Annual Meat Conference

Emerging Consumer Concerns and Issues Management

February 21, 2017

HAHN public

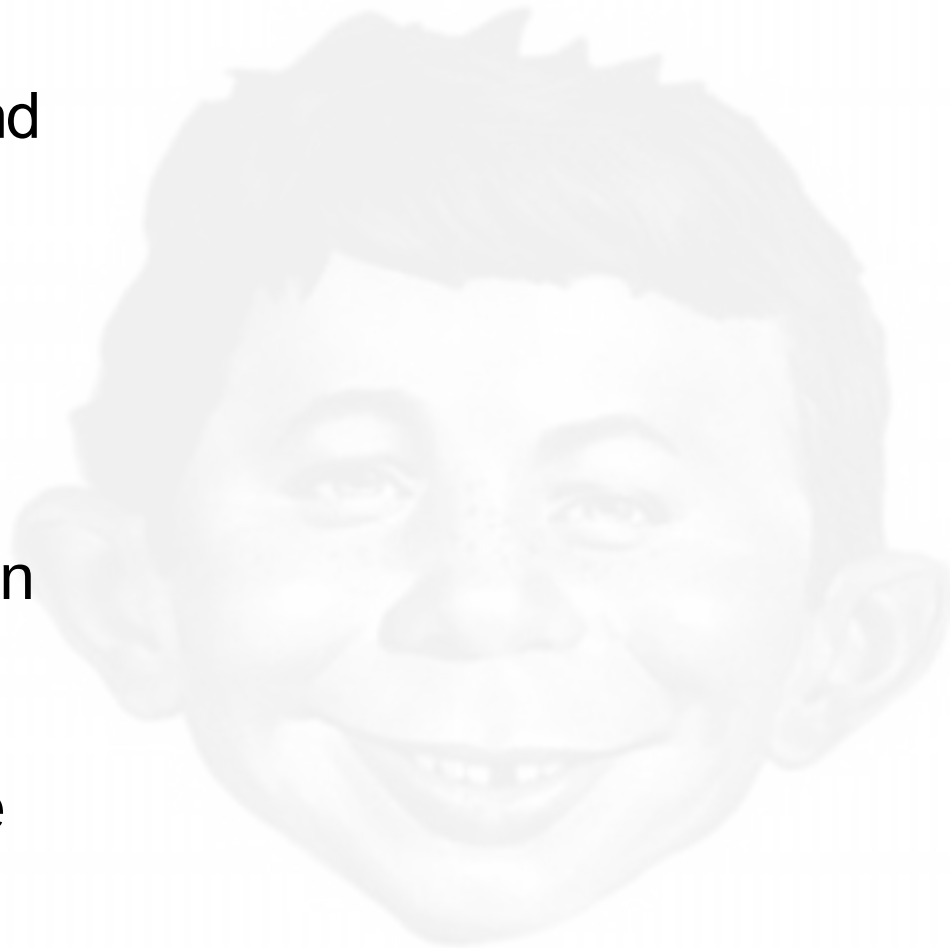
Why Worry?

- A crisis is a sudden and unexpected event that threatens to **disrupt** an organization's operations and poses both a **financial** and **reputational threat**.

- Stakeholders – community members, employees, customers, suppliers and shareholders – compare **what they know** about an organization to some standard to determine whether or not an organization meetings behavioral expectations.

- Crises create a need for information in order to ease uncertainty and anxiety

- The public does have a right to know. The news media and social media are the most common channels through which stakeholders **first learn** about a crisis.



Food Worries…

Technological

- Use of hormones in livestock
- Quality of food produced using intensive farming methods
- Use of antibiotics in livestock
- Safety of meat produced by intensive farming methods
- Genetically modified foods
- Food additives, preservatives
- Use of pesticides in food production; pesticide residue
- Bacteria; industry hygiene
- Animal welfare standards in food production

The CDC estimates that each year, “roughly one in six Americans gets sick, 128,000 are hospitalized, and 3,000 die from foodborne diseases.”

Sources: Miles, Brennan, Kuznesof, Ness and Riston. (2004). “Public worries about specific food safety issues.”
Thomas, C. S. (2014).”Food additives among top food safety concerns.”
General Agriculture University of Florida, 2014). “Public opinion of food safety webinar.”
The Daily Meal (2016). “The 5 biggest food recalls of 2016”

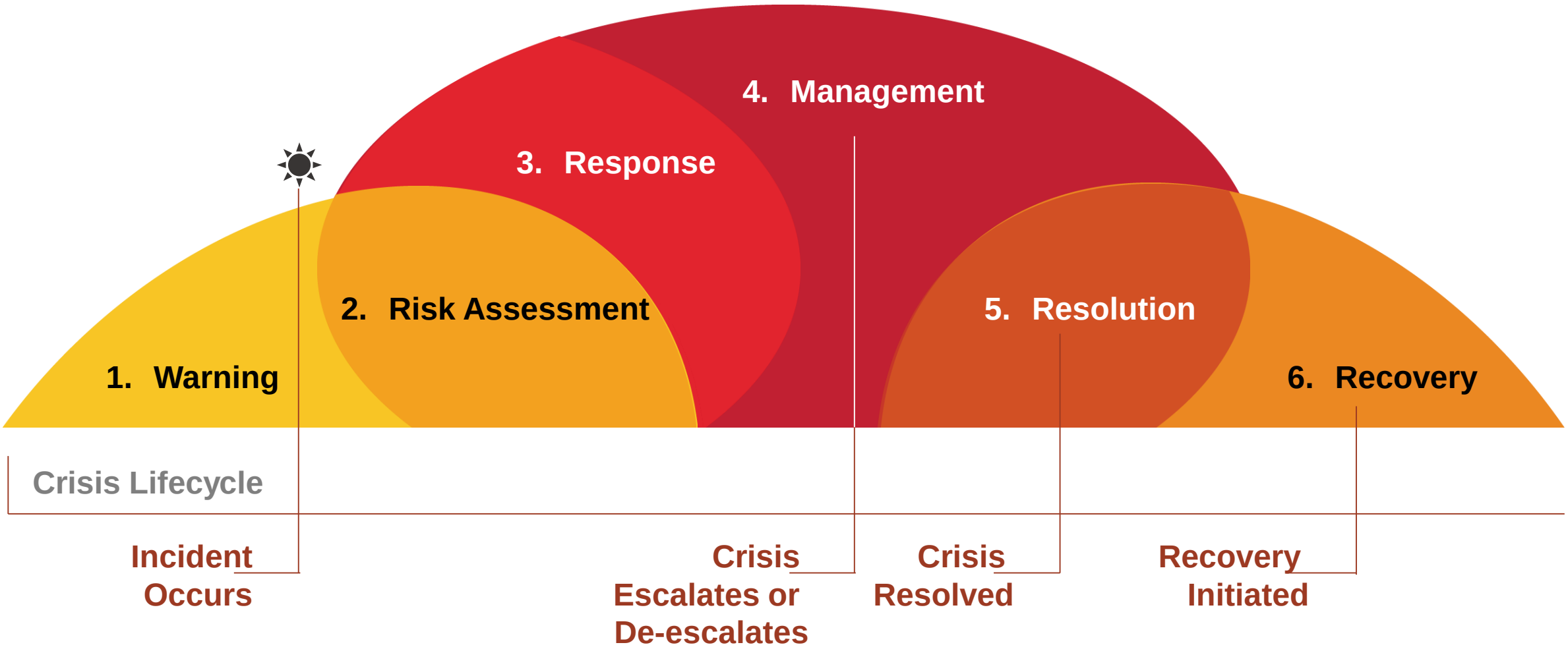
Food Worries…

Informational/Lifestyle

- Knowing what to do in the event of a food scare or recall
- Getting food poisoning
- Affordability of good quality food
- Erratic information about what foods are good for you
- Amount of fat in your diet
- Conflicting information on food safety, labeling
- Lack of information about food from the government

The U.S. Food & Drug Administration *Safety* site lists ~540 recalls, market withdrawals and safety alerts for 2016 (1.5 per day)

Classic Crisis Stages Model



Source: Robert C. Chandler, Ph.D. Director, Nicholson School of Communication and Principal Researcher at the Center for Crisis Communication at University of Central Florida

Warning Stage Work

1. Recognize…

…the media is in high pursuit of murder, mayhem and malfeasance stories.

Over-leveraged financials and splintering audiences have media groping for audience share.

Warning Stage Work

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…the media is in high pursuit of murder, mayhem and malfeasance stories.

Over-leveraged financials and splintering audiences have media groping for audience share…

…and cheap content…

CNN's Newsource provides content to ~800 stations with intro script. ABC, CBS, Fox and NBC have ~200 affiliates.

Warning Stage Work

1. Recognize…

…the media is in high pursuit of murder, mayhem and malfeasance stories.

Over-leveraged financials and splintering audiences have media groping for audience share…

…and cheaper content…

"90% of news will be computer generated by 2025."

Kristian Hammond, Chief Technology Officer, Automated Insights

Warning Stage Work

1. Recognize…

…the media is in high pursuit of murder, mayhem and malfeasance stories.

Over-leveraged financials and splintering audiences have media groping for audience share…

…and really cheap talent…

Source: http://www.careercast.com/2016-jobs-rated-infographic

Warning Stage Work

2. Prepare…

…by predicting.

Embrace a scenario-planning mindset.

Crisis Communication Incident Guides

2017 Edition

Road Race Messaging Guide

HAHN
PUBLIC COMMUNICATIONS

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Level 1 ..... Page 4-7

- Damaging Claim, False Rumor
- Doping- Elite Athlete Drug Testing
- Race delay
- Timing Issue
- Unrelated Proximity Incident
- Weather Alerts (Yellow/Red Flag)

Level 2 ..... Page 8-13

- Imminent Sever Weather (Black Flag, Lightning Storm)
- Race Cancellation (1-3 Days Out)
- Runner Down

Level 3 ..... Page 14-17

- Declared Evacuation
- Bomb Threat
- Participant Death
- Race Day Cancellation
- Unexpected Race-Related Incident

Level 4 ..... Page 18-19

- Active Threat
- Mass Casualties/Multiple First Responders

Special Announcement Messages

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Warning Stage Work

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Crisis Communication Incident Guides

LEVEL 4 INCIDENT				
EVENT	**MESSAGING**	**OUTREACH**	**TIMING**
ACTIVE THREAT (E.G. SHOOTER, BOMB)	• Responders on the scene • Directing crowds away from the area • Asking people to use good judgment, take care of one another • See Quote Sheet - Security • Next update expectation		
MASS CASUALTIES / MULTIPLE FIRST RESPONDERS	• Our main focus right now is on those affected • Responders on the scene • Fact-finding required • Acknowledge emotion of the situation • Next update expectation • Thanks to first responders	• Onsite media at scene Establish media corral facing away from incident	• Upon arrival • 20 min. update increments
	• News conference time announced	• Website posting of messages • Facebook posting of messages • Twitter push to website and Facebook	• Following media reports
	• Incident facts as known • Facts, course preparedness • First-responder steps taken and thanks • Acknowledge emotion of situation	• Website posting • Facebook posting • Twitter posting	• Post-emergency
		• Post-race news conference • Website message thanking first responders and best wishes to those affected • (Avoid repeating negative, acknowledge sadness of situation, invite solidarity of the running community)	• NLT8:00 pm Sunday • NLT8:00 am Monday

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Crisis Communication Incident Guides

Image Repair Theory Messaging

- ***When you're getting blamed…***

Denial

	Available Tactics	Messaging Example
1	Simple denial	"We are not at fault."
2	Blame shifting (scapegoating)	"It was not our fault. It was the fault of other[s]."

Evading Responsibility

	Available Tactics	Messaging Example
1	Provocation	"I insulted you but only after you criticized me…"
2	Defeasibility	"Traffic is so bad because of all the Californians moving to Texas…"
3	Accident	"It was an accident; it wasn't any person's fault…"
4	Good intentions	"We didn't report the problem because we thought we could fix it…"

Warning Stage Work

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Crisis Communication Incident Guides

Image Repair Theory Messaging

- ***When you're accepting blame…***

Reducing Offensiveness

	Available Tactics	Messaging Example
1	Bolstering	"Think of all the great things we've done in the past…"
2	Minimization	"It's a broken system, but no one has been hurt…"
3	Differentiation	"I borrowed it, I didn't steal it. There's a big difference…"
4	Transcendence	"This traffic is awful, but at least we're moving…"
5	Attack Accuser	"The newspaper claims we're at fault, but its reporter is a chronic liar and is known to put mayonnaise on his steak…"
6	Compensation	"The chip seal on our parking lot flew up and cracked your window, so here's a free air freshener and some duct tape…"

Warning Stage Work

2. Prepare…

…by predicting.

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Crisis Communication Incident Guides

Image Repair Theory Messaging

- ***When you're accepting blame…***

Corrective Action

Available Tactics	Messaging Example
Corrective Action	"The chip seal on our parking lot cracked your window, so we'll replace it. Bring your vehicle to our office and we'll have a technician fix it on the spot…"

Mortification

Available Tactics	Messaging Example
Mortification	"I'm sorry. I regret what I did and I apologize…"

Warning Stage Work

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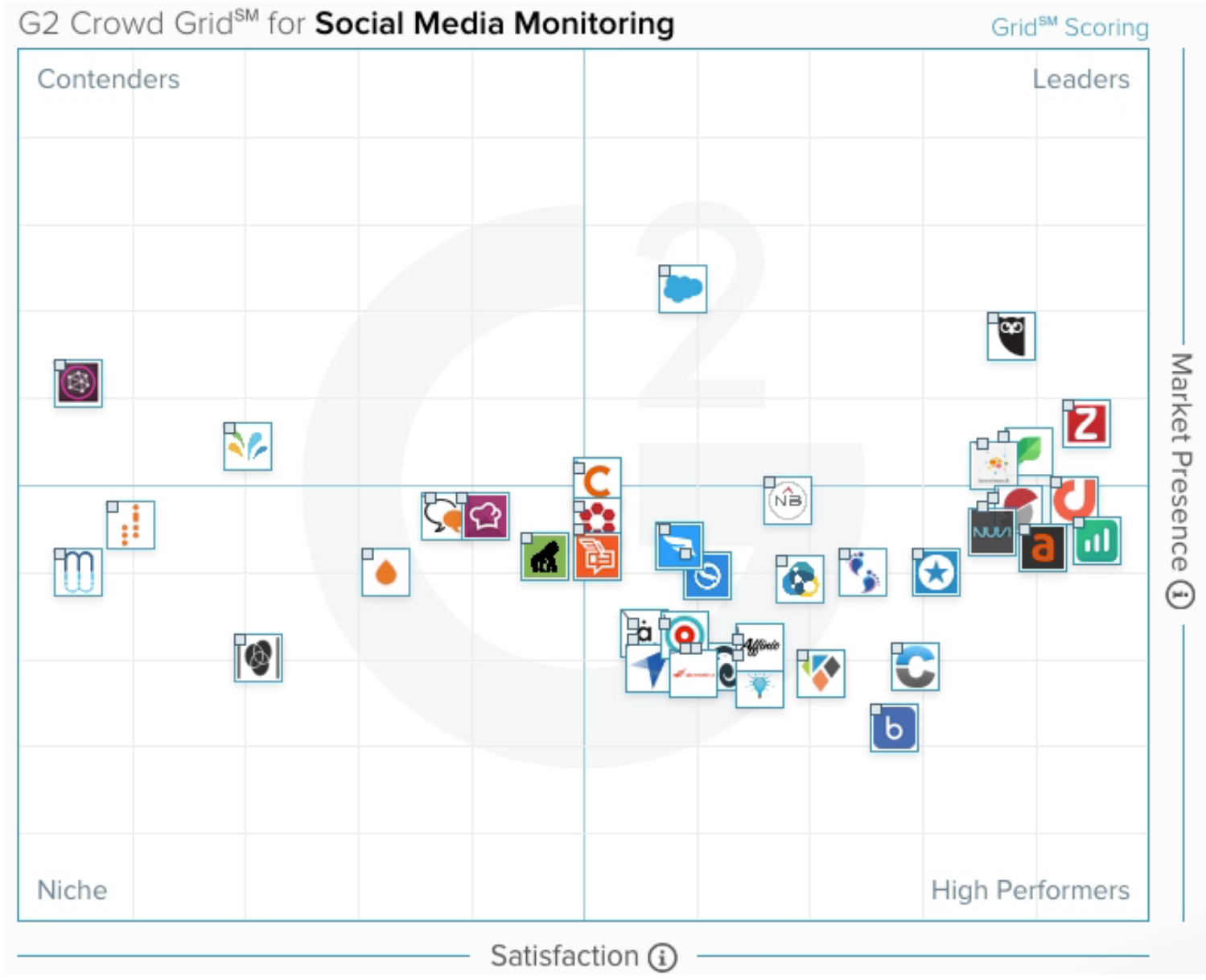
Crisis Communication Incident Guides

Image Repair Theory -based Messaging

Rapid-reaction production tools



ESSENTIALS

Emergency contact tree; social/media monitoring; social media response policy; dark sites and social pages; pop-up video sets and editing capability

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Image Repair Theory -based Messaging

Rapid-reaction production tools

ESSENTIALS

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Warning Stage Work

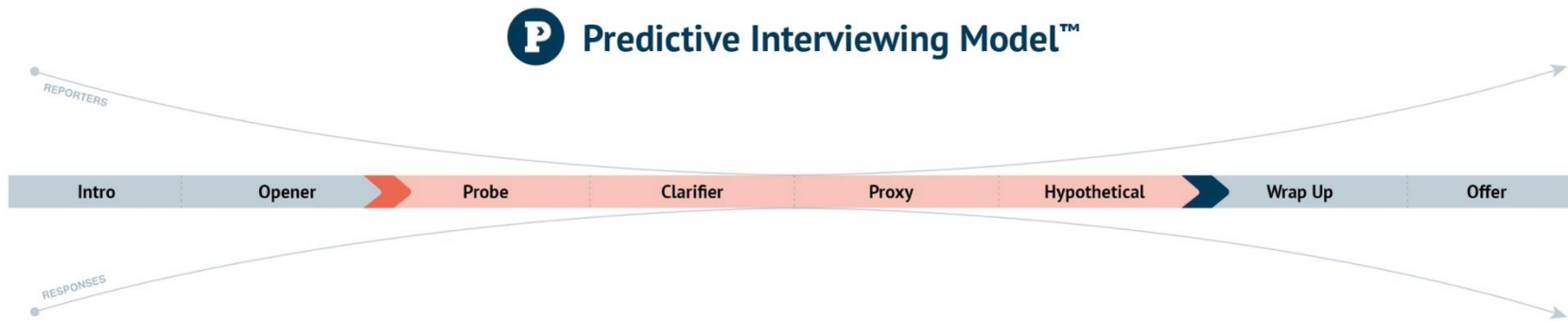
3. Practice

…to expose gaps, "gotchas" and "get betters…"

Spokesperson training

Table top exercises

Crisis simulation scenarios



Case Study: Blue Bell Ice Cream

2.12.15
Listeria found in single-serve products made in Brenham, TX

3.13.15
Listeria linked to three fatal incidents in Kansas

3.22.15
Kansas Health Dept. Limited recall enacted. First in company's 108-year history

3.27.15
Blue Bell issues open letter of apology

4.3.15
CDC links Blue Bell to 10 listeriosis cases in five state. Blue Bell suspends Broken Arrow, OK operations

4.20.15
Blue Bell issues system-wide recall of all products. CEO issues corrective actions statement

5.7.15
FDA releases reports of listeria identification dating back 17 years

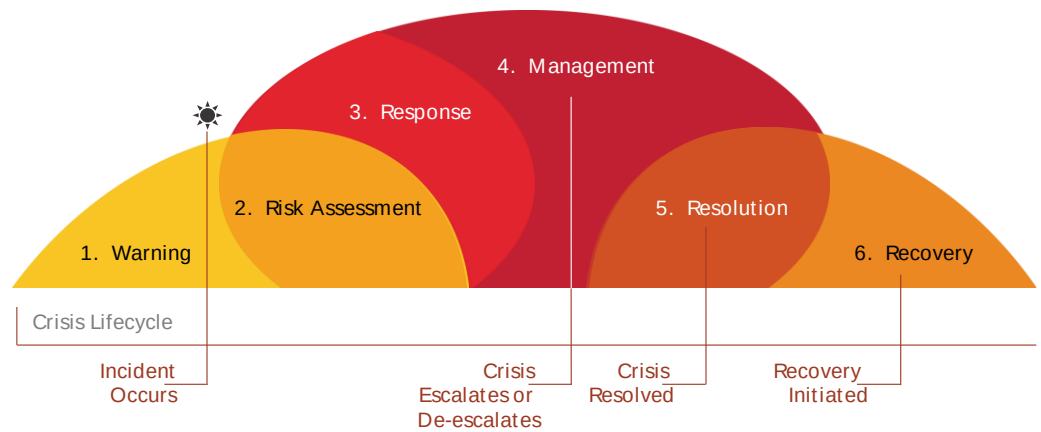
5.8.15
Blue Bell issues update statement indicating its corrective action would take longer than anticipated

5.15.15
Blue Bell lays off and furloughs 1,450 of its 3,900 employees; first job cuts in company history

7.14.15
Sid Bass brokers convertible debt deal; $125 million loan for a third of Blue Bell

Aug. – Nov. '15
Blue Bell ramps production in AL, then OK, TX. Employee 'Thank You' video

According to The Wall Street Journal, the crisis sent Blue Bell's annual revenue plummeting from $680 million in 2014 to a projected $500 million in 2015 ($180 million).



Case Study: Blue Bell Ice Cream

Denial?

3.13.15
"For the first time in 108 years, Blue Bell announces a product recall.

One of our machines produced a limited amount of frozen snacks with a potential listeria problem.

When this was detected all products produced by this machine were withdrawn. Our Blue Bell team members recovered all involved products in stores and storage..."

Evade Responsibility?

3.23.15
Blue Bell Ice Cream of Brenham, Texas, is recalling 10 frozen snack items because they have the potential to be contaminated with Listeria *M.*, an organism which can cause serious and sometimes fatal infections in young children, frail or elderly people, and others with weakened immune systems…

"We are devastated and know that Blue Bell has to be and can be better than this," said Paul Kruse, Blue Bell CEO and president. "Quality and safety have always been our top priorities. We are deeply saddened and concerned for all those who have been affected."

Reduce Offensiveness?

3.27.15
Open letter of apology:

"I want to personally apologize for any anxiety or inconvenience caused by the recent recalls of certain Blue Bell products.

Our internal investigation is ongoing…we are working diligently with the U.S. FDA to investigate this as inspectors conduct their examination…

Everyone at Blue Bell regrets this incident. We are deeply saddened and concerned for all who have been affected…

We want to thank our consumers and the retail customers…for their patience, understanding and loyalty during this difficult period."

Corrective Action?

4.3.15
"Blue Bell Creameries is voluntarily suspending operations at our manufacturing plant in Broken Arrow, Oklahoma. We will then thoroughly inspect the facility for any possible problems that may have led to the contamination of some of our ice cream products in the past few weeks.

We are taking this step out of an abundance of caution to ensure…

The Broken Arrow operations will be suspended so that our team of expert consultants…

We apologize in advance for any inconvenience this step may cause, but we believe it is the right thing to do for you, our consumers, who for generations have relied on Blue Bell for the freshest and finest ice cream."

Mortification?

5.15.15
Due to the extended timeline required to ensure the highest quality and safety of Blue Bell's products when the company resumes production…Blue Bell Creameries CEO and President Paul Kruse today announced…

"The agonizing decision to lay off hundreds of our great workers and reduce hours and pay for others was the most difficult one I have had to make in my time as Blue Bell's CEO and President," Kruse said.

"At Blue Bell, our employees are part of our family, and we did everything we could to keep people on our payroll for as long as possible. At the same time, we have an obligation to do what is necessary to bring Blue Bell back and ensure its viability in the future. This is a sad day for all of us at Blue Bell, and for me personally."

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Social Media Policy Assessment

	Policy Areas to be Considered
1	Legal restrictions (e.g. age limits)
2	Definition of ‘troll’ activity and how you’ll manage it
3	Handling promotion of competitors or solicitation
4	Use of profanity or hate language (sexism, racism)
5	Criminal activity (e.g. fraud, libel, harassment, copyright)
6	Inappropriate content (e.g. violence, pornography)
7	Spam, click bait or propagation links from malware
8	Staff behaviors, confidentiality
9	Response time expectations
10	Contact details to redirect serious threats or issues

Alert

Identify issues as early as possible before they escalate.

Assess

Determine the severity of each issue, involved relevant stakeholders.

Act

Resolve issues as efficiently as possible. REMEMBER… social media is an exchange forum. MIA is not allowed.

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