely to take action against the company, such as sharing unfavorable tweets or video's. Both scenarios can be considered a threat to the corporate reputation. This is reinforced further by eWOM, which as discussed before, travels much faster than the traditional WOM enhancing the negative effect stemming from NWOM (Kelleher, 2009). In line with these findings, Jin et al. (2011) showed that consumers are more likely to be lenient with regards to the corporate reputation when the company itself responds to the acclaimed crisis. This finding is further supported by Kim and Park (2017) who found that an organization is regarded as more credible when they disclose a crisis themselves as opposed to third party disclosure.

In correspondence to this, Coombs and Holladay (2013) state that third party or stakeholder responses to a crisis can undermine the company's own response, by spreading disinformation. When a third party shares crisis information that is untrue or shares information before the company discloses the crisis, managing the crisis becomes much more difficult. False information could inherently damage the company's reputation and it could be hard to dismantle information that is already out there. Information shared about the crisis by others could create discrepancies in the communication because the third party has taken control of the crisis narrative. Leading to the

company possibly looking like they are lying or like they are unwilling to share information when this might not have been the case. Coombs and Holladay (2013) go on to explain that social media gives extended power to stakeholders in crisis situations, in which case these stakeholders should be considered crisis communicators as well.

As was found by Claeys (2017), disclosure by the company itself, offers the company the opportunity to behave in an ethical manner. Claeys (2017) presents six reasons why self-disclosure or 'stealing thunder' can be beneficial for a company. For instance, when communicating their crisis to the outside world, the company is in control of their own crisis narrative. Furthermore, the researcher found that the crisis is less likely to be considered severe and will also draw less attention, when a crisis is disclosed by the company itself. A similar thing was found by Lee (2016), the research showed stealing thunder to be effective when consumers were unaware of the persuasive crisis messages the company was trying to convey. When the consumers were aware of the persuasive power that the message contained, they showed resistance. This resistance was reflected in a lower purchase intent and a negative shift of brand attitude. Lee (2016) went on to show that the awareness of the persuasive message is moderated and the positive effects of stealing thunder will remain, when a customer is loyal to the brand or feels a positive attachment to the brand.

This study will build upon an earlier study from Claeys et al. (2016), who found that, after company disclosure, people are less likely to pay attention to negative news items with regards to the crisis. They also found a strong correlation between the attention to negative information and the perceived post crisis reputation of the company. Participants who did not receive the company disclosure, paid more attention to the negative news items, and in turn also experienced a decrease in their perceived corporate reputation, post crisis. In other words, when offered self-disclosure, consumers are more likely to believe the company narrative, which will not affect the corporate reputation in the way other crisis responses would (Claeys et al., 2016).

Self-disclosure also showed to be a positive facilitator for corporate credibility (Arpan & Roskos-Ewoldsen, 2005). By being the first to respond to their own crisis, the company shows their stakeholders that they were not planning to keep the crisis a secret but instead are being transparent and forthcoming. In this way self-disclosure can also create the illusion that a company is "telling all" without necessarily doing so (Arpan & Roskos-Ewoldsen, 2005). Having control over the narrative comes forth as a great benefit of stealing thunder. This could keep people from looking deeper into the crisis and finding more than you wanted people to know. Beldad, Van Laar and Hegner (2017) built on earlier research by investigating when stealing thunder would generate a positive outcome for the corporate reputation. They found that a company with a negative pre-crisis

reputation would not benefit from self-disclosure. Opposingly, a company with a positive pre-crisis reputation would benefit from self-disclosure by generating a more positive corporate reputation. A positive pre-crisis reputation paired with stealing thunder was also able to increase post-crisis trust and purchase intend (Beldad et al., 2017). The research shows that, as discussed before and in line with earlier findings, a good reputation is key in times of crisis (Arpan & Roskos-Ewoldsen, 2005; Beldad et al., 2017; Coombs & Holladay, 2002; Nguyen & Leblanc, 2001).

From these articles and findings, the following hypotheses were constructed to aim to eliminate the existing research gap outlined in this theoretical framework:

Hypothesis 2A: When an intentional employee-triggered crisis is disclosed by the company itself, the perceptions among the customers are less negative in comparison to the same crisis when disclosed by the media.

Hypothesis 2B: When an accidental employee-triggered crisis is disclosed by the company itself, the perceptions among the customers are less negative in comparison to the same crisis when disclosed by the media.

3. Methodology

3.1. Research design

The outlined research question was answered by the use of a quantitative research method, using numerical data. The research question aimed to investigate the effect of disclosure method (media disclosure/company disclosure) and crisis type (intentional/accidental) of a crisis caused by employees on the corporate reputation from the customer perspective. An experiment was deemed the most applicable approach for this empirical study for several reasons. An experiment differs from other research methods in the way that variables are manipulated and isolated (Gravetter & Wallnau, 2013). In an experiment a specific variable can be manipulated to find a possible cause-effect relationship. Babbie (2011) emphasizes that an experiment design is most useful when testing hypotheses in an explanatory study, as was the case here. Moreover, an experiment allowed the researcher to test the effect that the selected independent variables had on the dependent variables (Neuman, 2014). An experiment was able to expose a cause and effect relation between the selected variables (Gravetter & Wallnau, 2013). Additionally, according to Neuman (2014) an experiment supplies research with a very strong analysis of a presumed causal relationship. As this study intended to establish the relation between two variables (i.e. crisis type and crisis disclosure) and corporate reputation, an experiment setting rightly served this purpose. Furthermore, Webster and Sell (2007) indicate that an experiment being artificial can be seen as a benefit, because an experiment allows the researcher to focus only on the relevant variables and therefore manipulate these variables in a way that would not occur in a natural setting.

The experiment was set up in the form of a survey experiment. The survey experiment consisted of four conditions designed by using the matrix in table 3.1.1. Therefore, the experiment used a 2x2 between-subjects factorial design (Neuman, 2014). Each experiment offered to an individual respondent was composed of a message, consisting of a crisis type (intentional or accidental) and a disclosure type (media disclosure or company disclosure), which was shown to respondents as a post on Facebook. The survey experiment was designed using an online tool, Qualtrics. Qualtrics allowed the use of a survey experiment design that randomly assigned conditions to respondents. The experiment used a between-subjects design, which meant that the four different conditions needed to be assigned to participants randomly as offered by Qualtrics. Each participant was exposed to one condition only (Appendix A). The complete survey including the different stimuli can be found at the end of this thesis in Appendix C.

Table 3.1.1. Research conditions

	Media disclosure (NY Times)	**Company disclosure**
Intentional crisis	Condition 1	Condition 3
Accidental crisis	Condition 2	Condition 4

3.2.   Experiment stimuli: disclosure type

As discussed in the introduction of this study, disclosure type has an impact on how customers perceive a corporate crisis. A company can decide to disclose the crisis themselves, by stealing thunder, or a third party can disclose the crisis when the company has decided not to disclose the crisis or when the company is unable to create a crisis response in the limited amount of time available to them (Arpan & Roskos-Ewoldsen, 2005). This research focused on the crisis disclosure of a situation concerning the fictional company Avarus and disclosure of the crisis by The New York Times. All disclosure messages were posted on Facebook to keep the different conditions as similar as possible. Additionally, research shows that the medium used for crisis communication has a significant effect on the post-crisis reputation (Schultz, Utz, & Göritz, 2011). Which was also taken into account when deciding to only use one specific platform to disclose the crisis message.

Facebook is a social media platform where people can create their own profile and post messages and pictures on their timeline. It is a many to many platform that encourages dialogue between users. Facebook allows users to like and comment on posts as well as expand their profile by expressing interest in certain topics, ranging from movie titles to hobbies. Facebook is also a tool that can be used to create a personal or a company page. On such a page a company can fill their timeline with promotions and news, but they can also share crisis management messages, which is the chosen context of this research. Users can follow public pages, of which the posts show up when they scroll through their general information feed.

Facebook has shown to be a credible company source of information disclosure from the consumers perspective (Hansson, Wrangmo, & Solberg Søilen, 2013). Facebook offers companies the opportunity to promote their products and services, and it also gives companies a platform where they can communicate with consumers. Since Facebook is a many to many platform it can be used to start a dialogue between company and consumer. Ki and Nekmat (2014) found that the use of Facebook can have a positive effect on crisis communication, when it is used as a two-way communication tool. When the company engages in dialogue with consumers after posting on the platform, the positive effect is enforced by the platform. Kim, Hong and Cameron (2014) have found that Facebook does not have a negative effect on the credibility of a company message when the

message is posted on the corporate page. For this reason Facebook was used in this research without drawbacks.

The experiment made use of a fictional company called Avarus. In the experiment the company was first introduced to the participant in the form of a company description and the company logo (appendix B). This message was presented to all respondents in the same manner. After having been introduced to the company Avarus, participants were immediately asked to rate the company on their pre-crisis reputation. The stimuli that followed the company introduction consisted of a complete Facebook page, either from Avarus sharing the crisis or The New York Times relaying the crisis situation in a crisis disclosure message (appendix A).

The experiment stimuli for the intentional crisis were based on an incident from FedEx (Gerasole, 2011) where a delivery man threw a package containing a computer over a fence instead of delivering the package to the door. It later turned out that the recipient was home at that time and even had his front door open. The incident was caught on video and the post went viral over several social media platforms. Such a crisis was selected because it is a crisis situation that could be considered minor but still requires action from the company. Furthermore, many people would be able to relate to the situation because getting a package delivered at home is a very common scenario. Before this crisis message was designed another FedEx situation was considered. Here a delivery man threw a package over a fence and in doing so allegedly killed the dog of the homeowners, because the package fell on the dog. However, this scenario was later discarded because it might bring up stronger negative emotions and it might be less relatable to people who do not have a pet.

For the accidental scenario a situation was designed similar to the intentional scenario. This scenario was not directly derived from a real life example, to make sure the situations were reasonably similar. The accidental scenario consisted of another incident that happened during a delivery. However, this time the employee did not intentionally cause the incident. The delivery van was parked near one of the delivery addresses, and while being parked the van was hit by another vehicle, damaging some of the packages in the van. The four scenarios that were used as stimuli were outlined in the different conditions as follows:

Condition 1: intentional*media disclosure, The New York Times has posted a message on their Facebook page. They explain that an employee of Avarus was very rough with packages while out on his delivery route. He threw a package, that could clearly be seen to be a TV, over the fence instead of delivering the package to the door. As of yet Avarus has not released a response to the crisis. Several customers have urged Avarus to fire the employee in question and to compensate the affected parties.

Condition 2: Accidental*media disclosure. This message was posted on The New York Times Facebook page. The message stated that a delivery van from Avarus was hit by another vehicle while being parked near one of the delivery addresses. Some of the packages in the van were damaged and Avarus has yet to respond to the situation.

Condition 3: Intentional*company disclosure. This message was posted on the corporate Facebook page of Avarus. In the message, Avarus apologized for the incident. They explained that the employee roughly handled packages during his delivery and that some were damaged due to the employees actions. They announced that they will compensate the affected parties and that the employee in question has been let go. Additionally, they promised to start a retraining program to ensure something like this would not happen again.

Condition 4: Accidental*company disclosure. This message was posted on the corporate Facebook page of Avarus. Avarus explained that several packages were damaged during delivery when an Avarus delivery van was hit by another vehicle, while being parked on the side of the road. Avarus apologized for the incident and emphasized that they will reevaluate their delivery protocols to make sure it does not happen again.

3.3. Sampling

The experiment was conducted in the form of an online survey experiment. This allowed for an efficient distribution of the experiment. As for the distribution itself, this was done through Amazon Mechanical Turk, to be able to reach sufficient respondents to draw a final conclusion on the gathered results. Amazon Mechanical Turk is an online program that lets researchers post their survey on the platform. For a small compensation members of the website are able to participate in different tasks such as these survey's. This method was selected to ensure a swift collection of data as well as a diverse sample. Responses from a wide variety of demographics were collected. This sampling method could be considered convenience sampling.

Since there were four conditions which all required at least 30 respondents, this research aimed to collect a minimum amount of 120 responses. The survey experiment was set up using Qualtrics and the collected data was analyzed in SPSS 25. Qualtrics allowed the participants to be randomly assigned to one of the four conditions. Therefore, every respondent was only tested in one situation, which fits the experiment into the between-subject design. The different conditions were offered to the participants in the form of a picture. The picture contained a written piece, outlining the crisis and the crisis type (intentional or accidental), as well as the source of the disclosure (a media outlet or the company itself) (appendix A).

Before the experiment was published online, a pre-test was conducted to ensure the questions were clear for participants and the collected data would be valid. This pre-test also tested Qualtrics and its randomization function, to make sure that the participants would be evenly distributed between the four conditions. The pre-test was conducted amongst 10 respondents that all needed to complete the survey and give feedback to the researcher for possible adaptations of the survey experiment. This data was not included in the final dataset and was therefore not analyzed in the research. The participants were selected from the researchers social circle to ensure credible feedback would be given. This way the selection consisted of participants with varying ages, genders and nationalities to ensure that the survey was clear to a wide variety of people.

The feedback led to several small adaptations to refine the survey. The wording of some of the questions was altered, as well as the font of the text outlining the fictional company Avarus. One of the respondents mentioned the fact that the option to go back in the survey was enabled. This was disabled after the pre-test. This could have majorly altered the final results since respondents could have scrolled through all the questions and could have gone back to the beginning and alter their answers for the pre-crisis reputation questions. Luckily, this issue was caught before the data gathering had started, keeping the data from being impacted by this altercation.

Like mentioned earlier the aim was to collect a total of 120 responses. In the final sample 246 respondents completed the survey and were used to analyze the data. The following number of participants were randomly assigned to the different conditions: intentional*media disclosure: 66 respondents. Accidental*media disclosure: 63 respondents. Intentional*company disclosure: 56 respondents. Accidental*company disclosure: 61 respondents. Of the 246 cases included in the data 40.2% (99) were male and 59.8% (147) were female. Initial tests showed that all minimum and maximum outcomes from the data made sense in the context of the answering categories for each variable.

The responses were collected during a period of 2-days, by the use of Amazon Mechanical Turk. Due to the compensation offered on Amazon Mechanical Turk the collection of data was quite swift. The survey was available on October 8th and October 9th. Amazon Mechanical Turk, also called MTurk, is one of the most popular crowdsourcing websites of this moment (Shank, 2015). Members of the website receive a micro compensation for completing Human Intelligence Tasks (HITs). The survey experiment was posted on the website. When participants chose to complete the task they were redirected to the Qualtrics survey by the link posted on MTurk, which then allowed them to finish the survey. MTurk automatically stopped data collection after the requested amount of respondents were collected. To make sure there were enough valid cases available for the analysis this number was set to 250 responses.

MTurk was found to generate reliable and valid data in different studies (Lund, Nadorff, Galbraith, & Thomas, 2018; Shank, 2015). MTurk is operational in over 100 countries, however, they pay only in dollars and Indian rupees, which makes the majority of the members from the USA and India (Shank, 2015). Shank (2015) also found that the sample collected from MTurk performed in an equally reliable and valid way when compared to an offline sample. He argued that members on MTurk are more motivated to perform well because of the compensation they receive and the ability for them to select the specific HITs they would like to complete.

3.4. Operationalization

The scales used in this research for the different variables were all designed and validated by previous researchers and have been retested in other studies. In the following section the variables will be discussed and the research that has led to the validated and reliable scales will be reported on. Moreover, some general statistics on the collected data will be discussed as well as a comparison between this study's results and the results from previous research on the proposed scales.

The following structure was used in the survey experiment: first respondents were presented with an introduction, shortly explaining what would be expected of them without giving away the real focus of the experiment. This way the collected data would not be affected by the disclosure of the research goal. The introduction briefly mentioned the time the survey would take and offered the researchers e-mail for questions or other comments people could have about the survey. Additionally, it was emphasized that their responses would remain confidential and would only be used to construct this master's thesis. The participants then needed to agree that they understood the introduction before proceeding to the actual survey questions. Here everyone was shown the logo of the fictional company Avarus, together with a general company description to give the respondents some idea on the kind of company they were assessing (appendix B). A fictional company was chosen to make sure that all respondents had the same knowledge and no preconceptions about the company they were asked to score. Avarus was explained to be an online marketplace with a headquarters located in New York. This type of company was selected because it is relatable and many people have had experience with such a company.

Following the introduction the first questions in the survey measured the pre-crisis reputation of the fictional company Avarus. The four questions were proposed by Ponzi, Fombrun and Gardberg (2011), and were used to measure pre crisis corporate reputation. This validated scale has been used and tested in several previous studies, therefore, it was assumed that the scale is valid and reliable for this research as well. The questions aimed to find how people perceive the company and whether they trust and admire them.

After these initial questions the 4 experiment conditions were randomly assigned to the respondents. The conditions consisted of a post describing the crisis on the Facebook page of either the company or the Facebook page of The New York Times (appendix A). For this research The New York Times was selected as the news outlet to increase the credibility of the message. The message relayed the crisis type (accidental or intentional) and the source of disclosure (company or media).

After being exposed to one of the experiment conditions a question regarding the experience of emotions of the participant was asked. This question aimed to determine the overall feeling that people had after being exposed to the crisis message. Then the post-crisis reputation was measured with a scale designed by Coombs and Holladay (2002). Their scale aimed to find whether people trusted the company and if they thought of the company as reliable. Then questions from a scale used to measure customer satisfaction were derived from the research design proposed by Bowden-Everson, Dagger and Elliott (2013), which consisted of three questions regarding the overall experience that the participant had with the company. Then crisis responsibility was touched upon, which, as argued by Carroll (2015), is the amount of responsibility over the occurred crisis that is placed on a company by consumers. The scale constructed and validated by Griffin, Babin and Darden (1992) was used to measure crisis responsibility with the three-item scale for blame. Finally, customer trust was measured using a validated scale proposed by Bowden-Everson et al. (2013), consisting of three questions. These questions as opposed to other scales specifically did not mention the word trust, trying to avoid answering biases. This scale was researched and validated several times in previous research.

Then, two manipulation checks were conducted to investigate the two variables that were manipulated in the experiment conditions. A manipulation check allowed the researcher to see whether the people who took part in the experiment actually noticed the manipulation as it was designed by the researcher. The following two checks finalized the survey: what kind of crisis did you rate just now? (Accidental/Intentional/Natural/catastrophe). Where was the news about the crisis published? (Twitter/Facebook/corporate website/news website). Both questions were multiple choice, in order to be able to analyze the collected data in an organized manner. At the end of the survey information on demographics were collected, such as gender, age, nationality and highest finished education. These demographics could be used to categorize data in the analysis stage of the research. The survey finished with a thank you message to the participant.

3.4.1. Measurements

The dependent variable or the outcome variable that this research aimed to measure is corporate reputation from a consumers perspective. The research set out to find whether crisis type

and crisis disclosure had an effect on how people perceive a company. Other variables that were measured to structure a complete picture of the consumers perspective were, customer satisfaction, customer trust, emotion, and crisis responsibility.

Pre-crisis reputation

To measure pre-crisis reputation four questions from Ponzi et al. (2011) were used. This research found a Cronbach's alpha of .96 for the pre-crisis reputation scale they called RepTrak. This showed a very high internal consistency of the scale (Pallant, 2014). Nunnally (1978) argued that for research a Cronbach's alpha of .7 is good, however, a higher Cronbach's alpha of .8 or above is preferred. He stated that the Cronbach's alpha is very susceptible to the items in the scale. Therefore, the Cronbach's alpha could be low without it being an unreliable scale, when there is a small number of items in a scale. In which case it is better to report on the mean inter-item correlation (Nunnally, 1978).

RepTrak measures how consumers feel about a company, and whether they trust and admire the company. The questions derived from RepTrak to be used in this study were: 'I have a good feeling about the company', 'I trust the company', 'I admire and respect the company' and 'the company has a good overall reputation'. This research found a high inter correlation between the questions. Additionally, the Cronbach's alpha was not reported to be higher by deleting any of the items, therefore reporting a high reliability of the scale.

When conducting a reliability test on these items, the Cronbach's alpha for the scale was found to be .879. This suggested that the measures of the scale are reliable (Nunnally, 1978). It could therefore be stated that for the analysis all items were valid and could be used in the study. These items were combined into one new variable "pre-crisis reputation" which was found to have the following statistics: M = 5.06, SD = 1.03. The mean reported was the average score that was recorded for the new variable "pre-crisis reputation" (Pallant, 2014).

Following this, a factor analysis was conducted on the four items from the RepTrak. Of the four components only one showed an eigenvalue of above 1. This factor had an eigenvalue of 2.939 which explained 73.5% of the variance. All the other components reported an eigenvalue lower than 1 and could therefore be neglected. Because of this, only one component was extracted and a rotation was unnecessary.

Table 3.5.1.1 Pre-crisis reputation factor loading

Avarus is a company I have a good feeling about	.844
Avarus is a company that I trust	.878
Avarus is a company that I admire and respect	.896
Avarus has a good overall reputation	.809

Emotions

Kim and Cameron (2011) found anger and sadness to be the main emotions often felt by people when being exposed to a crisis. The Cronbach's alpha they found .92 applied to their complete scale of 17 items. For this research this was narrowed down to 4. Anger and sadness were included in this study because they appeared most in the research by Kim and Cameron (2011). Additionally, in both these emotion categories many people felt surprise after the crisis. Lastly, In their study empathy was measured to be at a high level following their feelings of surprise (Kim & Cameron, 2011), which was therefore also included in the measurements.

When conducting a reliability test on these items, the Cronbach's alpha for the scale was first found to be negative. This was due to the fact that empathy needed to be reversed to be used in the analysis. This could be due to the fact that participants considered empathy a positive emotion following their exposure to the crisis. After reversing emotions 4 (empathy) in SPSS the Cronbach's alpha was found to be .556. This suggested that the measures of the scale could not be considered reliable (Nunnally, 1978). When looking at the other test results it showed that the Cronbach's alpha could be increased by deleting the fourth emotion item (empathy) from the scale.

After this the Cronbach's alpha for the three items was reported to be .704. Which according to Pallant (2014) is an acceptable score to show the reliability of a scale. Therefore, it could be stated that for the analysis all items were considered valid and could be used in this study. The other three items were then combined into one new variable "Emotions" which was found to have the following statistics: *M* = 4.03, *SD* = 1.38. The mean reported was the average score that was recorded for the new variable "emotions" (Pallant, 2014).

Following this, a factor analysis was conducted on the three items from Kim and Cameron (2011). Of the three components only one showed an eigenvalue of above 1. This factor had an eigenvalue of 1.886 which explained 62.9% of the variance. All the other components reported an eigenvalue lower than 1 and could therefore be neglected. Because of this, only one component was extracted and a rotation was unnecessary.

Table 3.6.1.2. Emotions factor loading

Angry	.821
Sad	.813
Surprised	.742

Post crisis reputation

The four items used to measure post crisis reputation were derived from the research design of Coombs and Holladay (2002). The items were slightly altered to suit this research best. The alterations consisted of the reversing of the questions beforehand to avoid a discrepancy between the answering categories of a 7-point Likert scale, disagree-agree. The initial 5 item scale reported a Cronbach's alpha of .87. The following four questions were derived from the design as proposed by Coombs and Holladay (2002), "Avarus is concerned with the well-being of its publics", "Under most circumstances, I would be likely to believe what Avarus says", "I trust Avarus to tell the truth about the incident", "Avarus is honest".

When conducting a reliability test on the items derived from the scale, the Cronbach's alpha for the scale was found to be .916. This suggested that the measures of the scale were reliable (Nunnally, 1978), and that the adaptation of the items did not alter the reliability or the validity of the scale in a negative way. It could be stated that for the analysis all items were valid and could be used in the study. These items were then combined into one new variable "post-crisis reputation" which was found to have the following statistics: $M = 4.99$, $SD = 1.29$. The mean reported was the average score that was recorded for the new variable "post-crisis reputation" (Pallant, 2014).

Following this, a factor analysis was conducted on the four items proposed by Coombs and Holladay (2002). Of the four components only one showed an eigenvalue of above 1. This factor had an eigenvalue of 3.199 which explained 80% of the variance. All the other components reported an eigenvalue lower than 1 and could therefore be neglected. Because of this, only one component was extracted and a rotation was unnecessary.

Table 3.6.1.3. Post-crisis reputation factor loading

Avarus is concerned with the well-being of its publics	.864
Under most circumstances, I would be likely to believe what Avarus says	.922
I trust Avarus to tell the truth about the incident	.911
Avarus is honest	.880

Customer satisfaction

The scale used to measure customer satisfaction was derived from the research design proposed by Fornell, Johnson, Anderson, Cha and Bryant (1996), which was tested and further edited by Bowden-Everson et al. (2013). This scale consisted of the following questions: "Overall I am confident with the service that Avarus provides", "Avarus has met my expectations", "The service provided by Avarus is ideal". The Cronbach's alpha found for this scale was .848. However, the study did not use the 7-point Likert scale that was used for this study. This did not alter the results since this study still found a very high Cronbach's alpha and therefore a reliable scale.

When conducting a reliability test on these items, the Cronbach's alpha for the scale was found to be .910. This suggested that the measures of the scale were reliable (Nunnally, 1978). It could be stated that for the analysis all items were valid and could be used in the study. These items were combined into one new variable "customer satisfaction" which was found to have the following statistics: *M* = 4.84, *SD* = 1.30. The mean reported was the average score that was recorded for the new variable "satisfaction" (Pallant, 2014).

Following this, a factor analysis was conducted on the three items from Fornell et al. (1996) and Bowden-Everson et al. (2013). Of the three components only one showed an eigenvalue of above 1. This factor had an eigenvalue of 2.545 which explained 84.8% of the variance. All the other components reported an eigenvalue lower than 1 and could therefore be neglected. Because of this, only one component was extracted and a rotation was unnecessary.

Table 3.6.1.4. Customer satisfaction factor loading

Overall I am confident with the service that Avarus provides	.930
Avarus has met my expectations	.932
The service provided by Avarus is ideal	.900

Crisis responsibility

Crisis responsibility as argued by Carroll (2015) is the amount of responsibility over the occurred crisis that is placed on a company by consumers. The scale constructed and validated by Griffin et al. (1992) was used to measure crisis responsibility with the three-item scale for Blame. This scale investigated the amount of blame or responsibility that people attach to certain entities in crisis situations. For this scale the researchers found a Cronbach's alpha of .92. The three items used in the scale are: "Circumstances, not the organization, are responsible for the crisis"; "The blame for the crisis lies with the organization" and "The blame for the crisis lies in the circumstances, not the

organization". As can be seen, the second question asked the participants something similar to the other two questions. However, this question was posed in reverse and therefore the answers needed to be reversed in SPSS before being able to use them for the rest of the analysis.

When conducting a reliability test with the items used for this study, the Cronbach's alpha for the scale was found to be .803. This suggested that the measures of the scale were reliable (Nunnally, 1978). It could be stated that for the analysis all items were valid and could be used in the study. These items were combined into one new variable "crisis responsibility" which was found to have the following statistics: *M* = 4.50, *SD* = 1.38. The mean reported was the average score that was recorded for the new variable "crisis responsibility" (Pallant, 2014).

Following this, a factor analysis was conducted on the three items from Griffin et al. (1992). Of the three components only one showed an eigenvalue of above 1. This factor had an eigenvalue of 2.161 which explained 72% of the variance. All the other components reported an eigenvalue lower than 1 and could therefore be neglected. Because of this, only one component was extracted and a rotation was unnecessary.

Table 3.6.1.5. Crisis responsibility factor loading

Circumstances, not Avarus are responsible for the crisis	.891
The blame for the crisis lies with Avarus	.751
The blame for the crisis lies in the circumstances, not Avarus	.897

Customer trust

Customer trust was measured using a validated scale proposed by Bowden-Everson et al. (2013), and consisted of the following questions: "This web shop stands behind the quality of its products", "This web shop is committed to my satisfaction", "This web shop is very responsive". For this scale the Cronbach's alpha they found was .831, which used a 7-point Likert scale.

When conducting a reliability test on these items, the Cronbach's alpha for the scale was found to be .860. This suggested that the measures of the scale were reliable (Nunnally, 1978). It could be stated that for the analysis all items were valid and could be used in the study. These items were combined into one new variable "customer trust" which was found to have the following statistics: *M* = 5.07, *SD* = 1.24. The mean reported was the average score that was recorded for the new variable "trust" (Pallant, 2014).

Following this, a factor analysis was conducted on the three items from Bowden-Everson et al. (2013). Of the three components only one showed an eigenvalue of above 1. This factor had an eigenvalue of 2.351 which explained 78.4% of the variance. All the other components reported an eigenvalue lower than 1 and could therefore be neglected. Because of this, only one component was extracted and a rotation was unnecessary.

Table 3.6.1.6. Customer trust factor loading

This webshop stands behind the quality of its products	.864
This webshop is committed to my satisfaction	.906
This webshop is very responsive	.886

Table 3.6.1.7. Statistical variable information (Mean and Standard deviation)

Variables	Mean	SD
Pre-crisis reputation	5.06	1.03
Emotions	4.03	1.38
Post crisis reputation	4.99	1.29
Customer satisfaction	4.84	1.30
Crisis responsibility	4.50	1.38
Customer trust	5.07	1.24

3.5. Descriptive statistics and demographics

The complete set of collected data consisted of 246 respondents (N=246). Of these responses 8 were deleted due to the fact that they failed to give their consent at the start of the survey, therefore excluding this data from being analyzed. Additionally, 7 respondents did not answer all of the questions in the survey, and were therefore also deleted from the final sample. Leaving a final sample of 231 respondents (N= 231). About this final data set the following statements could be made: this dataset was comprised of 137 women (59.3%) and 94 men (40.7%). The majority of the sample consisted of female respondents. Moreover, the ages of the participants ranged from 18 to 81 years old, with an average age of $M = 38.6$, and a standard deviation of $SD = 13.15$. These varying

ages could be accounted to the use of MTurk for the data collection. The the sample was much more diverse then what could have been obtained by distributing the survey through the channels that were most accessible to the researcher. From the complete sample a majority obtained a university bachelor's degree (45.7%). Moreover, a total of 61.3% of the sample obtained a university degree or higher. Additionally, the question regarding highest finished education reported a mean of $M = 4.07$, and a standard deviation of $SD = 1.63$.

Table 3.7.1 Correlation Matrix

Variables	Pre-crisis rep.	Emotions	Post-crisis rep.	Customer satisfaction	Crisis responsibility	Customer trust	Gender	Age
Pre-crisis rep.	1							
Emotions	-.091	1						
Post-crisis rep.	-.569**	-.172**	1					
Customer satisfaction	-.556**	-.203**	.847**	1				
Crisis responsibility	-.227**	-.155*	.440**	.439**	1			
Customer trust	-.514**	-.185**	.814**	.810**	.464**	1		
Gender	-.173**	-.013	-.013	.010	-.094	-.001	1	
Age	-.017	.020	.029	-.015	.024	.011	.015	1

* Correlation is significant at the 0.05 level (2-tailed).
** Correlation is significant at the 0.01 level (2-tailed).

As this correlation matrix in table 3.7.1 shows, most of the correlations between the variables reported to be significant. This section will shortly focus on several of these significant relations. The other correlations will be discussed more in depth in the results chapter. Pallant (2014) argued that a Pearson's *r* of above .5 is considered a large correlation between variables. Additionally, all correlations with two * showed a high significance at the $p < .01$ level. These significant and large correlational relations will now be discussed. A strong negative relation was found between '*pre-crisis reputation*' and '*post-crisis reputation*', '*customer satisfaction*', '*customer trust*' ($r = -.569$, $r = -.556$ and $r = -.514$). A strong positive relation was reported between '*post-crisis reputation*' and '*customer satisfaction*', '*customer trust*' ($r = .847$ and $r = .814$). Lastly, a strong positive relation was found between '*customer trust*' and '*customer satisfaction*' ($r = .810$).

4. Results

4.1. Manipulation check

The survey included two manipulation checks to ensure that the participants were aware of the different manipulations presented to them in the experiment. These questions were asked near the end of the survey along with the demographical questions. Since all the stimuli messages were posted on either the company Facebook page or the Facebook page of The New York Times. The first manipulation question asked where the news about the crisis was posted, with one of the answering options being Facebook and the others being Twitter, the corporate website and a news website. Out of the complete data set of 231 respondents, 177 reported this outlet to be Facebook. For this manipulation check a Pearson's chi-square value was calculated and was shown to be significant $\chi2$ (1, N = 231) = 29.94, p <.000. The reported *phi* showed a correlation of .360. This, according to Pallant (2014) means a moderate effect size between the offered stimuli and the actual recorded answer. Due to the p-value of p <.000 it could be stated that we are 95% confident in our gathered results. Therefore, the manipulation check can be considered successful. It could however be argued that both the corporate website and the news website option have influenced the answers. Some respondents might see an official Facebook page as the company or news website, which were answered by respectively 14 and 26 respondents. This could have resulted in a higher correlation, which would have meant a higher effect size and a better manipulation of the stimuli.

Moreover, the second manipulation question focused on the manipulation of the crisis type with the answering options being, accidental crisis, intentional crisis and a catastrophe. Of the complete data set (N= 231), 112 respondents were exposed to the accidental crisis, and 105 respondents passed the manipulation check. Amongst the 119 respondents who were sorted into the intentional crisis cluster, 73 respondents passed the manipulation check. For this manipulation check a Pearson's chi-square value was calculated and was shown to be significant $\chi2$ (1, N = 231) = 87.37, p <.000. The reported *phi* showed a correlation of .615 which, according to Pallant (2014) would mean a large effect size between offered stimuli and actual recorded answer. Due to the p-value of p <.000 it could be stated that we are more than 95% confident in our gathered results. Therefore, the manipulation check was considered to be successful.

4.2. Hypothesis 1: the effect of an accidental/intentional crisis on post-crisis reputation

Hypothesis 1 posed the assumption that crisis type (accidental vs intentional) would have an effect on the post-crisis reputation perceived by the participants in the case of an employee

triggered crisis. The accidental crisis was expected to lead to a higher post-crisis reputation than when the participants were exposed to an intentional crisis. The Levene's test showed that equal variances could be assumed between the different crisis types $p = .066$. Based on these results an independent-samples t-test was conducted, to compare the post-crisis reputation scores for the accidental and the intentional crisis. A significant difference was found between crisis type, the accidental crisis type   ($M = 5.14$, $SD = 1.19$) and the intentional crisis type ($M = 4.79$, $SD = 1.39$; t (229) = 2.04, $p = .042$, two-tailed). Therefore, this outcome supported the assumptions of hypothesis 1. When an accidental crisis occurs the post-crisis reputation of the affected company is more positive than when an intentional crisis occurs.

4.3.   Hypothesis 2A: The impact of an intentional crisis disclosed by the company vs the media on the post-crisis reputation

The second hypothesis 2A reported the assumption that an intentional crisis, disclosed by the company itself, would have less of a negative impact on the post-crisis reputation than the same crisis when disclosed by a third party media outlet. The Levene's test showed that equal variances could be assumed between the two sources of disclosure $p = .818$. Based on these results an independent-samples t-test was conducted, to compare the post-crisis reputation scores for the company disclosure condition and the media disclosure condition. A significant difference was found between disclosure source, the company disclosure ($M = 5.38$, $SD = 1.27$) and the media disclosure ($M = 4.28$, $SD = 1.30$; t (117) = 4.68, $p < .000$, two-tailed). Therefore, this outcome was able to support hypothesis 2A. When an intentional crisis is disclosed by the company itself, the post-crisis reputation of the affected company is more positive than when an intentional crisis is disclosed by a media source.

4.4.   Hypothesis 2B: The impact of an accidental crisis disclosed by the company vs the media on the post-crisis reputation

Hypothesis 2B reported that an accidental crisis disclosed by the company itself would have less of a negative impact on the post-crisis reputation than the same crisis when disclosed by a third party media outlet. The Levene's test showed that equal variances could be assumed between the two sources of disclosure $p = .702$. Based on these results an independent-samples t-test was conducted, to compare the post-crisis reputation scores for the company disclosure condition and the media disclosure condition. A significant difference was found between disclosure source, the company disclosure ($M = 5.46$, $SD = 1.14$) and the media disclosure ($M = 4.48$, $SD = 1.16$; t (110) =

2.86, $p < .000$, two-tailed). Therefore, this outcome is able to support hypothesis 2B. When an accidental crisis is disclosed by the company itself, the post-crisis reputation of the affected company is more positive than when an accidental crisis is disclosed by a media source.

4.5.   Additional results: regression analysis

The previous sections have shown that the results from the independent samples t-test were all considered to be significant. The disclosure type and crisis type both had a significant effect on the post-crisis reputation reported after exposure to the stimuli. To add another dimension to the discussion of the results and the research question, we have also focused on a multiple regression analysis. This analysis was able to show whether the other tested variables had any predictive power over the post-crisis reputation reported (Pallant, 2014).

The multiple regression analysis aimed to investigate whether *pre-crisis reputation*, *crisis type*, *crisis source*, *emotions*, *customer satisfaction*, *crisis responsibility* and *customer trust* had any predictive value with regards to the post-crisis reputation. To investigate this a standard multiple regression was used. Considering the fact that no hierarchical relations are assumed between the various variables, this type of analysis was sufficient. To create a valid analysis, standardized variables were used in the regression. In SPSS this created a z-score for each variable that could then be analyzed in the standard multiple regression.

The regression model showed several findings. The first expected finding, before starting the analysis of the output was the fact that *Emotions* did not report a high correlation with the dependent variable (post-crisis reputation). The value of -.170, according to Pallant (2014), showed that the correlation was too small between this specific independent variable and the dependent variable. This was expected since the *Emotions* variable reported a substantially lower Cronbach's alpha than the other scales, and was therefore considered less valid in measuring the selected variable '*Emotions*'. Additionally, Pallant (2014) suggested only moving forward with one or less independent variables with an inter-correlation of higher than .7. Fortunately, only one such value was reported in the findings and therefore we were able to proceed to the analysis. The VIF value did not violate the assumption of multicollinearity. However, the high tolerance value reported for the *Emotions* variable (.806) did indicate a possible multicollinearity. This variable was therefore excluded from further analysis of this regression analysis.

The reported R-square value was .781 which indicated that 78.1% of the variance of the dependent variable could be explained by the independent variables included in the analysis. Since the sample size was sufficient, there was no need to report the adjusted R-squared. Additionally, the ANOVA reported that the results for the R-square value were significant, $F(6) = 132.85$, $p < .001$. Out

of the 6 variables that were tested, 5 proved to offer a statistically significant contribution to the prediction of the post-crisis reputation variable.

The following values were found for the analyzed variables: *pre-crisis reputation*, $b* = -.135$, $p = .001$, *crisis source*, $b* = -.085$, $p = .018$, *customer satisfaction*, $b* = .476$, $p = .000$, *customer trust*, $b* = .303$, $p = .000$. These variable were shown to be significant predictors. However, *crisis type*, $b* = .031$, $p = .379$ and *crisis responsibility*, $b* = .068$, $p = .083$, did not turn out to be significant predictors of post-crisis reputation. Nonetheless, as Pallant (2014) mentions, this value suggests a unique prediction of the outcome variable. This could mean that *crisis responsibility* and *crisis type* overlap with some of the other variables and therefore do not offer a unique prediction element to the analysis, but could still have a predictive power over the dependent variable.

Table 4.5.1 Post-Crisis Reputation Influencers

Independent variables	Standardized B	Sig.
Pre-crisis reputation	- .135***	.001
Crisis type (dummy variable)	.031	.379
Crisis source (dummy variable)	-.085*	.018
Customer satisfaction	.476***	.000
Crisis responsibility	.068	.083
Customer trust	.303***	.000
R-Square	.781	
F-Vale	132.85***	.000

*Significance: *** p < .001, ** p <.01, * p <.05*

5. Discussion

5.1. Summary

This study aimed to answer the following research question: *How do crisis type (intentional vs. accidental) and crisis disclosure (media vs. company) affect corporate reputation in case of an employee triggered crisis?* This question was derived from earlier research which has not yet focused on an employee triggered crisis or on the specific combination of crisis type/crisis disclosure. In order to answer the research question, several hypotheses were structured that were based on the available academic literature regarding corporate reputation. This research focus was selected due to the increase in interest in corporate reputation in academic research. Research has shown that the corporate reputation is a vital aspect of a business and of the strategy that follows from the company goals (Arpan & Roskos-Ewoldsen, 2005). Corporate reputation has also shown to be a good predictor for superior financial performance and customer loyalty. With regards to this context, the literature suggested that an intentional crisis would be more likely to have a negative effect on the corporate reputation. This assumption accounted for both disclosure scenarios investigated in this study, hereby creating hypothesis 1. It also build the assumption that company disclosure has a more positive effect in both crisis type scenarios, resulting in hypothesis 2A and 2B. To test the hypotheses a survey experiment was designed and conducted to gather data. The survey experiment consisted of all previously established and researched scales in order to ensure validity and reliability. The survey collected data through Qualtrics, the link of which was posted on MTurk to gather data. Finally a complete data set of $N = 231$ was established after the data was cleaned of incomplete and invalid entries. Following this, SPSS version 25 was used to analyze the data. Two manipulation check questions were included in the survey on which an analysis was conducted using a chi-square test. To test the hypotheses three independent-sample t-test were conducted and lastly a regression analysis was done to analyze the extra variables added to the survey. This analysis investigated possible other moderators, such as crisis responsibility, customer trust, customer satisfaction and the demographical results. In the next section the main findings of the study will be discussed.

5.2. Main findings

This study has conducted an experiment focused on the effect of crisis type and crisis disclosure method on the corporate reputation in the context of an employee triggered crisis. Following the first hypothesis, which outlined the expectation that an intentional crisis would have a bigger and more negative impact on the corporate reputation, it was found that crisis type indeed has a significant effect on the perceived corporate reputation. As suggested by the first hypothesis, which

was accepted on account of the gathered results. Intentional crises have a significantly more negative impact on the perceived corporate reputation of customers than an accidental crisis, regardless of which disclosure type is used during the crisis communication process. Literature suggested such an outcome in the following way, Coombs and Holladay (2002) have found that an intentional crisis has the highest crisis responsibility and the accidental crisis has a medium crisis responsibility, these crises respectively present a high and medium risk to the perceived corporate reputation. The findings from Coombs and Holladay (2002) are therefore confirmed in this study's hypothesis. This result could be dialed down to the theory proposed by Coombs and Holladay (2002) that more responsibility falls upon the company according to consumers when a crisis is perceived to be the fault of the company, the intentional crisis. The results showed a significant effect of crisis responsibility on the post-crisis reputation which supports this statement.

Hypothesis 2A and 2B focused on when the crisis was disclosed by the company versus disclosed by a third party media outlet, and whether the perceived corporate reputation would be more positive or negative. The hypotheses stated that in both crisis type situations (accidental/intentional) the perceived corporate reputation would be more negatively impacted due to the disclosure by a third party media outlet. It assumed that when the crisis was self-disclosed by the company the corporate reputation would turn out more positive. This study found that in the case of third party disclosure an intentional crisis indeed had a more negative effect on the post-crisis reputation than an accidental crisis. When the crisis was self-disclosed by the company the participants responded likewise, the intentional crisis had a more negative effect on the corporate reputation than the accidental crisis. Crisis disclosure was found to have a significant impact on the corporate reputation. When the company decided to self-disclose the crisis, the perceived corporate reputation turned out more positive than when a third party disclosed the same crisis, regardless of what type of crisis was disclosed. These findings were in line with previous literary findings, Jin et al. (2011) and Kim and Park (2017) found similar results in different circumstances, consumers have a more favorable attitude towards companies that self-disclose their wrongdoings and are willing to admit their own mistakes. Additionally, consumers are more likely to respond in a negative way when the locus of the crisis is considered internal by the consumer, the responsibility in their perception lies with the company itself.

Furthermore in this study's stimuli design, where the crisis is caused by an employee, we see that even though the company itself is not responsible for the crisis but an individual employee, consumers still experience a decline in perceived corporate reputation. Additionally, customer trust and customer satisfaction have shown to be high predictors of the corporate reputation outcome after being exposed to one of the crisis situations. Therefore, showing that consumers who

experience more loyalty towards a brand before being exposed to a crisis situation are more likely to be forgiving with regards to the company's reputation (Taghian et al., 2015).

Concluding these main findings, the posed research question in this study can be answered by the results, that an intentional employee triggered crisis is more hurtful to the corporate reputation than an accidental employee triggered crisis regardless of the use of different disclosure types. Additionally, company disclosure or stealing thunder wielded the most positive results in either crisis type situation, accidental and intentional. These findings have both theoretical and managerial implications that will be elaborated on in the following sections.

5.3.   Theoretical implications

In the past decade the way the internet is used has changed. Instead of traditional uses such as blogs and websites, people now spend more time on social media platforms, also called many-to-many platforms (Kaul & Chaudhri, 2017). Due to this transition people feel more empowered and have become more aware of the power that they hold online (Coombs & Holladay, 2012). This transition has also affected businesses. The corporate reputation is harder to protect when people can easily voice opinions and share stories about the company with millions of others worldwide (Mcdonald et al., 2010). Therefore, the emergence of enterprise social media (ESM) can be seen as both a blessing and a curse. Due to ESM people are more connected to the rest of the company and the world, therefore supporting teamwork and increasing the work pace, but on the other hand ESM forms a risk because of the freedom it offers employees online (Kaul & Chaudhri, 2017). For this reason it is important for a company to have a strong crisis communication strategy, so they are prepared for all situations.

This research has added to the existing literature in this research realm. Previous research has highlighted that the corporate reputation is in jeopardy when a crisis occurs (Walsh & Beatty, 2007). Different crisis responses and crisis communication techniques have been developed over the years, with the most prominent and relevant ones being the image repair theory of Benoit (1997) and Coombs and Holladay's situational crisis communication theory (SCCT) (2002). Both theories have been the foundation of more recent academic work and have guided other scholars in their search for more adaptable communication strategies. As this research has focused on crisis type and crisis disclosure, it has highlighted the fact that employees enjoy a lot of power and are able to change the public mindset about companies without the employee themselves being aware of this (Stangis & Smith, 2017). As was made apparent in different examples throughout this study, this era of increased social media use makes it easy for crisis situations to arise amidst online communities who can make posts go viral with the click of a button (Kelleher, 2009). The foundational literature

(Benoit, 1997; Coombs & Holladay, 2002) and the existing adaptations of these theories have however failed to incorporate employees as crisis origins with its own specified set of communication tools to counteract the consequences of such a crisis situation.

Moreover, this research has entered the research realm of the employee in which very little research has been conducted. Kaul and Chaudhri (2017) outlined the risk that employees pose for companies and their corporate reputation. However, they did not conduct any research on whether the involvement of employees had any direct effect on the perceived corporate reputation. Having moved research to focus on employees and their impact on the business will open doors for future research. This research has taken the first step in ensuring a more comprehensive crisis communication strategy that will truly encompass all possible situations. While allowing other authors to build on these research findings to further extend this yet undiscovered realm.

In our findings and in accordance to previous research (Arpan & Roskos-Ewoldsen, 2005; Beldad et al., 2017), this study has found that self-disclosure when the crisis is caused by an employee is the most favorable response option for a company. Consumers assume that responsibility needs to be taken by the company even when the crisis might not have been their fault (Benoit, 1997). This considerably adds to this existing body of literature by selecting a crisis situation for this study which is not the direct responsibility of the organization but is considered as such by its consumers. Since this responsibility was found to have a significant effect on the post-crisis reputation in this study. This shows that perceived responsibility of the crisis is a mediator strengthening the positive effect following self-disclosure by the company. This further adds to the research by Coombs and Holladay (2011), who found that the perceived crisis responsibility determines which crisis communication strategy would be most appropriate, now adding employee triggered crises to the list of high responsibility situations.

Coombs and Holladay (2012) emphasize that strategy is often timeless. It might need to adapt to some new transitions such as social media but most strategies that are useful now will still be useful in 20 years. Therefore, building on the theory from Benoit written in 1997 and the theory of Coombs and Holladay from 2002 is still relevant today. Continuously building on previous research and theories will sustain the crisis communication research realm for an extended amount of time and will be able to offer new insights to businesses.

5.4.   Managerial implications

As presented by previous research, the corporate reputation is a highly valuable asset for a business (Arpan & Roskos-Ewoldsen, 2005). It can bind customers to your brand by establishing a positive connection, but as this research has found, it can also guard the company against grave

repercussions following a crisis situation (Taghian et al., 2015). A higher overall corporate reputation before a crisis has occurred leads to a lesser decline of the corporate reputation when the consumer is exposed to a crisis. This is especially relevant for this study in which the crisis situation was not the company's responsibility but was regarded as such by its consumers. Therefore, companies should continue to build on several business aspects that enforce the perceived corporate reputation, such as marketing, customer service and their online presence. Not only will this sustain their corporate reputation in their time of need, the corporate reputation will also ensure the business performance of the company in the future (Coombs, 2007). Furthermore, current actions have a great impact on future perceptions of the company. If a company is transparent and honest in a crisis situation today, they will be more likely to earn the trust and loyalty of their customers (Taghian et al., 2015), thereby increasing their corporate reputation and over time also their business performance.

As the results of this study have shown, consumers are more affected by intentional crises caused by employees than by accidental crises. For businesses this is an impactful finding. Since it can help companies in restructuring their crisis communication as well as their crisis prevention strategies. Currently, companies often guard themselves against their employees by restricting their online freedom with regards to the company and company information. However, companies also need to be aware of the fact that consumers consider employees credible sources and therefore, see them as part of the company. Because of this, rogue employees are still often regarded as the company's responsibility. Additionally, customers also see what employees post, even things unrelated to the company, as if it associates with the company. Employees posting unfavorable opinions online could therefore influence public opinion about the company (Ronson, 2019). Benoit (1997) emphasizes that when a company is considered responsible by its consumers the company should act accordingly. Therefore, it would be advised for a business to have a strategy in place for such occasions. In which the company might not be responsible or feel responsible for the crisis but they should take responsibility anyway in order to save their corporate reputation and their overall brand image. Because when they take responsibility for a crisis situation, they are able to show their customers how they deal with such situations and how customers could expect them to behave in the future (Coombs, 1995; Taghian et al., 2015). When these actions are positive in the eyes of the consumer this could secure the perceived reputation of the company for future situations as well, since customers believe them to act in their best interest.

A company would also be advised to keep the industry and their own company on their radar when it comes to social media and online content. As many examples have shown, information online can go viral within a second (Kelleher, 2009) which asks for fast responses from companies that might be involved in the virality of the posts. Customers want and expect organizations to be

quick with their responses. Therefore, it is beneficial for a company to know what is going on online at all times, since this could shorten the response time when a crisis occurs. When a company is quick to learn about a possible crisis they have more time to adapt their strategy and communication accordingly and still respond within the appropriate amount of time. Additionally, when screening the online world for company related content it will also ensure that the company is able to self-disclose a possible crisis before third party disclosure. Since third party disclosure could influence the narrative of the situation and when the company is the one to disclose the crisis they could positively influence the impact on the perceived corporate reputation.

As illustrated by the case of Justine Sacco in the introduction, companies tend to try and distance themselves when they feel like they either did nothing wrong or when they want to emphasize that they are not in any way responsible for what is happening in the crisis situation. The denial strategy used in theories by both Benoit (1997) and Coombs and Holladay (2002). However, when consumers consider the company responsible, the situation might only get worse when the company tries to distance themselves from the employee in question. For that reason an adapted crisis response for when an internal crisis occurs that has not originated from the company but an individual associated with the company would gain preference over generic crisis responses designed for a different situation. This shows the managerial necessity for the inclusion of an employee triggered crisis response from the company.

Moreover, managers could use this research as additional information when designing their crisis communication strategies. Together with previous research, this study forms a cohesive picture of the current state of effective crisis communication theories. Which could be used in business practices. Creating a good and adaptive strategy that is able to guide the company through different situations can be a challenge. By using established techniques and strategies known to be successful, managers can customize these strategies to fit their company and the industry that they operate in, to ensure the future of the company. What often limits managers in their journey towards strategic change is the notion of money. However, as said by Coombs and Holladay (2012) strategies will remain relevant for an extended period of time. Therefore, investing in strategic changes to preserve the reputation of the company can be seen as a long-term investment. Which will certainly pay off considering the impact of reputation on business performance. Furthermore, what companies do today will reflect on their actions in the future, so when a company decides to change strategy in a positive way this will have positive effects on the company in the future (Kaul & Chaudhri, 2017).

Furthermore, the preference of self-disclosure as a communication tool shows that customers would be more likely to feel positive about the company after a crisis, when the company

decides to take responsibility and disclose the crisis themselves. Therefore, showing that transparency coming from the company itself would be the best policy in time of crisis (Edmondson, 2020). Transparency has proved to be a success factor in many crisis situations and previous research has also shown that transparency increases the likelihood of creating positive customer relationships (Coombs, 2015).

Lastly, this research should be seen as a stepping stone for employees. We have found that they form a risk for companies but also for themselves and their careers. When their posts on social media are misunderstood or when they do not share the same opinions as the rest of society this could harm their career. As was seen with miss Sonmez who was put on "inactive" because of the information she shared online which some people found tasteless. By using these findings, employees should be empowered and feel more comfortable in their position to request contractual security with regards to possible crisis situations. Employers should offer clear guidelines on what can and cannot be said so that in these situations it will be clear whether the employee made a contractual breach or when the employee did not. This way both employer and employee have clarity and misunderstandings can be avoided.

6. Conclusion

6.1.   Limitations

Several limitations could be outlined with regards to the conducted study, which could then be utilized to offer suggestions for future research. To start, the online website MTurk owned by Amazon was used to collect data. This method offered a diverse as well as reliable sample (Lund et al., 2018; Shank, 2015). However, Shank (2015) has stated in his research that the participants from MTurk are mostly sourced from the USA and India which could have impacted the gathered results and made them less generalizable. Here, cultural differences could have made a difference and could have had an influence on the results.

Additionally, every research could benefit from a bigger sample size which would create a more valid sample and more valid results. The 231 respondents were sufficient for this experimental study but this could have been improved by extending the sample size. Another limitation with regards to the sample is the fact that the general statistics of the sample did not show an accurate representation of the population involved in the structuring of the corporate reputation before and after a crisis has occurred. Males and females were unevenly distributed, females having the overhand with 60%, while the actual population has slightly more males than females ("World population 2020 |Population clock live", 2020). Having less accuracy on the actual representation of the whole target group could have influenced the results.

Moreover, the majority of the sample has obtained a bachelor's degree or higher which is also not an accurate representation of the world population. This discrepancy could be due to the use of MTurk, since the website has a selection process and does not allow everyone to become a member. Therefore the website might have more highly educated members than the actual population would suggest for the target group.

6.2.   Directions for future research

With regards to the use of MTurk it would be interesting for future research to compare consumers from different cultures or countries to form a more cohesive visualization of the results found in this study. Since there could be cultural differences between these groups that could change the outcomes of the study which can then be compared. The study would then be able to advise companies about specific cultures where some strategies might work better than others.

Furthermore, the study focuses on the corporate reputation in the context of an employee triggered crisis. Although there are many studies to be found on corporate reputation and the impact of either crisis type or crisis disclosure on the corporate reputation, the number of articles

focusing on employees in this realm are slim to none. Therefore, with regards to such a crisis both academics and society would benefit greatly from more research on this topic. Research could be conducted on crises triggered by an employee using different communication strategies to disclose the crisis such as taking blame thus taking responsibility for the situation, or denial, in which case a scapegoat is appointed to be the responsible party. On the other hand the involvement of employees in building the corporate reputation would be an interesting research topic, much is known about the construction of the corporate reputation by consumers but this research has shown that employees also influence this perception. To extend the knowledge base a case study could be conducted to compare several real life employee triggered crisis cases in order to investigate whether the results found in this study are similar to the results found in these cases. In line with this, it could also be beneficial to study why consumers respond to the crisis situations like this and whether the earlier mentioned theory of responsibility from Coombs and Holladay (2002) supports this behaviour or whether this behaviour originates from somewhere else entirely. Previous research has shown a great relevance for crisis communication studies due to the transition of online media use. This study could offer a foundation to extend research on employee triggered crises in the digital era.

Moreover, this study used a fictional company in the stimuli in order to establish a baseline for the pre-crisis reputation attitudes. This way none of the participants had any prior knowledge about the brand or preconceptions about the reputation of the company. However, for future research the use of real companies might be interesting in order to see whether a certain type of company or a certain attitude towards a company before stimuli exposure is able to mediate the effects outlined in this study. This way the results found in this study can be further extended by showing for which specific industry which type of crisis prevention and crisis disclosure might be most applicable.

Lastly, future research should focus on a different perspective. Research has established that employees are considered valuable assets to a company but are also seen as credible messengers of news with regards to the company that they work for or have worked for in the past. For this reason it is important for research to focus on crises from the employee perspective. Not only crises caused by employees, which is a real possibility nowadays but also a company crisis from the eyes of the employee. Since employees can easily make or break a company's reputation through social media, it is relevant to research how they see a crisis and how that may affect their likelihood to share positive or negative information on the company. Since social media has taken over as the main means of communication between people all over the world, being mindful and cautious of its effects has become crucial in remaining successful in the business world.

7. Literature and references

Aaltonen, K. (2011). Project stakeholder analysis as an environmental interpretation process. *International Journal of Project Management, 29*(2), 165-183. doi: 10.1016/j.ijproman.2010.02.001

Abbruzzese, J. (2019). In New Zealand shooting aftermath, tech's role in spreading extremism comes under scrutiny. *NBC News*. Retrieved from: https://www.nbcnews.com/tech/tech-news/new-zealand-shooting-aftermath-tech-s-role-spreading-extremism-comes-n984336

Abel, J., Buff, C., & Burr, S. (2016). Social Media and the Fear of Missing Out: Scale Development and Assessment. *Journal of Business & Economics Research (JBER), 14*(1), 33-44. doi: 10.19030/jber.v14i1.9554

Arpan, L., & Roskos-Ewoldsen, D. (2005). Stealing thunder: Analysis of the effects of proactive disclosure of crisis information. *Public Relations Review, 31*(3), 425-433. doi: 10.1016/j.pubrev.2005.05.003

Aula, P., & Heinonen, J. (2016). *The Reputable Firm: How Digitalization of Communication Is Revolutionizing Reputation Management*. New York: Springer.

Babbie, E. (2011). *The basics of social research*. Australia: Wadsworth / Cengage Learning.

Barnett, M., Jermier, J., & Lafferty, B. (2006). Corporate Reputation: The Definitional Landscape. *Corporate Reputation Review, 9*(1), 26-38. doi: 10.1057/palgrave.crr.1550012

Beldad, A., van Laar, E., & Hegner, S. (2017). Should the shady steal thunder? The effects of crisis communication timing, pre-crisis reputation valence, and crisis type on post-crisis organizational trust and purchase intention. *Journal of Contingencies and Crisis Management, 26*(1), 150-163. doi: 10.1111/1468-5973.12172

Benkler, Y., Faris, R., & Roberts, H. (2018). *Network Propaganda: Manipulation, Disinformation, and Radicalization in American Politics*. Oxford: Oxford Scholarship Online.

Benoit, W. (1997). Image repair discourse and crisis communication. *Public Relations Review, 23*(2), 177-186. doi: 10.1016/s0363-8111(97)90023-0

Bowden-Everson, J., Dagger, T., & Elliott, G. (2013). Engaging Customers for Loyalty in the Restaurant Industry: The Role of Satisfaction, Trust, and Delight. *Journal of Foodservice Business Research, 16*(1), 52-75. doi: 10.1080/15378020.2013.761025

Boyd, B., Bergh, D., & Ketchen, D. (2010). Reconsidering the Reputation—Performance Relationship: A Resource-Based View. *Journal of Management, 36*(3), 588-609. doi: 10.1177/0149206308328507

Boyle, K. (2019). *#MeToo, Weinstein and Feminism*. Glasgow: Palgrave Macmillan.

Carroll, C. (2015). *The handbook of communication and corporate reputation*. Malden: Wiley-Blackwell.

Chun, R. (2005). Corporate reputation: Meaning and measurement. *International Journal of Management Reviews, 7*(2), 91-109. doi: 10.1111/j.1468-2370.2005.00109.x

Claeys, A. S. (2017). Better safe than sorry: Why organizations in crisis should never hesitate to steal thunder. Business Horizons, 60(3), 305—311.

Claeys, A., & Cauberghe, V. (2012). Crisis response and crisis timing strategies, two sides of the same coin. *Public Relations Review, 38*(1), 83-88. doi: 10.1016/j.pubrev.2011.09.001

Claeys, A., Cauberghe, V., & Leysen, J. (2013). Implications of Stealing Thunder for the Impact of Expressing Emotions in Organizational Crisis Communication. *Journal of Applied Communication Research, 41*(3), 293-308. doi: 10.1080/00909882.2013.806991

Claeys, A., Cauberghe, V., & Pandelaere, M. (2016). Is old news no news? The impact of self-disclosure by organizations in crisis. *Journal of Business Research, 69*(10), 3963-3970. doi: 10.1016/j.jbusres.2016.06.012

Claeys, A., Cauberghe, V., & Vyncke, P. (2010). Restoring reputations in times of crisis: An experimental study of the Situational Crisis Communication Theory and the moderating effects of locus of control. *Public Relations Review, 36*(3), 256-262. doi: 10.1016/j.pubrev.2010.05.004

Coombs, W. T. (1995). Choosing the right words: The development of guidelines for the selection of the ''appropriate'' crisis response strategies. *Management Communication Quarterly, 8*(4), 447-476.

Coombs, W. T. (2007). Protecting company reputations during a crisis: The development and application of situational crisis communication theory. *Corporate Reputation Review, 10*(3), 163–176.

Coombs, W. T. (2015). The value of communication during a crisis: Insights from strategic communication research. *Business Horizons, 58*(2), 141-148. doi: 10.1016/j.bushor.2014.10.003

Coombs, W. T., & Holladay, J. S. (2002). Helping Crisis Managers Protect Reputational Assets. *Management Communication Quarterly, 16*(2), 165-186. doi: 10.1177/089331802237233

Coombs, W. T, & Holladay, S. (2011). An exploration of the effects of victim visuals on perceptions and reactions to crisis events. *Public Relations Review, 37*(2), 115-120. doi: 10.1016/j.pubrev.2011.01.006

Coombs, W. T., & Holladay, J. S. (2012). The paracrisis: The challenges created by publicly managing crisis prevention. *Public Relations Review, 38*(3), 408-415.

Coombs, W. T., & Tachkova, E. (2019). Scansis as a unique crisis type: theoretical and practical implications. *Journal of Communication Management, 23*(1), 72-88. doi: 10.1108/jcom-08-2018-0078

Croteau, D., & Hoynes, W. (2012). *Media/society* (4th ed.). Thousand Oaks, Calif.: SAGE Publications.

Darcy, O. (2020). Washington Post criticized for suspending reporter over Kobe Bryant tweets. Retrieved 26 March 2020, from https://edition.cnn.com/2020/01/27/media/washington-post-felicia-sonmez-kobe-bryant/index.html

Dijkmans, C., Kerkhof, P., & Beukeboom, C. (2015). A stage to engage: Social media use and corporate reputation. *Tourism Management, 47*, 58-67. doi: 10.1016/j.tourman.2014.09.005

Edmondson, A. (2020). Don't Hide Bad News in Times of Crisis. Retrieved 26 March 2020, from https://hbr.org/2020/03/dont-hide-bad-news-in-times-of-crisis

Fennis, B., & Stroebe, W. (2013). Softening the Blow: Company Self-Disclosure of Negative Information Lessens Damaging Effects on Consumer Judgment and Decision Making. *Journal of Business Ethics, 120*(1), 109-120. doi: 10.1007/s10551-013-1647-9

Floreddu, P., Cabiddu, F., & Evaristo, R. (2014). Inside your social media ring: How to optimize online corporate reputation. *Business Horizons, 57*(6), 737-745. doi: 10.1016/j.bushor.2014.07.007

Fombrun, C. (1996). *Reputation: realizing value from the corporate image*. Boston: Harvard Business School Press.

Fornell, C., Johnson, M. D., Anderson, E. W., Cha, J., & Bryant, B. E. (1996). The american customer satisfaction index: Nature, purpose, and findings. *Journal of Marketing, 60*(4), 7-18.

Gerasole, V. (2011). FedEx Apologizes After Driver Tosses Computer Monitor Over Fence. *CBS Chicago.* Retrieved from: https://chicago.cbslocal.com/2011/12/21/fedex-apologizes-after-driver-tosses-computer-monitor-over-fence/

Gravetter, F., & Wallnau, L. (2013). Statistics for the behavioral sciences. Australia: Wadsworth Cengage Learning.

Griffin, M., Babin, B. J., & Darden, W. R. (1992). *Consumer assessments of responsibility for product-related injuries: The impact of regulations, warnings, and promotional policies.* ACR North American Advances.

Hansson, L., Wrangmo, A., & Solberg Søilen, K. (2013). Optimal ways for companies to use Facebook as a marketing channel. *Journal of Information, Communication and Ethics in Society, 11*(2), 112-126. doi: 10.1108/jices-12-2012-0024

Harter, J. K., Schmidt, F. L., & Keyes, C. L. (2003). Well-being in the workplace and its relationship to business outcomes: A review of the Gallup studies.

Jin, Y. (2009). The effects of public's cognitive appraisal of emotions in crises on crisis coping and strategy assessment. *Public Relations Review, 35*(3), 310-313.
doi: 10.1016/j.pubrev.2009.02.003

Jin, Y., Liu, B., & Austin, L. (2011). Examining the Role of Social Media in Effective Crisis Management. *Communication Research, 41*(1), 74-94. doi: 10.1177/0093650211423918

Jin, Y., Pang, A., & Cameron, G. (2010). The role of emotions in crisis responses. *Corporate Communications: An International Journal, 15*(4), 428-452.
doi: 10.1108/13563281011085529

Kaul, A., & Chaudhri, V. (2017). *Corporate communication through social media*. Delhi: SAGE publications.

Kelleher, T. (2009). Conversational Voice, Communicated Commitment, and Public Relations Outcomes in Interactive Online Communication. *Journal of Communication, 59*(1), 172-188.
doi: 10.1111/j.1460-2466.2008.01410.x

Ki, E. J., & Nekmat, E. (2014). Situational crisis communication and interactivity: Usage and effectiveness of Facebook for crisis management by Fortune 500 companies. *Computers in Human Behavior, 35*, 140-147.

Kim, H., & Cameron, G. (2011). Emotions Matter in Crisis: The Role of Anger and Sadness in the Publics' Response to Crisis News Framing and Corporate Crisis Response. *Communication Research, 38*(6), 826-855. doi: 10.1177/0093650210385813

Kim, B., Hong, S., & Cameron, G. (2014). What Corporations Say Matters More than What They Say They Do? A Test of a Truth Claim and Transparency in Press Releases on Corporate Websites and Facebook Pages. *Journalism & Mass Communication Quarterly, 91*(4), 811-829.
doi: 10.1177/1077699014550087

Kim, Y., & Park, H. (2017). Is there Still a PR Problem Online? Exploring the Effects of Different Sources and Crisis Response Strategies in Online Crisis Communication Via Social Media. *Corporate Reputation Review, 20*(1), 76-104. doi: 10.1057/s41299-017-0016-5

Lee, S. (2016). Weathering the crisis: Effects of stealing thunder in crisis communication. *Public Relations Review, 42*(2), 336-344. doi: 10.1016/j.pubrev.2016.02.005

Lund, E., Nadorff, M., Galbraith, K., & Thomas, K. (2018). Using Amazon Mechanical Turk to Recruit Participants With Disabilities. doi: 10.4135/9781526437280

McDonald, L., Sparks, B., & Glendon, A. (2010). Stakeholder reactions to company crisis
communication and causes. *Public Relations Review, 36*(3), 263-271.
doi: 10.1016/j.pubrev.2010.04.004

Monty, D. (2014). *Sales Hunting*. Berkeley: Apress.

Neuman, W. L. (2014). Experimental research. In: Neuman, W. L., Social Research Methods:
Qualitative and Quantitative Approaches (7th ed.). Essex: Pearson.

Nguyen, N., & Leblanc, G. (2001). Corporate image and corporate reputation in customers' retention
decisions in services. *Journal of Retailing and Consumer Services, 8*(4), 227-236.
doi: 10.1016/s0969-6989(00)00029-1

Nunnally, J. (1978). *Psychometric theory*. New York: McGraw-Hill Book.

Opitz, M., Chaudhri, V., & Wang, Y. (2018). Employee social-mediated crisis communication as
opportunity or threat?. *Corporate Communications: An International Journal, 23*(1), 66-83.
doi: 10.1108/ccij-07-2017-0069

Ponzi, L., Fombrun, C., & Gardberg, N. (2011). RepTrak™ Pulse: Conceptualizing and Validating a
Short-Form Measure of Corporate Reputation. *Corporate Reputation Review, 14*(1), 15-35.
doi: 10.1057/crr.2011.5

Roberts, P., & Dowling, G. (2002). Corporate reputation and sustained superior financial
performance. *Strategic Management Journal, 23*(12), 1077-1093. doi: 10.1002/smj.274

Roh, S. (2017). Examining the paracrisis online: The effects of message source, response strategies
and social vigilantism on public responses. *Public Relations Review, 43*(3), 587-596.
doi: 10.1016/j.pubrev.2017.03.004

Ronson, J. (2019). How One Stupid Tweet Blew Up Justine Sacco's Life. *The New York Times.*
Retrieved from: https://www.nytimes.com/2015/02/15/magazine/how-one-stupid-tweet-
ruined-justine-saccos-life.html

Stangis, D., & Smith, K. (2017). *21st Century Corporate Citizenship*. doi: 10.1108/9781786356093

Sarkis, J., Gonzalez-Torre, P., & Adenso-Diaz, B. (2010). Stakeholder pressure and the adoption of
environmental practices: The mediating effect of training. *Journal of Operations
Management, 28*(2), 163-176.

Schultz, F., Utz, S., & Göritz, A. (2011). Is the medium the message? Perceptions of and reactions to
crisis communication via twitter, blogs and traditional media. *Public Relations Review, 37*(1),
20-27. doi: 10.1016/j.pubrev.2010.12.001

Tong, J., & Luo, S. (2017). *Digital technology and journalism*. Cham: Palgrave Macmillan.

Utz, S., Schultz, F., & Glocka, S. (2013). Crisis communication online: How medium, crisis type and emotions affected public reactions in the Fukushima Daiichi nuclear disaster. *Public Relations Review, 39*(1), 40-46.

Walker, K. (2010). A Systematic Review of the Corporate Reputation Literature: Definition, Measurement, and Theory. *Corporate Reputation Review, 12*(4), 357-387. doi: 10.1057/crr.2009.26

Walsh, G., & Beatty, S. (2007). Customer-based corporate reputation of a service firm: scale development and validation. *Journal of the Academy of Marketing Science, 35*(1), 127-143. doi: 10.1007/s11747-007-0015-7

Webster, M., & Sell, J. (2007). Why do experiments? In Laboratory experiments in the social sciences, edited by Murray Webster, Jr. and Jane Sell, pp. 1–24. New York: Academic Press.

Weitzl, W. (2014). *Measuring Electronic Word-of-Mouth Effectiveness.* Vienna: Springer Gabler.

World population 2020 |Population clock live. (2020). Retrieved 26 April 2020, from https://countrymeters.info/en/World

Wright, T., & Huang, C. (2012). The many benefits of employee well-being in organizational research. *Journal of Organizational Behavior, 33*(8), 1188-1192. doi: 10.1002/job.1828

Appendices

Appendix A – experiment conditions

A1 – Condition 1 – Intentional crisis disclosed by a third party
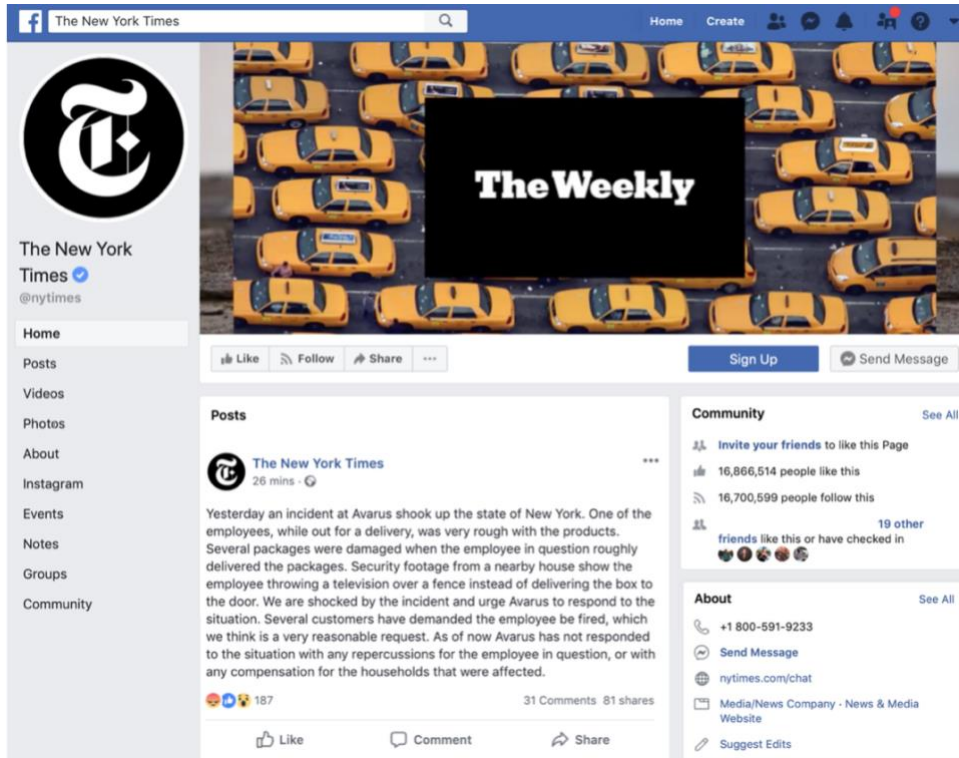
A2 – Condition 2 – Accidental crisis disclosed by a third party

A3 – Condition 3 – Intentional crisis disclosed by the company itself

A recent event concerning one of our employees has come to our attention. Yesterday one of our employees, while out for a delivery, did not follow our set protocols. Several packages were damaged when the employee in question roughly delivered some of the packages. We are deeply sorry this has happened and we will compensate all the affected parties. Furthermore, the employee in question has been let go, and will not be returning to Avarus as an employee. To ensure that something like this will not happen again, we will retrain our current employees. The company goals will be reevaluated and imbedded into our new training programs.

A4 – Condition 4 – Accidental crisis disclosed by the company itself

A recent event concerning one of our deliveries has come to our attention. Yesterday one of our delivery vans was hit by another vehicle while being parked at a delivery address. Several packages were damaged in this incident. We are deeply sorry this has happened and we will compensate all the affected parties. Furthermore, to ensure that something like this will not happen again, we will be reevaluating the protocols with regards to home-deliveries.

Company description

Avarus is an online platform for buying and selling unique and creative goods. Avarus provides a marketplace for external parties to sell their own products. The Company offers a range of seller services and tools that help entrepreneurs start, grow and manage their businesses. Avarus is available worldwide and ships products to more than 100 different countries. The Avarus headquarters is located in Philadelphia, New York. Avarus was founded in February 2006, and employs over 10.000 people worldwide. As of December 31, 2016, the platform connected 1.7 million active Avarus sellers and 28.6 million active Avarus buyers. Avarus has an annual revenue of approximately 50 million US dollars. Avarus strives to keep human connection at the heart of commerce and to help spread ideas of sustainability and responsibility whose impact can reach far beyond their own business.

Dear participant,
Thank you for taking the time to be part of this survey research. It will take approximately 8 minutes to finish the survey. But please take all the time you need to finish the questions.

All your answers will remain confidential and anonymous. They will only be used for this master thesis research and will therefore not be shared with any third parties.

If you have any questions or concerns with regards to the survey or the overall research, please contact me at marevannieuwpoort@hotmail.com. I will be happy to answer any questions you have or respond to suggestions about the survey.

Please read the questions carefully, and good luck!

The above introduction is clear to me

○ I agree

○ I do not agree

The survey will now introduce the company that will be assessed. For this the logo and a company description will be supplied.

Company description

Avarus is an online platform for buying and selling unique and creative goods. Avarus provides a marketplace for external parties to sell their own products. The Company offers a range of seller services and tools that help entrepreneurs start, grow and manage their businesses. Avarus is available worldwide and ships products to more than 100 different countries. The Avarus headquarters is located in Philadelphia, New York. Avarus was founded in February 2006, and employs over 10.000 people worldwide. As of December 31, 2016, the platform connected 1.7 million active Avarus sellers and 28.6 million active Avarus buyers. Avarus has an annual revenue of approximately 50 million US dollars. Avarus strives to keep human connection at the heart of commerce and to help spread ideas of sustainability and responsibility whose impact can reach far beyond their own business.

Please answer the following questions

	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
Avarus is a company I have a good feeling about	O	O	O	O	O	O	O
Avarus is a company that I trust	O	O	O	O	O	O	O
Avarus is a company that I admire and respect	O	O	O	O	O	O	O
Avarus has a good overall reputation	O	O	O	O	O	O	O

You will now see a message regarding Avarus.
Please read the message carefully and answer the questions
afterwards.

Participants are randomly assigned to one of the four conditions

AVARUS
@avarus

Home
Posts
Photos
Join the Avarus Club
Reviews
Groups
Community
Videos
About

Like   Follow   Share   ...

Shop Now   Send Message

Write a post...

Photo/Video   Tag Friends   Check in   ...

Posts

AVARUS
Just now ·

A recent event concerning one of our employees has come to our attention. Yesterday one of our employees, while out for a delivery, did not follow our set protocols. Several packages were damaged when the employee in question roughly delivered some of the packages. We are deeply sorry this has happened and we will compensate all the affected parties. Furthermore, the employee in question has been let go, and will not be returning to Avarus as an employee. To ensure that something like this will not happen again, we will retrain our current employees. The company goals will be reevaluated and imbedded into our new training programs.

Like   Comment   Share

Write a comment...

4.6 out of 5 · Based on the opinion of 1,629 people

Community   See All
Invite your friends to like this Page
100,215 people like this
99,374 people follow this

About   See All
Typically replies within an hour
Send Message
www.avarus.com
Clothing Company · Design & Fashion
Suggest Edits

AVARUS
@avarus

Home
Posts
Photos
Join the Avarus Club
Reviews
Groups
Community
Videos
About

Like   Follow   Share   ...

Shop Now   Send Message

Write a post...

Photo/Video   Tag Friends   Check in   ...

Posts

AVARUS
March 9 ·

A recent event concerning one of our deliveries has come to our attention. Yesterday one of our delivery vans was hit by another vehicle while being parked at a delivery address. Several packages were damaged in this incident. We are deeply sorry this has happened and we will compensate all the affected parties. Furthermore, to ensure that something like this will not happen again, we will be reevaluating the protocols with regards to home-deliveries.

Like   Comment

Write a comment...

4.6 out of 5 · Based on the opinion of 1,629 people

Community   See All
Invite your friends to like this Page
100,215 people like this
99,374 people follow this

About   See All
Typically replies within an hour
Send Message
www.avarus.com
Clothing Company · Design & Fashion
Suggest Edits

The statement I just read, regarding the company Avarus, made me feel

	Strongly disagree	Disagree	Somewhat Disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
Angry	○	○	○	○	○	○	○
Sad	○	○	○	○	○	○	○
Surprised	○	○	○	○	○	○	○
Empathetic	○	○	○	○	○	○	○

Please answer the following questions

	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
Avarus is concerned with the well-being of its publics	○	○	○	○	○	○	○
Under most circumstances, I would be likely to believe what Avarus says	○	○	○	○	○	○	○
I trust Avarus to tell the truth about the incident	○	○	○	○	○	○	○
Avarus is honest	○	○	○	○	○	○	○

Please answer the following questions

	Strongly Disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
Overall I am confident with the service that Avarus provides	○	○	○	○	○	○	○
Avarus has met my expectations	○	○	○	○	○	○	○
The service provided by Avarus is ideal	○	○	○	○	○	○	○

Please answer the following questions

	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
Circumstances, not Avarus are responsible for the crisis	○	○	○	○	○	○	○
The blame for the crisis lies with Avarus	○	○	○	○	○	○	○
The blame for the crisis lies in the circumstances, not Avarus	○	○	○	○	○	○	○

Please answer the following questions with regards to Avarus

	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
This webshop stands behind the quality of its products	○	○	○	○	○	○	○
This webshop is committed to my satisfaction	○	○	○	○	○	○	○
This webshop is very responsive	○	○	○	○	○	○	○

What kind of crisis did you rate just now?

○ Accidental

○ Intentional

○ Catastrophe

Where was the news about the crisis published?

○ Twitter

○ Facebook

○ Corporate website

○ News website

What is your gender?

○ Male

○ Female

○ I would rather not say

What is your age?

[   ]

What is your nationality?

[   ]

What is your highest finished education?

○ No finished education

○ High school

○ MBO

○ HBO

○ University bachelor

○ University master

○ Phd or higher

Thank you for your participation in this master thesis survey!
Your answers have been recorded.