

# **The importance of strategy and transparency in times of corporate crisis**

An experimental study of the effects of crisis response strategy and message transparency on consumer perceptions in the case of a preventable crisis

Student Name: Femke van Bodegom  
Student Number: 542803

Supervisor: Dr. Yijing Wang

Master Media Studies - Media & Business  
Erasmus School of History, Culture and Communication  
Erasmus University Rotterdam

Master's Thesis  
*June 2023*

Word Count: 13174

## ABSTRACT

Corporate crises have become more difficult to control with the increased use of social media platforms. Crises are able to spread more quickly and widely which has increased companies' vulnerability. It is essential for crisis managers to integrate social media into their crisis response strategy and to understand how their crisis communication efforts can impact consumer perception. This research has aimed to answer the following question: *To what extent does message transparency (high vs. low) and crisis response strategy (denial vs. bolstering vs. rebuilding) affect consumer perception in a preventable corporate crisis on social media?* The quantitative research method utilized in this study is an online experiment in the form of a survey. It was conducted to yield a sample of 251 respondents. The study design consisted of 1 (crisis type: preventable) X 3 (crisis response: denial, bolstering, rebuilding) X 2 (message transparency: high and low) between-subjects design. Existing literature on effective crisis communication usually compares rebuilding, denial, and diminish crisis response strategies. The bolstering crisis response strategy is often neglected. Examining this particular crisis response strategy on social media and its effectiveness in comparison to other strategies could be valuable to crisis managers. Moreover, message transparency in times of crisis and how it can influence consumer perceptions has also not been covered extensively in academic research. The influence of message transparency on the effectiveness of a bolstering crisis response strategy is yet to be known. The findings have shown that crisis response strategy affects consumers' negative word-of-mouth, but not purchase intention. Specifically, a denial crisis response strategy was shown to result in a lower level of negative word-of-mouth than a rebuilding crisis response strategy, in a preventable crisis. This is not in line with recommendations made in the SCCT. Moreover, a rebuilding crisis response strategy resulted in a lower level of negative word-of-mouth than a bolstering crisis response strategy, in a preventable crisis – which is in line with recommendations made in the SCCT. The measured difference was however very small. Furthermore, there was no significant effect found for crisis response strategy with respect to respondents' purchase intention. The findings show that negative word-of-mouth does not translate into the respondents' behavioral intentions in the form of purchase intention. Finally, there was no significant moderating effect found for message transparency but this could be due to the fact that the manipulation check for the 'message transparency' variable failed.

**KEYWORDS:** *crisis communication, SCCT, crisis response strategy, social media, message transparency*

# TABLE OF CONTENTS

<b>1. Introduction</b> .....	<b>5</b>
<b>2. Theoretical Framework</b> .....	<b>9</b>
2.1 <i>Situational Crisis Communication Theory (SCCT)</i> .....	9
2.1.1 Crisis responsibility .....	9
2.1.2 Crisis response strategies .....	10
2.2 <i>The role of social media in crisis communication</i> .....	11
2.3 <i>Consumer perception in crisis communication</i> .....	13
2.3.1 Negative word-of-mouth .....	13
2.3.2 Purchase intention .....	14
2.4 <i>Message transparency in crisis communication</i> .....	15
<b>3. Research design and methods</b> .....	<b>17</b>
3.1 <i>Research design</i> .....	17
3.2 <i>Experimental scenarios</i> .....	18
3.3 <i>Population and sampling procedure</i> .....	19
3.3.1 Manipulation check .....	20
3.4 <i>Procedure</i> .....	20
3.5 <i>Measurements</i> .....	21
3.6 <i>Reliability, validity, and ethics</i> .....	21
3.7 <i>Data analysis</i> .....	23
3.8 <i>Demographics</i> .....	23
<b>4. Results</b> .....	<b>24</b>
4.1 <i>Manipulation check</i> .....	24
4.2 <i>Descriptive statistics</i> .....	24
4.3 <i>Hypothesis testing</i> .....	25
4.3.1 Hypothesis 1a & 1b: The impact of crisis response strategy on negative word-of-mouth .....	25
4.3.2 Hypothesis 2a & 2b: The impact of crisis response strategy on purchase intention .....	26
4.3.3 Hypothesis 3: The role of message transparency .....	26
<b>5. Discussion</b> .....	<b>28</b>
5.1 <i>Theoretical implications</i> .....	28
5.2 <i>Managerial implications</i> .....	30
<b>6. Conclusion</b> .....	<b>32</b>
6.1 <i>Summary of findings</i> .....	32
6.2 <i>Limitations</i> .....	33
6.3 <i>Directions for future research</i> .....	34

<b>References .....</b>	<b>35</b>
<b>Appendix A – Experimental conditions .....</b>	<b>40</b>
<b>Appendix B – Fictional material.....</b>	<b>43</b>
<b>Appendix C – Experiment survey .....</b>	<b>44</b>

## 1. Introduction

The advent of new media platforms such as social media has had an huge impact on crisis communication practices. These platforms are easily accessible and used by many to share ideas, opinions and information. For organizations, they offer opportunities to reach audiences on a global level and directly communicate with them in times of crisis (Veil et al., 2011). At the same time, social media has led to the spread of online word-of-mouth which has become increasingly influential. In some instances, word-of-mouth news has been shown to be perceived as more credible by the public in comparison to news on traditional media platforms. Organizations have noticed this over the years and have started to incorporate social media in their crisis communication practices (Colley & Colley, 2009, as cited in Veil et al., 2009). Online word-of-mouth can become negative in times of crisis which can be extremely harmful to an organization as it can affect consumer perceptions. In turn, consumer perceptions have been shown to affect purchase intentions. In this way, crises can have direct financial costs (Chung & Lee, 2022; Kim & Choi, 2012). How an organization responds to a crisis is therefore very important. Deciding on a crisis response strategy is not an easy task since every crisis creates unique exigencies. Crisis communication practioners can however base their decisions on existing crisis communication research to see what is typically successful and not successful in a crisis (Coombs, 2015).

Situational Crisis Communication Theory (SCCT) has been developed to help organizations in times of crisis. It has been acknowledged by academics as well as practioners as a framework that helps them in successfully implementing an appropriate crisis response strategy. The goal is to ultimately minimize reputational harm. According to the SCCT, recommendations of suitable crisis response strategies should be based on the type of crisis (Coombs, 2017). A crisis can be classified as a victim, accidental, or preventable crisis type depending on the amount of crisis responsibility attributed to the organization by the public. The more stakeholders attribute crisis responsibility to an organization, the more damage the crisis inflicts upon the organization (Coombs, 2015). An example of a victim crisis type is the physical infrastructure of an organization getting damaged due to a natural disaster. In this type of situation, stakeholders are likely to attribute minimal crisis responsibility to the organization. An accidental crisis is when something happens and the organization did not intentionally do anything to cause the crisis, for example a product failure. In this case, minimal crisis responsibility is attributed to the organization. Finally, an example of a preventable crisis is management misconduct, such as fraud. In these type of situations, stakeholders will attribute high levels of crisis responsibility to the organization making it the worst case scenario.

This study focuses on a preventable crisis. SCCT recommends using a *rebuilding* (compensation and/or apology) crisis response strategy for these type of crises (Coombs, 2015). Implementing a rebuilding strategy shows that the organization is making an effort to rebuild their

relationship with its stakeholders. However, Kim and Sung (2014) found that implementing a *denial* crisis response strategy could be more effective on the short-term as it could lead to stakeholders attributing less crisis responsibility to the organization in crisis. Both denial and rebuilding strategies make the organization the focal point of the crisis communication. They aim to either shift attention away from the organization and its connection to the crisis or to rebuild the reputation of the organization (Brown & White, 2010). The *bolstering* crisis response strategy is different. This strategy focuses on the relationship between the public and the organization, and not on the attribution of crisis responsibility (Ma & Zahn, 2016). It highlights positive information such as an organization's good deeds. The bolstering strategy is one of the least studied strategies of the SCCT. It is mainly thought of as an additional strategy and recommended to implement in combination with other crisis response strategies (Coombs, 2007). Nevertheless, academics have shown that the bolstering strategy has value by itself. One of the most important goals of an organization is to maintain a good relationship with its stakeholders and the bolstering strategy focuses on this relationship – making it an interesting strategy to further explore (Brown & White, 2010).

Organizations that are experiencing or have experienced a crisis often have become less credible in the eyes of the public. Credibility is extremely important for organizations to maintain as it plays a crucial part in preserving a positive long-term relationship with the public. To rebuild this trust and credibility with stakeholders an organization must be transparent (Kim & Sung, 2014; Jahansoozi, 2016). Transparency in crisis communication means being open and honest and sharing both positive and negative information with the public. Doing this will increase the organization's credibility as perceived by the public (Kim & Sung, 2014). Moreover, transparency in crisis communication will also allow stakeholders to see where the responsibility of the crisis lies (Jahansoozi, 2016). The importance of transparency in crisis communication has been emphasized by academics (Holland et al., 2021). Nonetheless, each crisis is different and creates unique demands. Crisis response strategies could potentially influence the impact of transparent crisis communication messages. Also, the role of message transparency in crisis communication could vary on social and traditional media platforms.

To build upon existing literature on crisis communication, this study will focus on the impact of message transparency and crisis response strategy on consumer perceptions. Rebuilding, denial, and bolstering crisis response strategies will be considered. As mentioned previously, a rebuilding strategy is recommended by the SCCT in case of a preventable crisis. However, matching the crisis response strategy and crisis type according to the SCCT has been shown to not always be more beneficial to an organization than mismatches (Claeys et al., 2010) – contradicting Coombs and Holladay (1996). A denial strategy has also been shown to be effective for this type of crisis on the short-term (Kim & Sung, 2014). Limited attention has however been given in existing research to the bolstering strategy, specifically as a strategy by itself. These three crisis response strategies are

therefore chosen. This study investigates whether the level of message transparency and the type of crisis response strategy influences consumer perceptions, more specifically their negative word-of-mouth and purchase intention, in a preventable crisis on social media. The following research question is proposed and will be answered by conducting an online experiment using a fictional crisis:

***RQ:** To what extent does message transparency (high vs. low) and crisis response strategy (denial vs. bolstering vs. rebuilding) affect consumer perception in a preventable corporate crisis on social media?*

This study contributes to the existing literature on crisis communication and consumer perception as it considers the impact of different crisis response strategies in combination with low and high levels of message transparency in a preventable crisis. As mentioned previously, the bolstering crisis response strategy is one of the least studied strategies of the SCCT. It has also not been examined in combination with different levels of message transparency making it an interesting strategy to further explore. Furthermore, existing research has focused on the impact of crisis response strategies on behavioural intentions, such as negative word-of-mouth and purchase intention (Coombs & Holladay, 2007). However, this study combines the variables message transparency and crisis response strategy to determine their joint impact on consumer perception which contributes to a more comprehensive understanding of the dynamics within crisis communication. Moreover, this study specifically focuses on a preventable corporate crisis on social media, more specifically Twitter. The SCCT was developed when the use of social media was not as common as it is today. By now, revisions have been made to the SCCT to acknowledge the importance of social media in crisis communication (Coombs, 2017). It is necessary to note that the vast popularity and avid use of social media platforms among the public is not something new. However, new social media platforms are being introduced and rising. It is therefore important to understand how message transparency and crisis response strategies can impact consumer perception in a social media context in which crisis information spreads rapidly and is easily accessible by the public.

This study also aims to provide societal relevance. To begin with, it offers crisis communication practitioners important insights into the value of different crisis response strategies when dealing with a preventable corporate crisis on a social media platform. More specifically, how these crisis response strategies combined with message transparency can protect the interests of consumers. Social media play a significant role in shaping public opinion. With the increased use of social media, crises are able to spread more quickly and widely (Roshan et al., 2016). It is therefore crucial for crisis communication practitioners to understand how crisis response strategies and message transparency can influence consumer perceptions on these type of platforms. Findings of

this study could potentially help crisis communication practitioners in making informed decisions in times of crisis. It could also offer academics new insights into the value of the bolstering, rebuilding and denial crisis response strategies for a preventable crisis.

The remaining parts of this thesis are structured as follows. Chapter two provides an overview of previous research on crisis communication and consumer perception. More specifically, the ways in which crisis communication can influence consumers' negative word-of-mouth and purchase intentions will be discussed. Furthermore, the SCCT will be further explained as it is the most well-known theory within crisis communication. This chapter also highlights the potential role that message transparency can play in crisis communication. The third chapter explains the research design and methods. The experimental scenarios, population and sampling procedure, measurements, data analysis and demographics are discussed in detail. The results from the data analysis are presented in the fourth chapter. It starts with the manipulation check, then the descriptive statistics and finally the test of each hypothesis. The findings and its theoretical and managerial implications are then discussed in the fifth chapter. In the discussion, the results are interpreted by incorporating existing literature on the topics of crisis communication. The findings are then summarized in the sixth and final chapter, the conclusion. Here, limitations of this study and directions for future research are also presented.



## 2. Theoretical Framework

### 2.1 Situational Crisis Communication Theory (SCCT)

A crisis can be defined as an unexpected event that can negatively impact an organization's performance and outcomes by violating stakeholder expectations of how an organization should act (Coombs, 2010, as cited in Roshan et al., 2016). An essential part of crisis management is crisis communication as it can help in minimizing the reputational threat of a crisis. However, it could also worsen the negative consequences if not handled correctly (Roshan et al., 2016). The SCCT advises organizations to start by providing instructing and adjusting information, also known as the ethical base response (Coombs, 2017). After this, organizations will need to employ a crisis response strategy with the help of a two-step process (Roshan et al., 2016). First, organizations need to determine what type of crisis they are dealing with. Second, organizations need to choose a crisis response strategy based on the crisis type but also their prior reputation and crisis history.

SCCT draws upon attribution theory to match crisis response strategies with crisis types. Attribution theory entails that individuals always search for a reason for events, particularly when these events are negative. We try to understand why these events have occurred by attributing them to either external or internal factors (Coombs, 2017). Thus, SCCT views crises as negative events that cause stakeholders to make assumptions about the crisis responsibility. Moreover, SCCT advises that attributions of crisis responsibility are taken into consideration by crisis managers when deciding on a crisis response strategy.

Alterations were needed to be made to the SCCT to make it suitable for today's crisis communication landscape in which social media plays a significant role (Coombs, 2017). These moderations include the inclusion of a chapter that explores paracrises – which will be explained further on in this chapter – and the inclusion of social media selection as part of the crisis response strategy. The initial operationalization of SCCT did not address how information form (e.g. traditional media or social media) can influence crisis communication and the public's response to it (Austin et al., 2012). The role that social media plays in crisis communication and how it has benefitted but also challenged crisis management will be further explored later on in this chapter.

#### 2.1.1 Crisis responsibility

Crisis responsibility can be defined as the degree to which stakeholders think of the organization in crisis as responsible for the crisis (Coombs, 1995, 2017). Based on the amount of crisis responsibility attributed to the organization, SCCT divides crisis types into three categories: the *victim* crisis frame with minimal crisis responsibility, the *accidental* crisis frame with low crisis responsibility, and the *preventable* crisis frame with high crisis responsibility (Coombs 2007, 2017). Examples of these type of crises have been discussed in the introduction. This study will focus on the preventable crisis frame.

As mentioned previously, attributions of crisis responsibility to an organization must be taken into consideration when deciding on a crisis response strategy. The amount of crisis responsibility attributed to an organization can be intensified when an organization has a negative prior reputation or has experienced a similar crisis in the past (Coombs, 2015). The ethical base response (providing instructing and adjusting information) is only successful when there is minimal to low crisis responsibility attributed to the organization (Coombs, 2017). The more crisis responsibility is attributed to the organization by the stakeholders, the more harmful the crisis will be for the organization – including reputational harm, purchase intention, stock prices, and negative word-of-mouth (Claeys et al., 2010; Coombs, 2015).

### *2.1.2 Crisis response strategies*

Crisis response strategies can be described as the words and actions that crisis managers apply in times of crises (Coombs, 2006, 2007). They seek to minimize the negative consequences a crisis has on the organization and are most of all about managing meaning. There are four different crisis response strategy clusters: denial, diminishment, bolstering, and rebuilding (Coombs, 2015). In this study, denial, bolstering and rebuilding strategies will be considered.

As mentioned previously, SCCT advises crisis managers to match crisis response strategies with crisis types based on the amount of crisis responsibility attributed to the organization. Crisis response strategies can also be used in combination with each other. Specifically, SCCT recommends crisis managers to combine crisis response strategies from the same cluster (Coombs, 2007). The combining of crisis response strategies is advised as it can have a positive effect on image restoration (Benoit, 1977). Furthermore, the matching of crisis response strategies with crisis types does not always lead to a more positive view of an organization's reputation compared to mismatches (Claeys et al., 2020). This contradicts the findings from other crisis communication scholars (Coombs and Holladay, 1996; Holland et al., 2021). The different crisis response strategies will be further discussed in the following parts.

#### *Denial crisis response strategy*

Denial strategies claim that there is no crisis (denial) or demonstrate that the organization is not responsible for the crisis (scapegoat) (Roshan et al., 2016; Claeys et al., 2010). The goal of a scapegoating strategy is to shift the blame to another actor, such as another organization. However, a scapegoating strategy is not often recommended, even if another organizations is partly to blame for the crisis (Coombs, 2015). Stakeholders like to see that organizations take responsibility for their actions. The use of denial strategies in general is not recommended by scholars as it serves as a big risk. Organizational harm will be intensified if any evidence surfaces that an organization is even a little responsible for a crisis after a denial strategy is applied (Coombs & Holladay, 2014). Denial crisis response strategies are therefore generally recommended in situations where the reputational

threat is low. This decreases the risks that come with applying denial strategies (Coombs & Holladay, 2007). However, as mentioned in the introduction, Kim and Sung (2014) found that applying a denial strategy in a preventable crisis could be more effective on the short-term than a rebuilding strategy. It could lead to stakeholders attributing less crisis responsibility to the organization. Nonetheless, Kim and Sung (2014) also state that organization should be very careful when applying a denial crisis response strategy in a preventable crisis. It could also worsen an organization's reputation if the response is not based on the truth.

### *Bolstering crisis response strategy*

Bolstering strategies aim to add positive information (e.g. an organization's good deeds) in times of crisis to counterbalance the negative information originating from the crisis (Coombs, 2015). In this way, stakeholders are reminded why they were interested in the organization in the first place which could aid in diminishing the crisis. Applying a bolstering crisis response strategy can also help in building favourable connections with the organization's stakeholders. As an organization, it is of the utmost important to maintain these positive connections with stakeholders in times of crises. Bolstering strategies are recommended in situations where minimal to low crisis responsibility is attributed to the organization and are often recommended to be applied in combination with another crisis response strategy (Roshan et al., 2016; Coombs, 2007).

### *Rebuilding crisis response strategy*

Rebuilding strategies prioritize the concerns of the victims and attempt to improve the situation by compensation, apology or both (Coombs, 2015; Roshan et al., 2015). Existing research implies that organizations with high crisis responsibility are wise to use rebuilding strategies as it can minimize organizational harm (Coombs, 2015). More specifically, organizational reputation is found to benefit from rebuilding strategies when an organization is faced with a preventable crisis (Claeys et al., 2010). Moreover, empirical evidence shows that stakeholders prefer apology over compensation in the case of a preventable crisis (Kiambi & Shafer, 2016). Rebuilding strategies are however not recommended when an organization with no history of similar crises or prior bad reputation is facing an accidental crisis (Roshan et al., 2016).

## **2.2 The role of social media in crisis communication**

Social media can be defined as digital tools and internet based applications that allow the creation and exchange of content generated by users and that facilitate communication between users (Roshan et al., 2016; Austin et al., 2012). This simplified interactive communication between organizations and their audiences that has been made possible due to social media has drastically altered crisis communication practices (Coombs, 2017). It was found that audiences' social media use increases during a crisis and sometimes, social media channels were even perceived as more

credible than traditional media channels, especially for heavy users of social media (Pew Internet & American Life, 2006; Procopio & Procopio, 2007; Bates & Callison, 2008). This can be explained by the fact that social media are often viewed as providing unique, unfiltered, and up-to-date information that cannot be found elsewhere (Liu et al., 2011). If social media is really seen as a more credible source than traditional media in times of crisis is however still up for debate. Existing research also shows that audiences perceive traditional media – newspapers and broadcast news in particular – to be a more credible source for crisis information than social media (Austin et al., 2012). Nonetheless, in times of crises, audiences are still likely to go looking for information on social media, making it an important channel of communication for corporations.

The advent of social media has been beneficial but also challenging for corporations in terms of crisis communication. Social media is on the one hand convenient as its quick accessibility has enabled organizations to directly communicate with their audiences (Roshan et al., 2016). Time is of the essence in crisis communication so quick accessibility and direct communication is extremely valuable. Moreover, social media has also allowed corporations to have a more interactive and engaged relationship with their audiences. It has enabled them to receive feedback and view relevant content created by their stakeholders (Liu et al., 2011). One platform in particular has created opportunities for instantaneous communication of information in times of crises to a wide audience and that is Twitter (Eriksson, 2018). Many corporations use Twitter to start conversations with their target audience and connect with their customers. It is also a good platform to use for monitoring – listening to what people are saying about your brand online (Eriksson, 2018). The convenience, quick accessibility and interactive nature of social media has been beneficial for corporations in times of crises.

The changes in the crisis communication landscape due to social media has also been challenging for corporations. It has led to an organizational lack of control in which corporations cannot control what is being said about their brand online, it being positive or negative. Additionally, corporations have become more vulnerable as corporate crises have become more frequent and also more severe (Roshan et al., 2016). There has been a rise in reputational crises which are crises about situations that can potentially destroy a corporation's reputation – a intangible yet valuable asset (Coombs, 2017). Also, there have been an emergence of paracrises – situations that appear to be a crisis but are in reality crisis risks that are being handled in public (Coombs, 2017). These paracrises arise when a crisis risk becomes visible to stakeholders which often happens on social media channels. The rise in reputational crises and paracrises due to social media have made corporation's more vulnerable. Additionally, social media has led to a lack of control over the narrative making it challenging to ensure accurate and consistent messaging.

Even though it can be challenging, it is critical for crisis managers to integrate social media in their crisis communication efforts (Coombs, 2017). Social media has led to the spread of online word-of-mouth which can be very helpful in building a positive reputation but when it is negative, it

can also harm an organization's reputation (Coombs & Holladay, 2007). It is therefore important for crisis managers to learn how to manage a crisis on social media. They will not be able to maximize the value communication can add to crisis management if social media is not integrated properly into their strategy.

### 2.3 Consumer perception in crisis communication

A crisis can negatively influence both tangible and intangible assets of an organization. Negative publicity can for instance influence how the public perceives the organization (Monga & John, 2008). How an organization handles a crisis can reduce the negative impact it has on the organization, but it can also worsen it. The five most common factors that crisis communication strategies can influence are the following: reputation, purchase intention, stock prices, emotion, and word-of-mouth (Coombs, 2015). This study will focus on the impact of crisis communication strategies on consumers' negative word-of-mouth and purchase intention.

#### 2.3.1 Negative word-of-mouth

Existing empirical research has shown that word-of-mouth can heavily influence consumer attitudes toward an organization making it an asset or a threat to organizations (Brown and Reingen, 1987; Herr et al., 1991; Coombs & Holladay, 2007). Negative word-of-mouth can be defined as "interpersonal communication among consumers concerning a marketing organization or product which denigrates the object of the communication" (Richens, 1984, p. 697, as cited in Coombs & Holladay, 2007). It happens when consumers want to let an organization or company know that they are not satisfied with their products, services or actions. Negative word-of-mouth spreads rapidly and can have a stronger impact on consumer perception in comparison to positive word-of-mouth (Laczniak et al., 2001; Mizerski, 1982). Despite the fact that positive word-of-mouth is powerful in persuading consumers, it has been shown that negative word-of-mouth has a stronger impact on consumer perception. In other words, word-of-mouth can be a threat more than it can be a benefit to an organization.

There are different factors that can influence word-of-mouth. First of all, how an organization responds to a crisis – crisis communication strategies – can influence consumers' negative word-of-mouth intentions (Coombs & Holladay, 2008). If an organizations' response to a crisis is for example being perceived as "inauthentic" or "not enough" by consumers, negative word-of-mouth towards the organization is likely to increase which will harm the organization even further. Second of all, the amount of crisis responsibility attributed to the organization by its stakeholders can also influence word-of-mouth. More specifically, it can influence emotional and behavioral reactions to the organization involved in the crisis (Weiner, 2006). When stakeholders attribute a high amount of crisis responsibility to the organization which is the case in a preventable crisis, it will often result in the stakeholders feeling angry toward the organization (Coombs &

Holladay, 2007; Tucker & Melewar, 2005). In turn, this will lead to negative behavioral actions such as the spread of negative word-of-mouth. Lastly, social media has significantly influenced word-of-mouth. As mentioned previously, due to the increased use of the internet and social media, negative word-of-mouth has become easier to create and disseminate (Schlosser, 2005). Therefore, it has become extremely difficult for organizations to control their narrative online.

In the case of a preventable crisis, it has been shown that stakeholders prefer a rebuilding crisis response strategy over other crisis response strategies (Kiambi & Shafer, 2016). Especially apology is valued by stakeholders as it acknowledges that the organization did something wrong, shows respect to the victims of the crisis, and is a good start to rebuilding the relationship between the organizations and its stakeholders (Coombs, 2015; De Cremer et al., 2011). A rebuilding strategy is therefore also recommended by the SCCT in the case of a preventable crisis. Denial and bolstering crisis response strategies are not recommended as often for a preventable crisis. However, both strategies have been shown to have value in the case of a preventable crisis (Kim & Sung, 2014; Brown & White, 2010).

Based on the existing literature on crisis response strategies and negative word-of-mouth the following hypotheses have been formulated:

***H1a:** A rebuilding crisis response strategy will result in a lower level of negative word-of-mouth, compared to a denial crisis response strategy in a preventable crisis.*

***H1b:** A rebuilding crisis response strategy will result in a lower level of negative word-of-mouth, compared to a bolstering crisis response strategy in a preventable crisis.*

### *2.3.2 Purchase intention*

Purchase intention is an indicator of actual purchasing behaviour and it increases when consumers positively perceive an organization (Kumar et al., 2009). When consumers self-report their purchase intentions, it is not a perfect indicator of their actual purchase behaviour. Nevertheless, it does provide an understanding of the effectiveness of crisis communication strategies on consumer perception and their behavioural intentions (Chandon et al., 2005). Crisis communication strategies can influence consumers' attitude towards an organization which in turn will affect their purchase intentions (Kim & Choi, 2012).

As mentioned previously, a preventable crisis will often result in the stakeholders feeling angry toward the organization and holding a more negative view of the organization. In turn, this will lead to negative behavioral actions, such as the spread of negative word-of-mouth. Anger felt by stakeholders during a crisis has also been shown to translate into purchase intention (Coombs & Holladay, 2007). Existing research shows that it can lead to a decline in purchase intentions and

stock prices. In this way, crises can directly influence the financial stability of an organization (Jones et al., 2000).

It is important to note that there is a difference in impact between negative word-of-mouth and purchase intention. Negative word-of-mouth has a more long-term impact on the organization. The feeling of anger among consumers will decrease over time and with this, purchase intentions will rebound to its pre-crisis level (Coombs & Holladay, 2007). Additionally, the possible harm of negative word-of-mouth is not limited to the stakeholders experiencing the crisis as it can spread easily, especially with the presence of social media (Schlosser, 2005). Thus, negative word-of-mouth will have a longer lasting effect than a decline in purchase intention.

Based on the existing literature on crisis response strategies and purchase intention the following hypotheses have been formulated:

***H2a:** A rebuilding crisis response strategy will result in a higher level of purchase intention, compared to a denial crisis response strategy in a preventable crisis.*

***H2b:** A rebuilding crisis response strategy will result in a higher level of purchase intention, compared to a bolstering crisis response strategy in a preventable crisis.*

#### 2.4 Message transparency in crisis communication

Transparency can be defined as making information accessible to the public and thereby making it easy for people to see what an organization is doing (Kim et al., 2014; Schnackenberg & Tomlinson, 2016). Within the existing crisis communication literature, transparency has been studied and has been recognized to play an important role in crisis management by both practitioners and scholars. Transparency can be split into two main areas: the first one being “perceptions of organizational transparency” and the second one being “features of organizational messages” (Holland et al., 2021). In this study, the focus will be on message transparency and how it can influence crisis communication.

Message transparency can be determined with the help of three dimensions of information quality: clarity, disclosure, and accuracy (Schnackenberg & Tomlinson, 2016). These dimensions provide a way to conceptualize message transparency as an instrument used to form transparency on an organizational level (Holland et al., 2017). To begin with, clarity of messages can be described as the perceived level of simplicity of information or whether the information is understandable to the public. Disclosure refers to the understanding that important and complete information is received in a timely manner. Lastly, accuracy is about whether the information is perceived as accurate and reliable (Schnackenberg & Tomlinson, 2016). Organizations can increase clarity of messages by providing adequate explanation and avoiding specialized language that makes it more difficult for the public to understand. Disclosure is an active process of sharing relevant information with the public

and not keeping secrets. Moreover, accuracy can be improved by providing honest information and avoiding falsehoods (Holland et al., 2017).

Existing research by Holland, Seltzer, and Kochigina (2021) has shown that high levels of message transparency will lead to more favorable consumer attitudes and with this, an increase in perceptions of credibility and organizational transparency. This can be explained by the fact that crisis messages with high levels of transparency are often seen as providing enough explanation for the organization's behavior in the eyes of the stakeholders which will lead to a decrease in stakeholder anger. These type of messages are viewed as precise, easy to understand, and providing all the necessary information. In contrast, messages with low levels of transparency are often viewed as not providing enough explanation for the organization's behavior and therefore not resulting in more positive attitudes toward the organization. Moreover, it was shown that crisis messages with high levels of message transparency are beneficial to the successful matching of crisis types and crisis responses according to the SCCT. In other words, crisis responses were more likely to have a positive outcome for the organization if a high level of message transparency was incorporated in crisis communication between the organization and its stakeholders.

Based on this information, the third and last hypothesis has been formulated:

***H3: When message transparency is high, the impact of the responding strategy (a denial, bolstering, or rebuilding strategy) on negative word-of-mouth and purchase intention will be stronger than when message transparency is low.***



### 3. Research design and methods

#### 3.1 Research design

A quantitative method is superior to a qualitative method in this research context since the aim of this study is to examine the relationship among variables (Creswell, 2009). More specifically, the relationship among crisis response strategy, message transparency and consumer perception (negative word-of-mouth and purchase intention). In qualitative studies, the aim is to understand or explore a certain phenomenon and the concepts surrounding it. It uses language to understand these concepts based on people's experiences (Creswell, 2009). Meanwhile, quantitative methods uses numbers to quantify data, and to measure and analyze the causal relationships between variables. The quantitative research method utilized in this study is an online experiment in the form of a survey. This is an appropriate research method for this study because experiments provide the opportunity to study causality, in this case the influence of crisis response strategies and message transparency on consumer perception, in a controlled and appropriate design (Avery et al., 2010).

As mentioned previously, this study investigates the influence of three different crisis response strategies and the level of message transparency on consumer perception. Moreover, the study design consisted of 1 (crisis type: preventable) X 3 (crisis response: denial, bolstering, rebuilding) X 2 (message transparency: high and low) between-subjects design. There are six research conditions. The research conditions were assigned to the respondents randomly – each respondent receives one condition

**Figure 3.1.** Research conditions

	Denial crisis response strategy	Bolstering crisis response strategy	Rebuilding crisis response strategy
High level of message transparency	<i>Condition 1</i>	<i>Condition 3</i>	<i>Condition 5</i>
Low level of message transparency	<i>Condition 2</i>	<i>Condition 4</i>	<i>Condition 6</i>

### 3.2 Experimental scenarios

The experiment consisted of one news story introducing a fictional crisis, followed by one or two Twitter post(s) being the crisis response from the company. The news story has been developed to set the crisis type – a preventable crisis. Both the news organization (‘The News Chronicles’) and the author (Sandra Elessar) were fictional. The news story is however based on a real crisis. In 2018, a former employee of the skin-care brand Sunday Riley posted a review online claiming that the company had encouraged employees to post fake online reviews of its products on the Sephora website to boost sales. The review went viral and Sunday Riley was facing allegations by the Federal Trade Commission (FTC). Nonetheless, the company denied any wrongdoing and has agreed to settle complaints by the FTC (Garcia, 2019).

Each respondent was shown the same exact news story about a fictional skin care brand called ‘Maisy Lennon’ (see Appendix B). In the article, it was said that a former employee leaked an email that showed employees being asked by the company to create fake accounts on a beauty website and post positive reviews of the brand’s products. It was also mentioned that the FTC opened an investigation and filed complaints against the company for writing and posting fake online reviews.

After reading the news story, respondents were presented with one of the six crisis responses (see Appendix A). For each research condition, an organizational response in the form of a Twitter post has been created to set the type of crisis response strategy and level of message transparency. Twitter is chosen since it is a social media platform that allows for immediate communication of valuable crisis information to a wide audience (Eriksson, 2018). The responses were manipulated by changing parts of the text.

In comparison to low transparency messages, high transparency messages included increased levels of disclosure, clarity, and accuracy of information (Holland et al., 2017). Therefore, crisis responses that conveyed a high level of message transparency consisted of two Twitter posts while the responses with a low level of message transparency consisted of only one Twitter post. The high message transparency Tweets included a date, the author of the Tweets (the CEO of the company), and more details about the whole situation. The Tweets conveying a low level of message transparency did not include a date or author and were less informative and detailed altogether.

The crisis responses that used a denial crisis response strategy showed the company denying the accusations and claiming that all online reviews are writing by customer only. Then, the crisis responses that used a bolstering crisis response strategy showed the company adding positive information to the crisis situation by mentioning their product’s results and appreciation of client word-of-mouth. Furthermore, the crisis response that used a rebuilding crisis response strategy showed the company apologizing and working on regaining their consumer’s trust.

**Figure 3.2.** Example of Twitter post (high message transparency + denial)



### 3.3 Population and sampling procedure

The data was collected by means of Qualtrics ([www.qualtrics.com](http://www.qualtrics.com)) and Prolific ([www.prolific.co](http://www.prolific.co)). Qualtrics is an online survey tool and Prolific is an online research platform that can be used to recruit participants by paying for them. Prolific was chosen to be used in this study for multiple reasons. To begin with, it accelerates the data collection process. The other option is to send out the survey link to as many people as possible and ask them to fill it in which can delay the research process. Secondly, Prolific allows for more diverse participants in terms of demographics (e.g. nationalities). Lastly, Prolific specifically helps economic and social science researchers in recruiting participants (Palan & Schitter, 2017). Because of this, it grants researchers the option to use many different prescreening filters which helps in the collection of a specific target sample. For example, Prolific provides the opportunity to filter participants based on their age which allows researchers to select respondents based on any particular age group.

The population that has been chosen for this study consists of individuals that range from 18 to 64 years old. The population is diverse in terms of nationality due to the use of Prolific. This specific population is chosen for multiple reasons. To begin with, individuals within this age range are typically active on social media platforms and account for a significant portion of the social media user population. In 2020, 12 to 64 year old's accounted for 91.9 percent of the social media users in the Netherlands (CBS, 2021). The aim of this study is to investigate the influence of different variables on consumer perception in a preventable crisis on social media, Twitter specifically. It is beneficial if the respondents' are familiar with or active on social media platforms as it helps them in responding to questions related to crisis communication in a social media context. Moreover, this age criterion is chosen so that the research does not involve minors. Involving minors

in your research makes it more complex (i.e. informed consent must be obtained from parents or other official guardians) and is therefore better avoided. The sampling method used in this study is convenience sampling which involves finding respondents that are convenient. Nonetheless, respondents need to fall within the age criterion to be able to participate in the survey. Prolific allows every member of the target population an equal chance to be selected for the study and to participate in the study (Prolific, 2023). There is also no pattern whatsoever in collecting these respondents. This sampling method is chosen since it is the best way to reach the required amount of respondents.

### *3.3.1 Manipulation check*

A manipulation check has been conducted to conclude that the news story depicted the appropriate crisis type (preventable) and the organizational response the appropriate crisis response strategy (denial vs. bolstering vs. rebuilding) and level of message transparency (low vs. high). The respondents read the news story followed by one of the six organizational responses – randomly assigned. Later on in the survey, two manipulation questions were included. Respondents were asked to indicate to what extent they thought the information provided by the company’s Twitter to be sufficient using a seven point scale (1 = very insufficient, 7 = very sufficient). This question determined the perceived level of message transparency. Then, respondents were asked to indicate which crisis response strategy they thought was used in the company’s Twitter response (denial, bolstering, or rebuilding). This question determined the perceived crisis response strategy.

## *3.4 Procedure*

Upon reading the introduction of the survey and agreeing to participate, the respondents were also informed about the anonymity and confidentiality of the research and asked for consent. At the next question, the respondents’ Prolific ID would be automatically entered. Immediately after was the screener validation question, asking the respondents if they are between 18 and 64 years old. The respondents started by reading the news story that depicts a preventable crisis and were asked a question about the crisis responsibility. Then, the respondents were randomly assigned to one of the six experimental scenarios in the form of Twitter posts. Each response depicting a different crisis response strategy and level of message transparency. After the respondents had viewed the organizational response, they had to answer multiple questions determining consumer perception. More specifically, the questions were about negative word-of-mouth and purchase intentions in relation to the skin care brand discussed in the article at the beginning of the survey. Next, the respondents had to answer the two manipulation questions about message transparency and crisis response strategy. Finally, the respondents had to answer a few demographic questions and were sent back to the Prolific website.

### 3.5 Measurements

*Negative word-of-mouth* is measured with the use of an existing scale by Coombs and Holladay (2007) found in an article by Chung and Lee (2019). It is a three-item, seven point Likert scale (1 = strongly disagree, 7 = strongly agree). The items are the following: “I would encourage friends or relatives or relatives to not buy products from the organization”, “I would say negative things about the organization and its products to other people”, and “I would not recommend the organization’s products to someone who asked my advice.” The scale determines the likelihood that respondents would engage in negative word-of-mouth about the organization. A reliability analysis was conducted and showed that the scale is moderately reliable (Cronbach’s Alpha = 0,77).

*Purchase intention* is measured with the use of an existing scale by Coombs and Holladay (2008) found in an article by Chung and Lee (2019). It is a two-item, seven point Likert scale (1 = strongly disagree, 7 = strongly agree). The two items are the following: “The likelihood of me buying products made by the organization is quite high,” “I would buy products made by the organization in the future.” The scale determines the likelihood that respondents would buy products from the organization in the future. A reliability analysis was conducted and showed that the scale has good reliability (Cronbach’s Alpha = 0,88).

*Message transparency* is measured with the use of an existing scale by Rawlins (2008) that measures perceptions of organizational transparency and trust (Holland et al., 2017). It is an eleven-item, seven point Likert scale (1 = strongly disagree, 7 = strongly agree). Example items being: “The organization wants people like me to know what it is doing and why it is doing it,” “Provides information that is easy for people like me to understand,” and “Provides accurate information to people like me.” It is important to note that the scale developed by Rawlins (2008) originally included 38 items and nine subscales. Only two subscales were included in this study for two reasons. Firstly, there was a risk of participant fatigue when using the whole 38-item scale. Secondly, this study measures message transparency thus subscales regarding organizational trust could be left out. A reliability analysis was conducted and showed that the scale has good reliability (Cronbach’s Alpha = 0,86).

### 3.6 Reliability, validity, and ethics

Reliability refers to the consistency of your measurements. In other words, it indicates how free the scale is from getting inconsistent results (Pallant, 2014). As mentioned previously, reliability analyses have been conducted for each measurement to check for internal consistency of the scales. Internal consistency refers to the consistency of the scale items and the degree to which the items are all measuring the same underlying concept – it is determined by Cronbach’s Alpha. Values above 0.70 are considered acceptable, but values above 0.80 are preferable (Pallant, 2014). In this study, all measurements have an acceptable or preferable Cronbach’s alpha meaning that the scales have high internal consistency and thus good reliability.

The validity of a research refers to the degree to which the results correctly reflect the concept being measured (Pallant, 2013). In this study, all variables were measured using existing scales that have been adopted in previous comparable research. The operationalization of the variables using existing scales enhances construct validity as it ensures that the variables are correctly measuring the underlying concepts (DeVellis & Thorpe, 2021). Moreover, a pre-test was conducted to identify possible problems in the research design, stimuli material, procedure, or measurements. After conducting the pre-test, a few alterations have been made to the stimuli material to make sure that the respondents would be able to recognize the correct crisis response strategy and level of message transparency. This also enhances the internal validity of the research (Pallant, 2013). Furthermore, confounding variables are able to alter the relationship between the independent variable and the dependent variable which can lead to bias and in turn, false interpretations (Cook et al., 2002). More specifically, confounding variables can lead to there being different explanations for the observed relationship between the independent and dependent variable. To minimize the influence of confounding variables, this study used the randomizing tool on Qualtrics to assure the random assignment of respondents to the six experiment conditions. In this way, possible confounding variables are distributed equally among the experiment conditions, minimizing their influence on the independent variable and enhancing the internal validity of the study (Cook et al., 2002). The respondents were also randomly recruited using the online research platform Prolific. Nonetheless, it was not totally random since the respondents needed to fit within a certain age criterion. The recruitment of respondents on Prolific promotes the diversity of participants (e.g. many different nationalities were included in the sample) and therefore the representativeness of the sample. In turn, this helps in reducing sampling bias and increasing the external validity of the research (Trochim & Donnelly, 2001).

Measures have been taken to make sure that this research is ethically sound. In the introduction of the survey, it is made clear to the participants that the research is performed by a student from Erasmus University Rotterdam in the process of preparing a Master thesis. The participants are also informed about the topic of the study. It is nonetheless an experimental research design so the participants should not be aware of the goal of the study. Moreover, participants are ensured that their participation is voluntary and that they are free to withdraw from the survey at any point. Another important principle of ethically sound research is confidentiality of data (Flick, 2018). Participants are ensured that their privacy will be protected. Their data are collected in anonymous form and will remain confidential. Furthermore, informed consent is also an important principle of ethically sound research (Flick, 2018). After the introduction of the survey, participants are asked to give consent to the use of personal information. This information will remain anonymous, be kept confidential, and will only be used for this study.

### 3.7 Data analysis

The independent variables in this study are the different experiment conditions and dependent variable is consumer perception, measured by negative word-of-mouth and purchase intention. Moreover, message transparency is the moderating variable. In other words, message transparency affects the relationship between the crisis response strategies and consumer perception. Hypotheses 1a, 1b, 2a, and 2b compare the levels of negative word-of-mouth and purchase intentions between two crisis response strategies (rebuild vs. denial and rebuild vs. bolster). A suitable statistical analyses to test these hypotheses is a two-way variance analysis or two-way ANOVA. Hypothesis 3 states that message transparency has a moderating effect on the relationship between crisis response strategy on the one hand, and negative word-of-mouth and purchase intention on the other hand. A suitable statistical analyses to test this hypothesis is also a two-way ANOVA in which the interaction variables are examined. For this hypothesis, two two-way ANOVA's have been conducted to examine the effect of the interaction variables on negative word-of-mouth and purchase intention separately.

### 3.8 Demographics

The sample included 251 respondents, from which 132 males (52.6%), 116 females (46.2%), and 3 respondents identified as other (1.2%). All the respondents are between 19 and 61 years old (it was an open question in the survey). Moreover, 35 different nationalities were included in the survey. The majority of the respondents is Portuguese (19.5%), Polish (16.7%), South African (15.9%), Italian (13.1%) or British/Irish (7.6%). Furthermore, the majority of the respondents have completed HBO/Undergraduate/Bachelor education (25.1%) or Graduate/Master education (23.5%). Respondents also indicated to have not finished HBO/Undergraduate/Bachelor education (20.3%) or to have only finished high school education (17.5%). The mean (M) level of education is 5.5 thus on average respondents are still finishing HBO/Undergraduate/Bachelor education or already finished. The standard deviation (SD) is 2.1 and the scale ranges from 1 to 9. The respondents were also asked on what or which social media platform(s) they currently have an account – multiple answers were possible. Respondents have accounts on Instagram (22.5%), Facebook (22.2%), Twitter (18.4%), LinkedIn (15.5%), TikTok (13.3%) and Snapchat (8.3%).

## 4. Results

### 4.1 Manipulation check

In the experiment, two manipulation checks were conducted to determine whether the independent variables were successfully manipulated. At the end of the survey, two questions were asked regarding the level of message transparency and type of crisis response strategy of the stimuli material. The goal of these questions was to see whether the respondents could recognize the research condition that they had been shown in the survey.

The first manipulation check tests message transparency. Respondents were assigned to stimuli material (a Twitter post) with either high message transparency or low message transparency. An independent sample t-test has been conducted and showed that there is no significant difference between low message transparency ( $M = 3.06$ ,  $SD = 2.09$ ) and high message transparency ( $M = 3.16$ ,  $SD = 1.86$ ),  $t(245.13) = 249$ ,  $p = 0,704$ . Thus, it can be stated that the manipulation check has failed for the message transparency variable.

The second manipulation check tests crisis response strategy. Respondents were assigned to stimuli material (a Twitter post) with a denial, bolstering or rebuilding crisis response strategy. Out of the complete dataset ( $N = 251$ ), 84 respondents were assigned to the denial crisis response strategy and 72 respondents passed the manipulation check. Moreover, 83 respondents were assigned to the bolstering crisis response strategy and 41 respondents passed the manipulation check. Furthermore, 84 respondents were assigned to the rebuilding crisis response strategy and 71 respondents passed the manipulation check. The manipulation effect of crisis response strategy was measured by looking at the Pearson Chi-square value in the crosstab. The Pearson Chi-square test value showed a significant effect,  $\chi^2(4, N = 251) = 197.43$ ,  $p < 0,001$ . Thus, it can be stated that the crisis response strategy variable was successfully manipulated.

### 4.2 Descriptive statistics

The mean ( $M$ ) and standard deviation ( $SD$ ) have been calculated for the following variables: negative word-of-mouth, purchase intention, message transparency, and crisis responsibility. All these variables have mean measured on a scale. Moreover, the correlations among these variables have been determined by conducting a bivariate analysis. The results are presented in Table 4.1.

Moreover, a randomization test (crosstabs) has been conducted to determine that the results can be explained by the independent variables and not the demographics. From the respondents that received the high message transparency condition, 64 identified as male, 60 as female, and 2 as other. From the respondents that received the low message transparency condition, 68 identified as male, 56 as female, and 1 as other. Then, for the denial response condition 45 respondents identified as male, 37 as female, and 2 as other. For the bolstering response condition 45 respondents identified as male and 38 as female. Finally, for the rebuilding condition 42 respondents identified as male,



41 as female, and 1 as other. Thus, it can be stated that gender was evenly divided among the experiment conditions.

**Table 4.1.** Correlations among variables

Variable	<i>M</i>	<i>SD</i>	1	2	3
1 Negative word-of-mouth	4.81	1.25			
2 Purchase intention	3.52	1.95	-0,643**		
3 Message transparency	3.15	1.43	-0,338**	0,467**	
4 Crisis responsibility	2.01	1.10	-0,344**	0,488**	0,472**

\*\* . Correlation is significant at the 0,01 level (2-tailed).

### 4.3 Hypothesis testing

#### 4.3.1 Hypothesis 1a & 1b: The impact of crisis response strategy on negative word-of-mouth

Hypothesis 1a stated that a rebuilding crisis response strategy would result in a lower level of negative word-of-mouth, compared to a denial crisis response strategy in a preventable crisis. Similarly, hypothesis 1b stated that a rebuilding crisis response strategy would result in a lower level of negative word-of-mouth, compared to a bolstering crisis response strategy in a preventable crisis.

To test these hypotheses, a two-way variance analysis or two-way ANOVA has been performed in which we examined the effects of crisis response strategy on respondents' negative word-of-mouth. ANOVA revealed a significant weak effect for crisis response strategy,  $F(2, 245) = 3.32, p = 0,038, \eta^2 = 0,03$ . The results showed that the level of negative word-of-mouth is highest when a bolstering crisis response strategy ( $M = 4.96, SD = 1.16$ ) is applied and lowest in the case of a denial crisis response strategy ( $M = 4.52, SD = 1.16$ ). The rebuilding crisis response strategy ( $M = 4.95, SD = 1.37$ ) scored in-between.

Based on the results of the two-way ANOVA, hypothesis 1a can be rejected. It was shown that a denial crisis response strategy ( $M = 4.52, SD = 1.16$ ) resulted in a lower level of negative word-of-mouth compared to a rebuilding crisis response strategy ( $M = 4.95, SD = 1.37$ ). Furthermore, hypothesis 1b can be accepted. A rebuilding crisis response strategy ( $M = 4.95, SD = 1.37$ ) resulted indeed in a lower level of negative word-of-mouth compared to a bolstering crisis response strategy ( $M = 4.96, SD = 1.16$ ).

**Table 4.2.** Results of the two-way analysis of variance negative word-of-mouth ( $N = 251$ )

	Sum of Squares	<i>df</i>	Mean Square	<i>F</i>	<i>p</i>	$\eta^2$
Message transparency	0,02	1	,02	0,02	0,918	0,00
Crisis response strategy	10.17	2	5.08	3.32	0,038*	0,03
Transparency * Strategy	2.74	2	1.37	0,90	0,409	0,01

Error	374,93	245	1.53
Total	618,11	251	

Note: Significance levels: \* $p < .05$  \*\* $p < .01$  \*\*\* $p < .001$

#### 4.3.2 Hypothesis 2a & 2b: The impact of crisis response strategy on purchase intention

Hypothesis 2a stated that a rebuilding crisis response strategy would result in a higher level of purchase intention, compared to a denial crisis response strategy in a preventable crisis. Likewise, hypothesis 2b stated that a rebuilding crisis response strategy would result in a higher level of purchase intention, compared to a bolstering crisis response strategy in a preventable crisis.

To test these hypotheses, a two-way ANOVA has been performed in which we examined the effects of crisis response strategy on respondents' purchase intention. ANOVA revealed that there was no significant effect for crisis response strategy  $F(2, 245) = 0,16, p = 0,856, \eta^2 = 0,00$ .

Based on these results, hypothesis 2a and 2b can be rejected. It was shown that there was no significant effect for crisis response strategy with respect to respondents' purchase intention.

**Table 4.3.** Results of the two-way analysis of variance purchase intention ( $N = 251$ )

	Sum of Squares	<i>df</i>	Mean Square	<i>F</i>	<i>p</i>	$\eta^2$
Message transparency	,06	1	,06	,02	0,897	0,00
Crisis response strategy	1.20	2	,60	,16	0,856	0,00
Transparency * Strategy	7.96	2	3.98	1.03	0,358	0,01
Error	946,19	245	3.86			
Total	4065,25	251				

Note: Significance levels: \* $p < .05$  \*\* $p < .01$  \*\*\* $p < .001$

#### 4.3.3 Hypothesis 3: The role of message transparency

Hypothesis 3 stated that when message transparency is high, the impact of the responding strategy (a denial, bolstering, or rebuilding strategy) on negative word-of-mouth and purchase intention will be stronger than when message transparency is low. In other words, the hypothesis states that message transparency has a moderating effect on the relationship between crisis response strategy on the one hand, and negative word-of-mouth and purchase intention on the other hand.

To test this hypothesis, two two-way ANOVA's have been performed in which we examined the effects of the interaction variable (message transparency \* crisis response strategy) on respondents' negative word-of-mouth and purchase intention. The first one-way ANOVA examined the effect of the interaction variable on negative word-of-mouth. ANOVA revealed that there was no significant effect for the interaction variable,  $F(2, 245) = 0,90, p = 0,409$  (see Table 4.2). The second one-way ANOVA examined the effect of the interaction variable on purchase intention. Again, ANOVA revealed that there was no significant effect for the interaction variable,  $F(2, 245) = 1.03, p$

= 0,358,  $\eta^2 = 0,01$  (see Table 4.3).

Based on these results, hypothesis 3 can be rejected. It was shown that message transparency does not have a moderating effect. The variable does not play a significant role in the relationship between crisis response strategy on the one hand, and negative word-of-mouth and purchase intention on the other hand. Table 4.4 shows a summary of the hypotheses testing results that have been discussed in this chapter.

**Table 4.4.** An overview of the hypothesis testing results

<b>Hypothesis</b>	<b>Outcome</b>
H1a	Rejected
H1b	Accepted
H2a	Rejected
H2b	Rejected
H3	Rejected

## 5. Discussion

### 5.1 Theoretical implications

The rapid rise in popularity of social media has changed crisis communication over the years which has come with its benefits but also its challenges. On the one hand, it has been convenient as it is quickly accessible and because it provides crisis managers the ability to directly communicate with their audiences (Roshan et al., 2016; Liu et al., 2011). One platform in particular has created opportunities for organizations to communicate information immediately to their stakeholders in times of crisis which is Twitter (Eriksson, 2018). This is also the platform that this study focuses on. It is vital for crisis managers to integrate social media into their strategy if they want to maximize the value that communication can add to crisis management. Therefore, alterations have been made to make the SCCT suitable for today's crisis communication landscape (Coombs, 2017). This study is also conducted through the lens of the SCCT. It investigates to what extent message transparency and crisis response strategy affect consumer perception in a preventable corporate crisis on social media. In which consumer perception is measured by negative word-of-mouth and purchase intention. Existing literature of successful crisis communication often compares rebuilding, denial, and diminish crisis response strategies (Claeys et al., 2010; Van Zoonen & Van Der Meer, 2015). The bolstering crisis response strategy is often neglected in these type of studies – it is one of the least studied strategies of the SCCT. Furthermore, there is a lack of research when it comes to the joint impact of crisis response strategy and message transparency on consumer perception in times of a corporate crisis on social media, making it a relevant topic to explore further.

Hypothesis 1a stated that a rebuilding crisis response strategy would result in a lower level of negative word-of-mouth compared to a denial crisis response strategy. This hypothesis was rejected. It was found that a denial crisis response strategy actually resulted in a lower level of negative word-of-mouth than a rebuilding crisis response strategy. This is not in line with recommendations made in the SCCT (Coombs & Holladay, 2007). According to SCCT, denial crisis response strategies are not recommended in case of a preventable crisis as it serves as a big risk. They are best used in crisis situations where the reputational threat is low as this minimizes the risk. The result of hypothesis 1a is also in line with existing research. Kim and Sung (2014) found that implementing a *denial* crisis response strategy could be more effective on the short-term as it could lead to stakeholders attributing less crisis responsibility to the organization in crisis. Similarly, it was found that matching crisis response strategies with crisis types is not always more beneficial to an organization than mismatches which was also the case in this study (Claeys et al., 2010).

An explanation for the contradiction with the findings from Coombs and Holladay (2007) could be that participants of that study received prior crisis reputation items. Therefore, the participants of the study could have already formed an attitude towards the organization in crisis based on these items. Participants in this study did not receive prior crisis reputation items and the

company in crisis was fictional. Existing research has shown that organizations with similar crisis types and no prior crisis history or bad reputation can behave very differently to each other in terms of crisis communication (Roshan et al., 2016). Thus, the fact that the participants in this study did not receive prior crisis reputation items could have influenced their reaction to the different crisis response strategies, explaining the differences in results with Coombs and Holladay (2007).

Hypothesis 1b stated that a rebuilding crisis response strategy would result in a lower level of negative word-of-mouth than a bolstering crisis response strategy in a preventable crisis, this hypothesis was accepted. It is however important to note that the measured difference in level of negative word-of-mouth between the two crisis response strategies was very small. This finding is in line with recommendations made in the SCCT, rebuilding crisis response strategies are recommended to use for organizations with high crisis responsibility (Coombs, 2015). Organizations are wise to use rebuilding strategies as they prioritize the concerns of the victims and attempt to improve the situation. In this study, the organization attempted to improve the situation by apologizing. Apology is especially valued by stakeholders as it acknowledges that the organization did something wrong and shows respect to the victims of the crisis (De Cremer et al., 2011). Thus, the participants attitude towards the organization presented in this study could have improved due to the organization apologizing. It could for example have helped in decreasing the feeling of anger towards the organization. In turn, this could have influenced their negative word-of-mouth intentions. Existing research has also emphasized the value of the bolstering strategy in the case of a preventable crisis (Brown & White, 2010). The measured difference in negative word-of-mouth between the rebuilding and bolstering strategy is very small. Thus, the bolstering crisis response strategy could still be valuable in times of a preventable crisis. However, the rebuilding crisis response strategy is a better choice in this specific case.

Hypothesis 2a stated that a rebuilding crisis response strategy would result in a higher level of purchase intention, compared to a denial crisis response strategy in a preventable crisis. Similarly, hypothesis 2b stated that a rebuilding crisis response strategy would result in a higher level of purchase intention, compared to a bolstering crisis response strategy in a preventable crisis. Both hypothesis 2a and 2b have been rejected. There was no significant effect found for crisis response strategy with respect to respondents' purchase intention. This contradicts existing literature on the effectiveness of crisis communication on consumers' purchase intention (Kim & Choi, 2012; Coombs & Holladay, 2007; Jones et al., 2000). It is interesting to see that crisis response strategy did have a significant effect on negative word-of-mouth but that this did not translate into the respondents' behavioral intentions in the form of purchase intention. In other words, there is a 'gap' between respondents' words about a company in times of crisis and their actions toward this company. It can be stated that crisis communication strategies can influence consumers' attitude towards an organization but this does not always have to translate into their purchase intention. An explanation for this could be that consumers may perceive the crisis to be limited to specific aspects

of the company's operations or reputation, rather than affecting the quality or value of the products. In other words, respondents may not agree with the company's actions and even spread negative word-of-mouth but still be interested in the products that the company sells because they perceive it as being isolated from the crisis.

Finally, hypothesis 3 stated that when message transparency is high, the impact of the responding strategy (a denial, bolstering, or rebuilding strategy) on negative word-of-mouth and purchase intention would be stronger than when message transparency is low. This hypothesis is rejected. There was no significant moderating effect found for message transparency. This contradicts existing research on the combined effects of crisis type, response, and message transparency on consumer perception by Holland, Seltzer, and Kochigina (2021). They found that high levels of message transparency led to more favorable consumer attitudes which can translate into behavioral intentions, such as negative word-of-mouth and purchase intention. Additionally, their research showed crisis messages with high levels of message transparency to be beneficial to the successful matching of crisis types and crisis responses according to the SCCT. In this study, the manipulation check for message transparency failed meaning that the variable was not successfully manipulated. The respondents did not perceive a clear difference between the messages with a high level of transparency and the messages with a low level of transparency. This is important to note as it could have influenced the results of this study. It could also be a possible explanation for why this hypothesis has been rejected.

## 5.2 Managerial implications

The findings from this study have several managerial implications for crisis managers in the evolving crisis communication landscape. As mentioned previously, social media has altered crisis communication in many ways, one of them being the emergence of paracrises which has made organizations more vulnerable (Coombs, 2017). It is however important to highlight that social media platforms such as Twitter can also be used by crisis managers as a tool in monitoring what is being said about their organization online. In this way, it can play a vital role in crisis management (Eriksson, 2018). Thus, although this study focuses on the role of Twitter in responding to a crisis, social media platforms can also be useful to crisis managers in preventing a crisis from happening.

This study contributes to managerial developments in the field of crisis communication in three ways. First of all, this study shows that matching the crisis response strategy and crisis types according to the SCCT is not always more beneficial than mismatches. There are often more factors at play that can influence the effectiveness of a crisis communication strategy. For example, crisis reputation can influence the level of crisis responsibility attributed to an organization (Coombs & Holladay, 2007). The matching of crisis response strategy and crisis type makes logical sense but it might too simplistic since there are many different factors that influence how consumers perceive an organization. It is therefore important for crisis managers to take these variables (e.g. prior crisis

reputation) into consideration when making decisions about what crisis response strategy to apply.

Second of all, crisis managers should consider denial or rebuilding strategies (apology in particular) as a suitable strategy for organizations with high crisis responsibility as it can lower consumers' level of negative word-of-mouth. The use of denial strategies is generally not recommended by scholars in the case of a preventable crisis as it serves as a big risk. Organizational harm will be intensified if any evidence surfaces that an organization is even a little responsible for a crisis after a denial strategy is applied (Coombs & Holladay, 2014). However, this study has shown that a denial crisis response strategy could be beneficial in terms of improving stakeholder attitude and lowering negative word-of-mouth. Existing research has also shown that apologizing in times of crisis can have a boomerang effect because it could give consumers the idea that the crisis is worse than they thought since the organization is reacting so strongly (Kiambi & Shafer, 2016). Nonetheless, this study has shown that an apology can improve stakeholders attitude and lower their levels of negative word-of-mouth.

Lastly, this study has demonstrated that crisis communication strategies can influence consumers' negative word-of-mouth but this does not always have to translate into their purchase intention. Consumers may prioritize different aspects when making purchasing decisions and perceive the crisis to be limited to specific aspects of the company's operations. Existing research has also shown that negative word-of-mouth has a more long-term impact on an organization in comparison to purchase intention (Coombs & Holladay, 2007). Also, the possible negative consequences are not limited to the stakeholders experiencing the crisis as word-of-mouth can spread easily, especially in today's crisis communication landscape (Schlosser, 2005). Crisis managers should thus focus on how the use of crisis response strategies can positively influence stakeholders' word-of-mouth.

## 6. Conclusion

### 6.1 Summary of findings

The aim of this study was to investigate to what extent message transparency and crisis response strategy affect consumer perception in a preventable corporate crisis on social media, Twitter specifically. In which consumer perception is measured by negative word-of-mouth and purchase intention. The findings have shown that crisis response strategy affects consumers' negative word-of-mouth, but not purchase intention. Moreover, message transparency was not found to influence the relationship between crisis response strategy and consumer perception. This study utilized a quantitative research method, namely an online experiment in the form of a survey. The study design consisted of 1 (crisis type: preventable) X 3 (crisis response: denial, bolstering, rebuilding) X 2 (message transparency: high and low) between-subjects design.

There are several key findings. First of all, a denial crisis response strategy was shown to result in a lower level of negative word-of-mouth than a rebuilding crisis response strategy, in a preventable crisis. This is not in line with recommendations made in the SCCT (Coombs & Holladay, 2017), but it is also not the first time that it was found that matching crisis response strategies with crisis types is not always more beneficial to an organization than mismatches (Claeys et al., 2010; Brown & White, 2010). Second, a rebuilding crisis response strategy resulted in a lower level of negative word-of-mouth than a bolstering crisis response strategy, in a preventable crisis. This finding is in line with recommendations made in the SCCT. However, the difference in level of negative word-of-mouth was very small. Third, there was no significant effect found for crisis response strategy in respect to respondents' purchase intention. This contradicts existing research showing that crisis communication can indeed have an effect on purchase intention (Kim & Choi, 2012; Jones et al., 2000). Lastly, there was no significant moderating effect found for message transparency which contradicts existing literature on the role of message transparency in crisis communication (Holland et al., 2021).

Based on this study, it can be stated that crisis response strategies can influence consumers' attitude towards an organization in the form of negative word-of-mouth, but this does not always have to translate into their purchase intention. Consumers may perceive the crisis to be limited to specific aspects of the company's operations or reputation, rather than affecting the value of the products. Moreover, it can be stated that in a preventable crisis, a bolstering crisis response strategy is not more effective compared to a rebuilding crisis response strategy in terms of consumer perception (negative word-of-mouth). However, a denial crisis response strategy could be more effective on the short-term in comparison to a rebuilding crisis response strategy in terms of consumer perception (negative word-of-mouth), in a preventable crisis.



## 6.2 Limitations

The first limitation of this study is the relatively small sample size as it limits the generalizability of the results. It increases the risk that the findings may not accurately represent the entire population. Additionally, a small sample size decreases statistical power which makes it more difficult to discover significant correlations. Researchers prefer large sample sizes as it enhances the validity and reliability of the findings. In this study, convenience sampling is used as sampling method due to limited time, resources, and access to a larger population.

The second limitation of this study is the failed manipulation check for the variable *message transparency*. This means that the intended manipulation of the variable did not effectively influence the respondents as intended. Respondents were not able to perceive the difference between messages with low and high levels of transparency. The failed manipulation check has made it difficult to interpret the findings related to message transparency accurately. The results showed that there was no significant moderating effect found for message transparency. This could possibly be attributed to the failed manipulation check. Moreover, the failed manipulation check could pose a threat to the internal validity of the study. Internal validity is the extent to which a causal conclusion based on a study is warranted. Due to the failed manipulation check, conclusions drawn from the results may not accurately reflect what went on in the experiment itself.

The third limitation of this study is that the (fictional) company in crisis sells skin-care products and caters to the female gaze which could have potentially influenced the respondents' purchase intention. Stereotypically, females are more likely to use skin-care products in comparison to males. As a result, most skin-care brands have a more 'feminine' aesthetic including the fictional brand used in this study. Thus, the brand might have had a stronger appeal to the female respondents in comparison to the male respondents of this study. In turn, this could possibly have influenced their general attitude towards the brand and in turn purchase intention. It is important to note that about fifty percent of the respondents identified as male.

The final limitation of this study is that there are lots of different factors that can influence how people interpret crisis response strategies such as information source, prior crisis reputation and people's prior attitude towards a brand. In this study, respondents' information source was Twitter. Respondents' might have made assumptions about the credibility of the information communicated by the organization in crisis based on the information source which in turn, could have influenced their attitude towards the company. Moreover, respondents had no information on the company's prior crisis reputation since it is a fictional company created solely for this study. However, prior crisis reputation can play a role in consumers perception of a company in times of crisis. If a company has a good prior reputation, it might mitigate the negative effects when the company experiences a crisis. Likewise, the negative effects of the crisis might worsen if the company has experienced a similar crisis in the past. Because the company used in this study is fictional, respondents do also not have a prior attitude towards the brand. If a well-known company was used,

respondents might have a feeling of brand loyalty which could have influenced their perception of the company in times of crisis. In this study, the respondents have no brand loyalty towards the brand.

### 6.3 Directions for future research

Despite the limitations, this study offers interesting insights into the relationship studied which provides a stepping stone for future research. To begin with, future research could focus on the connection between consumer negative word-of-mouth and purchase intention. This study has demonstrated that crisis communication strategies can influence consumers' negative word-of-mouth but this does not always have to translate into their behavioral intentions. It could be that consumers prioritize different aspects when making purchasing decisions and perceive the crisis to be limited to specific aspects of the company's operations. This could be an interesting topic of research.

Another recommendation for future research could be to compare different social media platforms as information sources for companies in times of crisis and see which one is most effective for crisis communication in terms of consumer perception. As mentioned numerous times, social media has drastically altered the crisis communication landscape and it is critical for crisis managers to integrate social media in their crisis communication efforts. Nowadays, crisis communication messages are often posted on platforms such as Instagram, Twitter and even YouTube. All these platforms have different affordances that allow crisis managers to communicate with their stakeholders in a unique manner. It would be interesting to see how these unique affordances can be used to benefit crisis communication.

## References

- Austin, L., Fisher Liu, B., & Jin, Y. (2012). How audiences seek out crisis information: Exploring the social-mediated crisis communication model. *Journal of Applied Communication Research*, 40(2), 188–207. <https://doi.org/10.1080/00909882.2012.654498>
- Avery, E. J., Lariscy, R. W., Kim, S., & Hocke, T. (2010). A quantitative review of crisis communication research in public relations from 1991 to 2009. *Public Relations Review*, 36(2), 190-192. <http://dx.doi.org/10.1016/j.pubrev.2010.01.001>
- Benoit, W. L. (1995). *Accounts, excuses, and apologies: A theory of image restoration strategies*. Albany, NY: State University of New York Press.  
<https://books.google.nl/books?id=q1DVBAAAQBAJ&lpg=PR5&ots=19lv853ZiY&dq=accounts%20excuses%20and%20apologies&lr&hl=nl&pg=PR5#v=onepage&q=accounts%20excuses%20and%20apologies&f=false>
- Brown, K. A., & White, C. L. (2010). Organization–public relationships and crisis response strategies: Impact on attribution of responsibility. *Journal of Public Relations Research*, 23(1), 75-92. <http://dx.doi.org/10.1080/1062726X.2010.504792>
- Brown, J. J., & Reingen, P. H. (1987). Social ties and word-of-mouth referral behavior. *Journal of Consumer Research*, 14(3), 350.  
<https://doi.org/10.1086/209118>
- CBS. (2021, February 9). *Who use social media the most?* CBS. Retrieved March 6, 2023, from <https://longreads.cbs.nl/the-netherlands-in-numbers-2020/who-use-social-media-the-most/>
- Chandon, P., Morwitz, V. G., & Reinartz, W. J. (2005). Do intentions really predict behavior? Self-generated validity effects in survey research. *Journal of marketing*, 69(2), 1-14.  
[https://journals.sagepub.com/doi/pdf/10.1509/jmkg.69.2.1.60755?casa\\_token=bdhAIyIGy\\_wAAAAA:cB1h4EA0pRfIDVuxqfUTGR5JFIZ4Q1fjmqSALszFPIsHyDf0a51N9-6OxErkiiF50Wi5-Mv3Dqw](https://journals.sagepub.com/doi/pdf/10.1509/jmkg.69.2.1.60755?casa_token=bdhAIyIGy_wAAAAA:cB1h4EA0pRfIDVuxqfUTGR5JFIZ4Q1fjmqSALszFPIsHyDf0a51N9-6OxErkiiF50Wi5-Mv3Dqw)
- Chung, A., & Lee, K. B. (2022). Corporate apology after bad publicity: A dual-process model of CSR fit and CSR history on purchase intention and negative word of mouth. *International Journal of Business Communication*, 59(3), 406-426.  
DOI: 10.1177/2329488418819133
- Claeys, A. S., 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.  
<https://doi.org/10.1016/j.pubrev.2010.05.004>
- Cook, T. D., Campbell, D. T., & Shadish, W. (2002). *Experimental and quasi-experimental designs*

- for generalized causal inference (pp. 103-134). Boston, MA: Houghton Mifflin.  
<https://iaes.cgiar.org/sites/default/files/pdf/147.pdf>
- 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, 447–476.  
[https://journals.sagepub.com/doi/pdf/10.1177/0893318995008004003?casa\\_token=IoGvuiQMH90AAAAA:BSR9VTQ6VyzdFKBxKSaKkKhEqrVpNQeMvRNFjIojNs7Hqe59IXehEy7dDFFY2MIJL5ZuLAYNz31q](https://journals.sagepub.com/doi/pdf/10.1177/0893318995008004003?casa_token=IoGvuiQMH90AAAAA:BSR9VTQ6VyzdFKBxKSaKkKhEqrVpNQeMvRNFjIojNs7Hqe59IXehEy7dDFFY2MIJL5ZuLAYNz31q)
- Coombs, W. T. (2006). The protective powers of crisis response strategies. *Journal of Promotion Management*, 12(3–4), 241–260. [https://doi.org/10.1300/j057v12n03\\_13](https://doi.org/10.1300/j057v12n03_13)
- Coombs, W. T. (2007). Protecting organization reputations during a crisis: the development and application of situational crisis communication theory. *Corporate Reputation Review*, 10(3), 163-176. <https://doi.org/10.1057/palgrave.crr.1550049>
- Coombs, W. T. (2015). The value of communication during a crisis: Insights from strategic communication research. *Business horizons*, 58(2), 141-148.  
<https://doi.org/10.1016/j.bushor.2014.10.003>
- Coombs, W. T. (2017). Revising situational crisis communication theory: The influences of social media on crisis communication theory and practice. In *Social media and crisis communication* (pp. 21-37). Routledge.  
<https://www.taylorfrancis.com/chapters/edit/10.4324/9781315749068-3/revising-situational-crisis-communication-theory-timothy-coombs>
- Coombs, W. T., & Holladay, S. J. (1996). Communication and attributions in a crisis: An experimental study in crisis communication. *Journal of Public Relations Research*, 8(4), 279–295. [https://doi.org/10.1207/s1532754xjpr0804\\_04](https://doi.org/10.1207/s1532754xjpr0804_04)
- Coombs, W. T., & Holladay, S. J. (2002). Helping crisis managers protect reputational assets: Initial tests of the situational crisis communication theory. *Management communication quarterly*, 16(2), 165-186. DOI: 10.1177/089331802237233
- Coombs, W. T., & Holladay, S. J. (2005). An exploratory study of stakeholder emotions: Affect and crises. In *The effect of affect in organizational settings (research on emotions in organizations, Vol. 1)*, Emerald Group Publishing Limited, Bingley, pp. 263-280  
[https://doi.org/10.1016/S1746-9791\(05\)01111-9](https://doi.org/10.1016/S1746-9791(05)01111-9)
- Coombs, W., & Holladay, S. J. (2007). The negative communication dynamic: Exploring the impact of stakeholder affect on behavioral intentions. *Journal of Communication management*, 11(4), 300-312. <https://doi.org/10.1108/13632540710843913>
- Coombs, W. T., & Holladay, S. J. (2008). Comparing apology to equivalent crisis response strategies: Clarifying apology's role and value in crisis communication. *Public Relations Review*, 34(3), 252-257. <https://doi.org/10.1016/j.pubrev.2008.04.001>

- De Cremer, D., Pillutla, M. M., & Folmer, C. R. (2010). How important is an apology to you? *Psychological Science*, 22(1), 45–48. <https://doi.org/10.1177/0956797610391101>
- DeVellis, R. F., & Thorpe, C. T. (2021). *Scale development: Theory and applications*. Sage publications. <https://shorturl.at/fhmt1>
- Eriksson, M. (2018). Lessons for crisis communication on social media: A systematic review of what research tells the practice. *International Journal of Strategic Communication*, 12(5), 526-551. <https://doi.org/10.1080/1553118X.2018.1510405>
- Flick, U. (2018). *Designing qualitative research*. Sage. <http://dx.doi.org/10.4135/9781849208826.n7>
- Garcia, S. E. (2019, October 22). *Sunday riley settles complaint that it faked product reviews*. The New York Times. Retrieved March 6, 2023, from <https://www.nytimes.com/2019/10/22/us/sunday-riley-fake-reviews.html>
- 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*. <https://www.acrwebsite.org/volumes/7404>
- Herr, P. M., Kardes, F. R., & Kim, J. (1991). Effects of word-of-mouth and product-attribute information on persuasion: An accessibility-diagnostics perspective. *Journal of Consumer Research*, 17(4), 454. <https://doi.org/10.1086/208570>
- Holland, D., Krause, A., Provencher, J., & Seltzer, T. (2017). Transparency tested: The influence of message features on public perceptions of organizational transparency. *Public Relations Review*, 44(2), 256-264. <https://doi.org/10.1016/j.pubrev.2017.12.002>
- Holland, D., Seltzer, T., & Kochigina, A. (2021). Practicing transparency in a crisis: Examining the combined effects of crisis type, response, and message transparency on organizational perceptions. *Public relations review*, 47(2), 102017. <https://doi.org/10.1016/j.pubrev.2021.102017> [Get rights and content](#)
- Jahansoozi, J. (2006). Organization-stakeholder relationships: exploring trust and transparency. *Journal of management development*, 25(10), 942-955. <http://dx.doi.org/10.1108/02621710610708577>
- Jones, G. H., Jones, B. H., & Little, P. (2000). Reputation as reservoir: Buffering against loss in times of economic crisis. *Corporate Reputation Review*, 3(1), 21-29. <https://shorturl.at/oBJ14>
- Kiambi, D. M., & Shafer, A. (2016). Corporate crisis communication: Examining the interplay of reputation and crisis response strategies. *Mass Communication and Society*, 19(2), 127-148. <https://doi.org/10.1080/15205436.2015.1066013>
- Kim, Y. S., & Choi, Y. (2012). College students' perception of Philip Morris's tobacco-related smoking prevention and tobacco-unrelated social responsibility. *Journal of Public Relations Research*, 24(2), 184–199. <https://doi.org/10.1080/1062726x.2012.626138>
- Kim, B., Hong, S., & Cameron, G. T. (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. <https://doi.org/10.1177/1077699014550087>
- Kim, S., & Sung, K. H. (2014). Revisiting the effectiveness of base crisis response strategies in comparison of reputation management crisis responses. *Journal of Public Relations Research*, 26(1), 62–78. <https://doi.org/10.1080/1062726X.2013.795867>
- Kumar, A., Lee, H.-J., & Kim, Y.-K. (2009). Indian consumers' purchase intention toward a United States versus local brand. *Journal of Business Research*, 62(5), 521–527. <https://doi.org/10.1016/j.jbusres.2008.06.018>
- Laczniak, R.N., DeCarlo, T.E. and Ramaswami, S.H. (2001), "Consumers' responses to negative word-of-mouth communication: an attribution theory perspective", *Journal of Consumer Psychology*, Vol. 11, pp. 57-73. [https://doi.org/10.1207/S15327663JCP1101\\_5](https://doi.org/10.1207/S15327663JCP1101_5)
- Liu, B. F., Austin, L., & Jin, Y. (2011). How publics respond to crisis communication strategies: The interplay of information form and source. *Public Relations Review*, 37(4), 345–353. <https://doi.org/10.1016/j.pubrev.2011.08.004>
- Mizerski, R. W. (1982). An attribution explanation of the disproportionate influence of Unfavorable information. *Journal of Consumer Research*, 9(3), 301. <https://doi.org/10.1086/208925>
- Monga, A. B., & John, D. R. (2008). When does negative brand publicity hurt? the moderating influence of analytic versus holistic thinking. *Journal of Consumer Psychology*, 18(4), 320–332. <https://doi.org/10.1016/j.jcps.2008.09.009>
- Palan, S., & Schitter, C. (2018). Prolific.ac—a subject pool for online experiments. *Journal of Behavioral and Experimental Finance*, 17, 22–27. <https://doi.org/10.1016/j.jbef.2017.12.004>
- Pallant, J. (2013). *SPSS Survival Manual* (5th ed.). Maidenhead, UK: McGraw-Hill.
- Pew Internet & American Life Project. (2006). *Blogger callback survey*. Retrieved from <http://www.pewinternet.org>
- Procopio, C. H., & Procopio, S. T. (2007). Do you know what it means to miss New Orleans? internet communication, geographic community, and social capital in crisis. *Journal of Applied Communication Research*, 35(1), 67–87. <https://doi.org/10.1080/00909880601065722>
- Rawlins, B. R. (2008). "Measuring the Relationship Between Organizational Transparency and Employee Trust." *Public Relations Journal*, Vol. 2, (Issue 2), pp. 1-21. <https://scholarsarchive.byu.edu/facpub/885/>
- Roshan, M., Warren, M., & Carr, R. (2016). Understanding the use of social media by organisations for crisis communication. *Computers in Human Behavior*, 63, 350-361.

<https://doi.org/10.1016/j.chb.2016.05.016>

Schlosser, A. E. (2005). Source perceptions and the persuasiveness of internet word-of mouth communication. *ACR North American Advances*.

<http://www.acrwebsite.org/volumes/9074/volumes/v32/NA-32>

Schnackenberg, A. K., & Tomlinson, E. C. (2016). Organizational transparency. *Journal of Management*, 42(7), 1784–1810. <https://doi.org/10.1177/0149206314525202>

Tucker, L., & Melewar, T. C. (2005). Corporate reputation and crisis management: The threat and manageability of anti-corporatism. *Corporate Reputation Review*, 7(4), 377–387. <https://doi.org/10.1057/palgrave.crr.1540233>

Van Zoonen, W., & Van Der Meer, T. (2015). The importance of source and credibility perception in times of crisis: Crisis communication in a socially mediated era. *Journal of public relations research*, 27(5), 371-388.

<https://doi.org/10.1080/1062726X.2015.1062382>

Veil, S. R., Buehner, T., & Palenchar, M. J. (2011). A work-in-process literature review: Incorporating social media in risk and crisis communication. *Journal of contingencies and crisis management*, 19(2), 110-122. <https://doi.org/10.1111/j.1468-5973.2011.00639.x>

Weiner, B. (2006). *Social motivation, justice, and the moral emotions: An attributional approach*. Psychology Press.

<https://shorturl.at/rIUX4>

Youngblood, S. (2010). Ongoing Crisis Communication: Planning, Managing, and Responding, (Coombs, W.T.) and Handbook of Risk and Crisis Communication (Heath, RL and O'Hair, HD, Eds.) [Book reviews]. *IEEE Transactions on Professional Communication*, 53(2), 174-178. [10.1109/TPC.2010.2046099](https://doi.org/10.1109/TPC.2010.2046099)



## Appendix A – Experimental conditions

### A1 – Condition 1: high level of message transparency + denial crisis response strategy



**MaisyLennon** @SkinCarebyML · 8m

As many of you know, there have been accusations from former employees claiming that we asked them to post fake reviews on the Douglas website. In February 2023, they claimed that we had asked them to “always leave five stars” when reviewing products and “dislike” negative reviews.



**MaisyLennon** @SkinCarebyML · 8m

We want you to know that these accusations are false. You can be assured that the only way that our brand will communicate on all channels, including the Douglas website, is with our official brand bradge. Sincerely, Maisy Lennon (CEO)



### A2 – Condition 1: low level of message transparency + denial crisis response strategy



**MaisyLennon** @SkinCarebyML · 8m

As many of you know, there have been accusations regarding the posting of fake online reviews. We want you to know that the people that are making these claims are being dishonest. You can be assured that all our online reviews are written by customers only.





A3 – Condition 3: high level of message transparency + bolstering crisis response strategy



**MaisyLennon** @SkinCarebyML · 8m

As many of you know, there have been accusations from former employees claiming that we asked them to post fake reviews on the Douglas website. In February 2023, they claimed that we had asked them to “always leave five stars” when reviewing products and “dislike” negative reviews.



**MaisyLennon** @SkinCarebyML · 8m

We have always encouraged our customers to leave a review as we love to read your feedback. It is something that we treasure. Client word-of-mouth, sharing how our products have changed their skin, has been the cornerstone of our success. In the end, our products and their results stand for themselves. Sincerely, Maisy Lennon (CEO)



A4 – Condition 4: low level of message transparency + bolstering crisis response strategy



**MaisyLennon** @SkinCarebyML · 8m

As many of you know, there have been accusations regarding the posting of fake online reviews. We have always encouraged our customers to leave a review as we love to read your feedback. It is something that we treasure. Client word-of-mouth has been the cornerstone of our success. In the end, our products and their results stand for themselves.



A5 – Condition 5: high level of message transparency + rebuilding crisis response strategy



**MaisyLennon** @SkinCarebyML · 8m

As many of you know, there have been accusations from former employees claiming that we asked them to post fake reviews on the Douglas website. In February 2023, they claimed that we had asked them to “always leave five stars” when reviewing products and “dislike” negative reviews.



**MaisyLennon** @SkinCarebyML · 8m

We hear you and recognize that this was wrong. Your feelings about this situation matter to us and we want to apologize to every single one of you for hurting your trust in the brand. We are going to have our business practices and company culture audited by a third party and will publicly release the results. Sincerely, Maisy Lennon (CEO)



A6 – Condition 6: low level of message transparency + rebuilding crisis response strategy



**MaisyLennon** @SkinCarebyML · 8m

As many of you know, there have been accusations regarding the posting of fake online reviews. We hear you and recognize that this was wrong. Your feelings about this situation matter to us and we want to apologize to every single one of you for hurting your trust in the brand. We will keep working on regaining your trust in our brand.



## Appendix B – Fictional material

### B1 – Fictional news article setting the crisis type (a preventable crisis)

THE NEWS CHRONICLES

# SKIN CARE BRAND MAISY LENNON ACCUSED OF WRITING FAKE REVIEWS

In February 2023, a former *Maisy Lennon* employee leaked an email that showed employees being asked by the company to create fake Douglas accounts and post "glowing" reviews of the brand's products.

The email includes lengthy instructions on how to install VPN, so reviews are not traced back to the company's IP address. The email also included advice on the type of content to include in the review.



Employees who needed help coming up with things to say were encouraged to speak to the CEO of the popular skin care brand. They were asked to "always leave five stars" when reviewing products and "dislike" negative reviews. The Federal Trade Commission has opened an investigation and filed complaints that the company has posted fake reviews of its products online.

**By Sandra Elessar**  
March 15, 2023

# Master Thesis Survey

---

Start of Block: Introduction

Q1 Dear participant,

Thank you for your interest in this research, which is conducted by a Media and Business student at Erasmus University Rotterdam. I am inviting you to fill in this survey. The aim of this survey is to understand your perception on the topic of crisis communication. The survey will take approximately 6 minutes to fill in. To participate in this study you need to be within the age range of **18 to 64 years old**.

Please answer each question carefully and honestly, I am interested in your personal opinion and perception. There are no right or wrong answers.

#### CONFIDENTIALITY OF DATA

All research data remain completely confidential and are collected in anonymous form. We will not be able to identify you. There are no foreseeable risks or discomforts associated with participating in this research.

#### VOLUNTARY

If you now decide not to participate in this research, this will not affect you. If you decide to cease your cooperation while filling in the questionnaire, this will in no way affect you either. You can cease your cooperation without giving reasons.

#### FURTHER INFORMATION

If you have questions about this research, in advance or afterward, you can contact the responsible researcher, Femke van Bodegom, email: 542803fb@eur.nl

Thank you in advance for your participation.

---

End of Block: Introduction

Start of Block: Consent

You are being invited to participate in a research study about crisis communication and consumer perceptions. By filling out this survey, you consent to the use of the personal information that you provided for this research. This information will remain anonymous, be kept confidential, and will only be used for academic purposes.

By clicking “I agree” below you are indicating that you have read and understood this consent form and agree to participate in this research study.

- I agree (1)
- I do not agree (2)

End of Block: Consent

---

Start of Block: Prolific ID



Q2 What is your Prolific ID?

*Please note that this response should auto-fill with the correct ID*

---

End of Block: Prolific ID

---

Start of Block: Screener Validation

Q3 Are you between 18 and 64 years old?

- Yes, I am (1)
- No, I am not (2)

End of Block: Screener Validation

---

Start of Block: The News Article

Q4 Please read the following news article carefully as it will not be shown again. When you are finished reading, you can go to the next question.

End of Block: The News Article

---

Start of Block: Crisis responsibility

Q5 Please indicate to what extent you agree with the following statements. The company being *Maisy Lennon*, the skin care brand you have just read an article about.

	Strongly disagree (1)	Disagree (2)	Somewhat disagree (3)	Neutral (4)	Somewhat agree (5)	Agree (6)	Strongly agree (7)
Circumstances, not the company, are responsible for the crisis (1)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The blame for the crisis lies with the company (2)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The blame for the crisis lies in the circumstances, not the company (3)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

End of Block: Crisis responsibility

---

Start of Block: The company's response

Q6 The skin care brand (*Maisy Lennon*) responded to the accusations on Twitter. The Tweets are shown below, please read them carefully as they will not be shown again.

---

Q6 The skin care brand (*Maisy Lennon*) responded to the accusations on Twitter. The Tweet is shown below, please read it carefully as it will not be shown again.

---

Q6 The skin care brand (*Maisy Lennon*) responded to the accusations on Twitter. The Tweets are shown below, please read them carefully as they will not be shown again.

---

Q6 The skin care brand (*Maisy Lennon*) responded to the accusations on Twitter. The Tweet is shown below, please read it carefully as it will not be shown again.

---

Q6 The skin care brand (*Maisy Lennon*) responded to the accusations on Twitter. The Tweets are shown below, please read them carefully as they will not be shown again.

---

Q6 The skin care brand (*Maisy Lennon*) responded to the accusations on Twitter. The Tweet is

shown below, please read it carefully as it will not be shown again.

End of Block: The company's response

---

Start of Block: Message Transparency

Q7 To what extent do you agree with the following statements about the company's (*Maisy*



*Lennon*) response to the accusations of posting fake online reviews?

	Strongly disagree (1)	Disagree (2)	Somewhat disagree (3)	Neutral (4)	Somewhat agree (5)	Agree (6)	Strongly agree (7)
The company wants to understand how its decisions affect people like me (1)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The company provides information that is useful to people like me for making informed decisions (2)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The company wants to be accountable to people like me for its actions (3)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

The company wants people like me to know what it is doing and why it is doing it (4)

End of Block: Message Transparency

---

Start of Block: Negative word-of-mouth

Q8 Based on the news article that you have read at the beginning of the survey, and the response of the company (*Maisy Lennon*) on Twitter. To what extent do you agree with the following statements?

	Strongly disagree (1)	Disagree (2)	Somewhat disagree (3)	Neutral (4)	Somewhat agree (5)	Agree (6)	Strongly agree (7)
I would encourage friends or relatives to not buy products from the company (1)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I would say negative things about the company and its products to other people (2)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I would not recommend the company's products to someone who asked my advice (3)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

End of Block: Negative word-of-mouth

Start of Block: Purchase intention

Q9 Based on the news article that you have read at the beginning of the survey, and the response

of the company (*Maisy Lennon*) on Twitter. To what extent do you agree with the following statements?

	Strongly disagree (1)	Disagree (3)	Somewhat disagree (5)	Neutral (6)	Somewhat agree (7)	Agree (8)	Strongly agree (9)
The likelihood of me buying products made by the company is quite high (1)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I would buy products made by the company in the future (2)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

End of Block: Purchase intention

Start of Block: Manipulation questions

Q10 Please indicate to what extent you think the information provided in the company's Twitter response is sufficient?

A sufficient response is easy to understand, discloses important information, and provides enough explanation for the company's behavior.

An insufficient response does not provide enough explanation for the company's behavior.

- Very insufficient (1)
- Insufficient (2)
- Somewhat insufficient (4)
- Neutral (5)
- Somewhat sufficient (6)
- Sufficient (7)
- Very sufficient (8)

---

Page Break

Q11 Please indicate which crisis response strategy you think was used in the company's Twitter response?

A denial strategy demonstrates that the company is not responsible (e.g. claiming that the accusations are false).

A bolstering strategy works by adding positive information, such as good things that the company has done in the past (e.g. the success of their products).

A rebuilding strategy attempts to improve the situation by acknowledging the feelings of the stakeholders, apologizing and asking for forgiveness.

- Denial (1)
- Bolstering (2)
- Rebuilding (3)

End of Block: Manipulation questions

---

Start of Block: Demographics

Q12 What is your age? (please answer in numbers)

\_\_\_\_\_

-----

Page Break

---

Q13 What gender do you identify as?

- Male (1)
- Female (2)
- Other (3)
- Prefer not to say (4)

---

Page Break



Q14 What is your highest degree or level of education?

- Unfinished High School (1)
- High School (2)
- Unfinished MBO / Tradeschool (3)
- MBO / Tradeschool (4)
- Unfinished HBO or Undergraduate / Bachelor (5)
- HBO or Undergraduate / Bachelor (6)
- Unfinished Graduate / Master (7)
- Graduate / Master (8)
- Doctorate (9)

---

Page Break



Q15 What nationality do you identify with the most?

▼ Afghanistan (1) ... Zimbabwe (1357)

---

Page Break

Q16 On what/which social media platform(s) do you currently have an account? (multiple answers are possible)

- Facebook (1)
- Twitter (2)
- Instagram (3)
- Snapchat (4)
- TikTok (5)
- LinkedIn (6)

End of Block: Demographics

---

Start of Block: Outro

Q17 Congratulations! You have reached the end of the survey.

Thank you for participating in this survey. Please click the button below to be redirected to Prolific and register your submission.

If you have any questions or would like to receive further information about this research, please contact me at [542803fb@eur.nl](mailto:542803fb@eur.nl).

Femke van Bodegom  
*Master Media & Business*  
Erasmus University Rotterdam

End of Block: Outro

---