



# Taking a Stand on Societal Crises

*Best Practices for Determining If, When and How to Respond to  
Societal Crises in Today's Politicized Environment*

August 15, 2018

Sponsored by:  College of Journalism  
and Communications  
UNIVERSITY of FLORIDA

# Your Panelists...



**Linda Rutherford**  
Senior Vice President and  
Chief Communications Officer,  
Southwest Airlines



**Steve Cody**  
Founder & CEO  
Peppercomm



# A New World Filled With New Types of Crises...



# Before We Share Our Research Findings... Let's Set the Stage

- **More than 80% of consumers** believe corporations should take action on important issues
- **47% of millennials** believe CEOs have a *responsibility* to speak up about important social issues
- **51%** are more likely to buy from a company led by an *activist CEO*
- **62% of employees** (all ages) expect their employer to take a stand on major issues of the day
- **Falsehoods are 70% more likely to be retweeted** than the truth

Source: KRC Research; Harris, Povado; and Glassdoor

# The New Normal of Crisis Communications

## Societal



## #MeToo



## Sponsorship Gaffes



## Self-inflicted Wounds



## False News



# Massive Leadership Vacuum in the U.S.

- *Government*
- *Religion*
- *Media*
- *Business*

# Rise of the Activist Employee/CEO and Corporate Purpose



Rose Marcario  
CEO, Patagonia

***"We won't let President Trump tear down our heritage and sell it to the highest bidder."***



Cathy Engelbert  
CEO, Deloitte

***"We often talk about fostering courageous conversations. That is what our culture of courage is all about."***



# Self-Inflicted Wounds



- Uses racial slur
- Accuses digital firm of extortion
- Sues own company
- Three agencies fire Papa John's



Donald J. Trump  
(@realDonaldTrump)

Lebron James was just interviewed by the dumbest man on television, Don Lemon. He made Lebron look smart, which isn't easy to do. I like Mike!



# Speaking Out



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Lebron James was just interviewed by the dumbest man on television, Don Lemon. He made Lebron look smart, which isn't easy to do. I like Mike!



**"LeBron is one of the all-time greatest NBA players and one of the most accomplished athletes.** He runs a very successful media company. He's sent hundreds of students to college and just opened a school in Akron where at-risk students will receive free tuition, meals and transportation. I greatly admire his intelligence and business acumen and have enormous respect and appreciation for what he does in his community."

# Humor Can Be a Powerful Weapon in the Midst of Crises



**Roseanne Barr** ✓  
@therealroseanne

Follow

guys I did something unforgiveable so do not defend me. It was 2 in the morning and I was ambien tweeting-it was memorial day too-i went 2 far & do not want it defended-it was egregious Indefensible. I made a mistake I wish I hadn't but...don't defend it please. ty

9:15 PM - 29 May 2018

2,209 Retweets 9,454 Likes



**Sanofi US** ✓  
@SanofiUS



People of all races, religions and nationalities work at Sanofi every day to improve the lives of people around the world. While all pharmaceutical treatments have side effects, racism is not a known side effect of any Sanofi medication.

# Taking a Stand: IPR Research



# Key Findings

- Companies are spending more time addressing social topics
- Many feel pressure to respond rapidly
- More companies are reviewing crisis plans and checking the pulse of the social climate
- False news is challenging communications and executives
- 50 CCOs/CMOs interviewed said they have revisited their crisis approach in the past year



# Are you ready to rumble?

**Key Insight: 2/3 of respondents  
admitted they were not prepared**

# A Study in Corporate Purpose





# A Study in Corporate Purpose



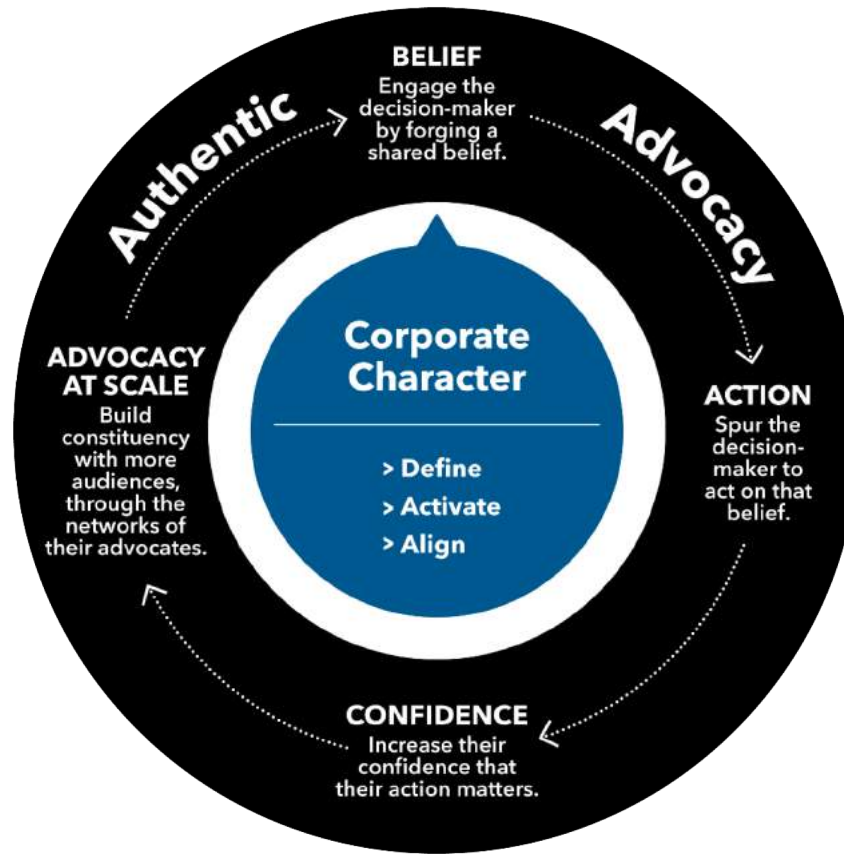
**Southwest**®

# A Study in Corporate Purpose



*To connect people to what's important in their lives.*

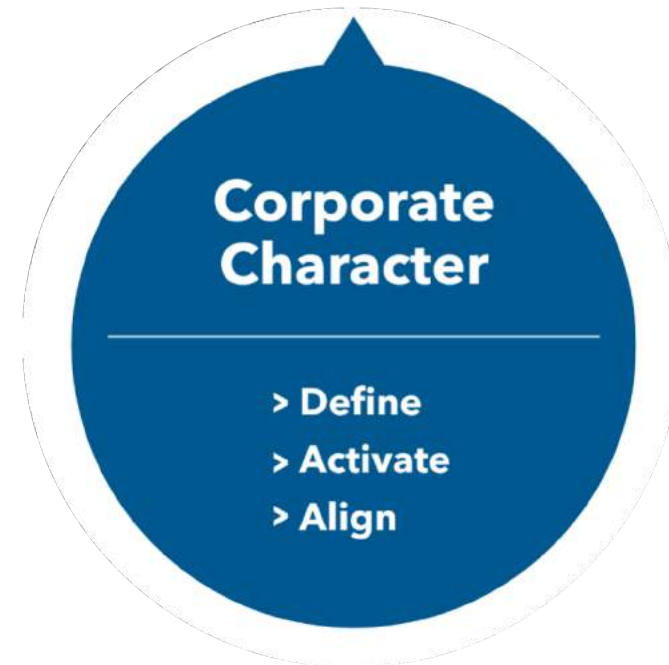
# According To The Page Society...



# CORPORATE CHARACTER

refers to the enterprise's unique,  
differentiating identity

**Mission**  
**Purpose**  
**Values**  
**Culture**  
**Business Model**  
**Strategy**  
**Brand**



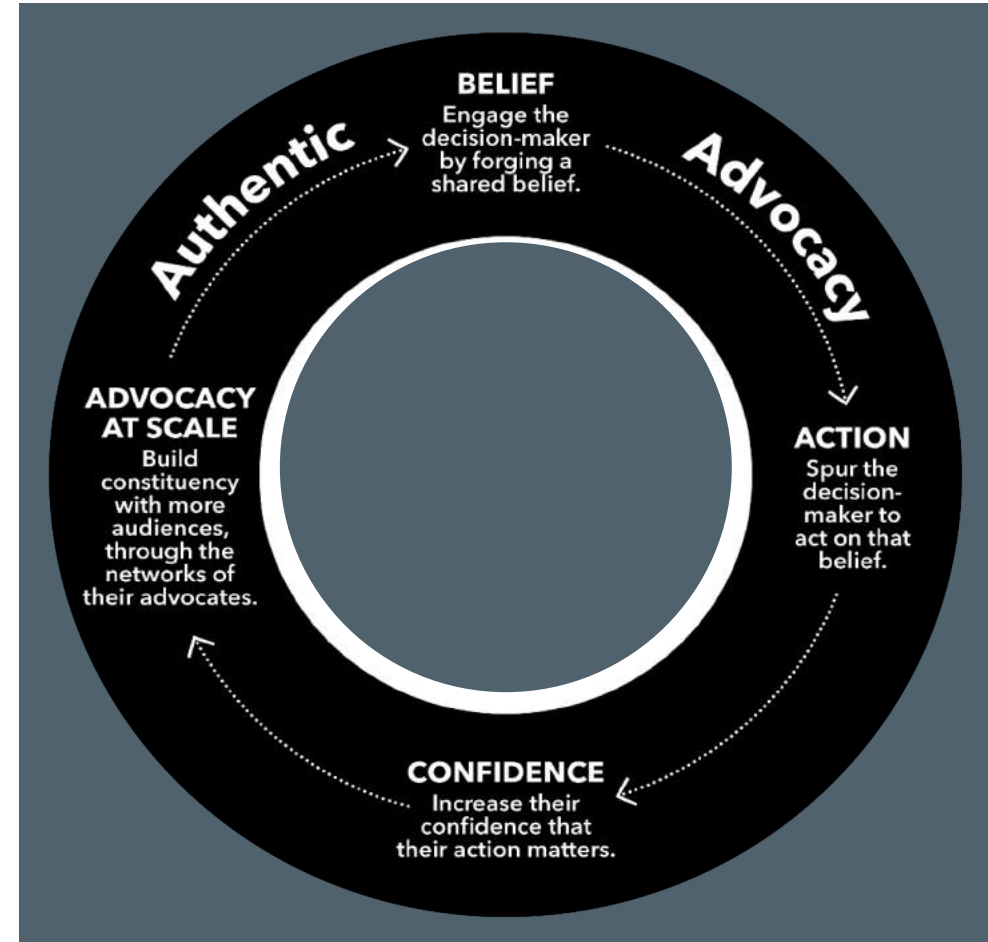
# AUTHENTIC ADVOCACY

*Building shared belief*  
with decision-makers

*Spurring action*  
based on this belief – e.g. buy  
the products or stock, support  
policy objectives, etc.

*Instilling confidence*  
thereby cultivating ongoing behavior

*Enabling advocacy*  
by supporting the individual's desire to  
experience personal agency





# *What Kind of CCO/CMO Are You?*



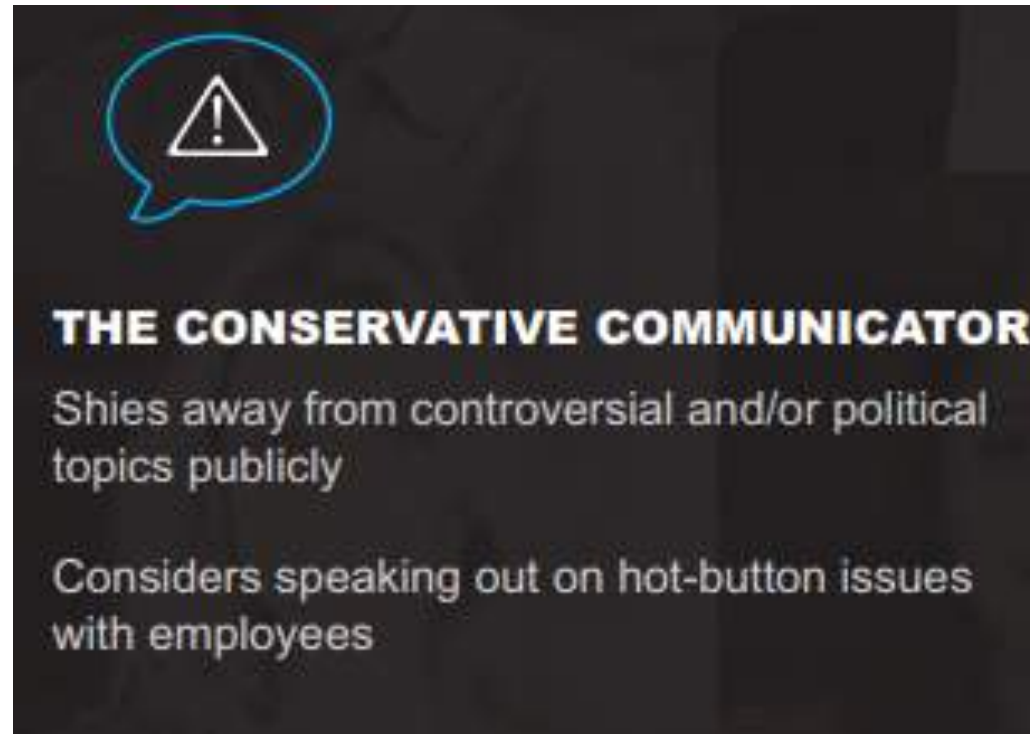
# What kind of CCO/CMO are you?



## **THE RISK-AVERSE EXECUTIVE**

Avoids speaking out on any controversial social topic that might alienate even a small percentage of stakeholders

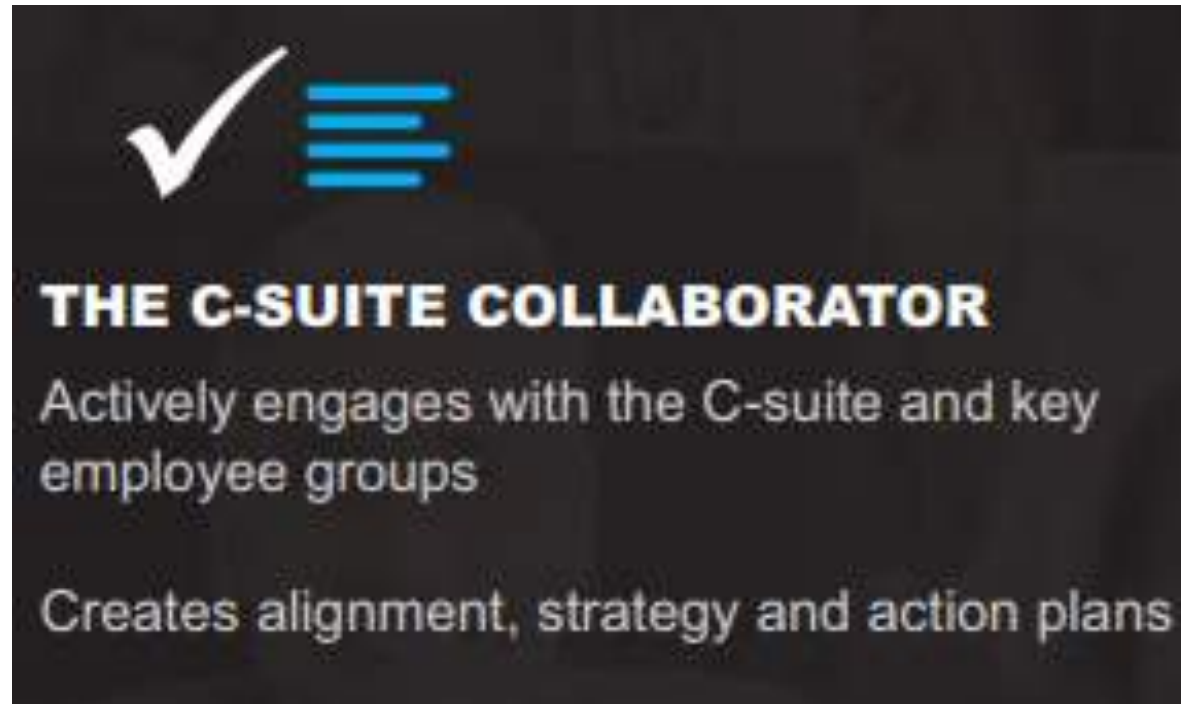
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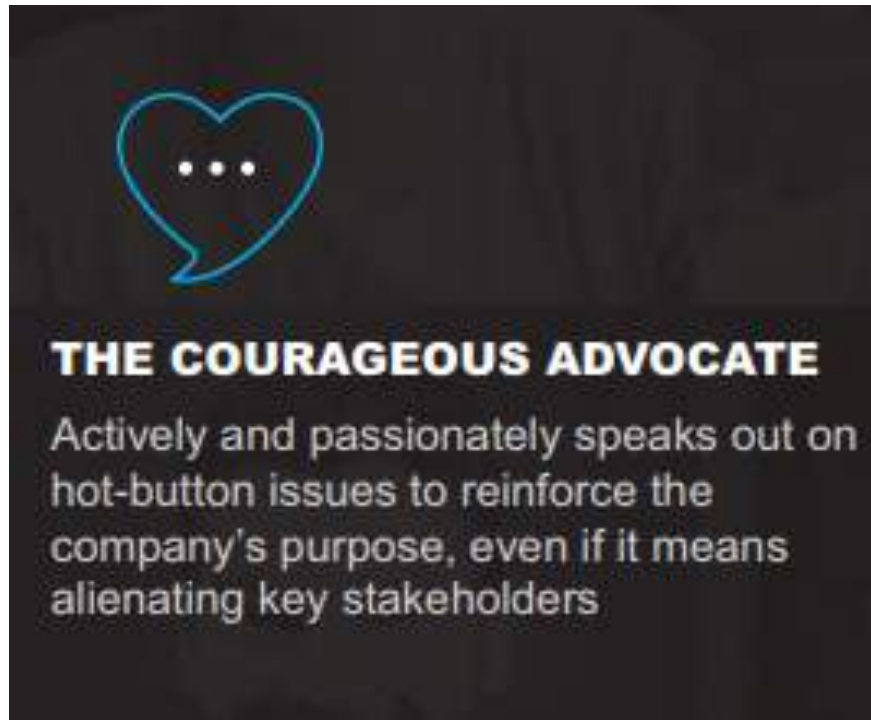


## **THE MORALIST**

Sees themselves as the keeper of the organization's purpose, values and principles

Willing to take a stand on issues that strike at the heart of the business

# What kind of CCO/CMO are you?







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***It's never been harder to manage the corporate reputation of a big company, but brands that stick to longstanding corporate values and avoid the day-to-day political fray should have a better chance at earning customer loyalty.***





# Q&A

## #IPRWebinar



# Thank you for joining us!

## #IPRWebinar