

Understanding Media Crises: How to Approach PR Firestorms



Methodology

PublicRelay utilizes a human-technology hybrid approach to extract key messages, topic relationships, and sentiment from unstructured text.

Using this approach, PublicRelay analyzed 120 unique reputational crises across 40+ companies from 10 industries over a 10-year period.

We curated these reputational crises based on two main criteria:

1. Negative coverage events whose negativity was higher at statistically significant levels versus the 6-month average negativity for a brand
2. Negative coverage events whose negativity remained elevated for a prolonged period (e.g. multiple days, weeks, or months).

PublicRelay categorized these crises across sector and issue. We also derived custom metrics to measure a crisis' importance and reputational impact. Those metrics are listed in this report's Glossary.

Overview of Findings

Crises come in many shades.

In this analysis, we found that PR teams shouldn't approach every crisis with the same lens. Tailor your media response to the issue at hand and consider how it affects your reputation for the long-run.

1

Crises are short-lived, but a failed response can hit your reputation hard. On average, crises tended to last little over a week. Yet companies that issued lackluster responses saw their reputation damaged over the long-run.

2

Consider how a crisis impacts the everyday reader. This will give you an idea of how large the initial media cycle may be. For example, product failures gain more media traction than environmental issues.

3

The true impact of a crisis could be felt months down the line. Governance issues see fleeting coverage at first, but these issues hurt brand reputation in finance trade publications over the long-run. This is likely to affect shareholder trust.

4

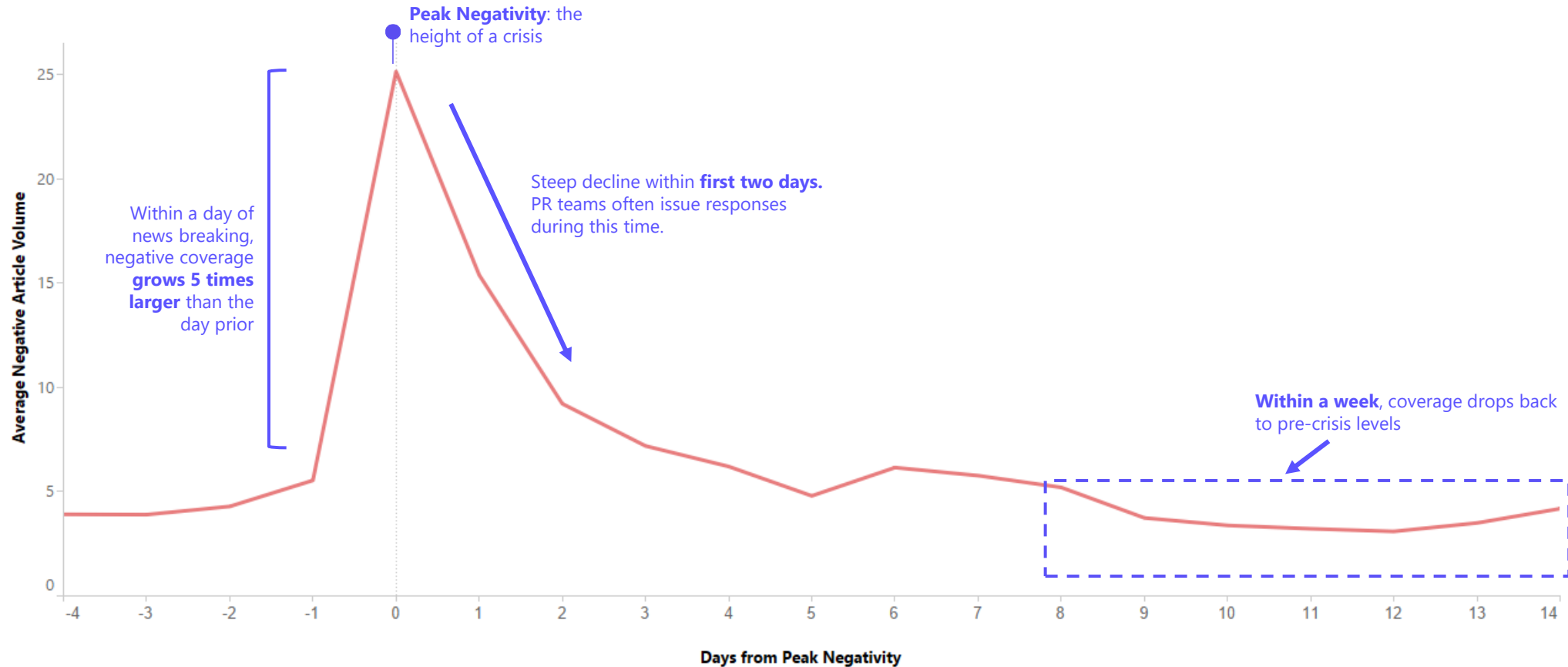
Different crises require different responses. Your response to a crisis should consider all angles. Evaluate what type of crisis you are facing, the stakeholders you are responding to, and how long coverage may last.

Most crises are short-lived, lasting on average little over a week.

Content tends to crater from its peak within the first two days.

Lifetime of a PR Crisis Shock

Average Negative Article Volumes per Day



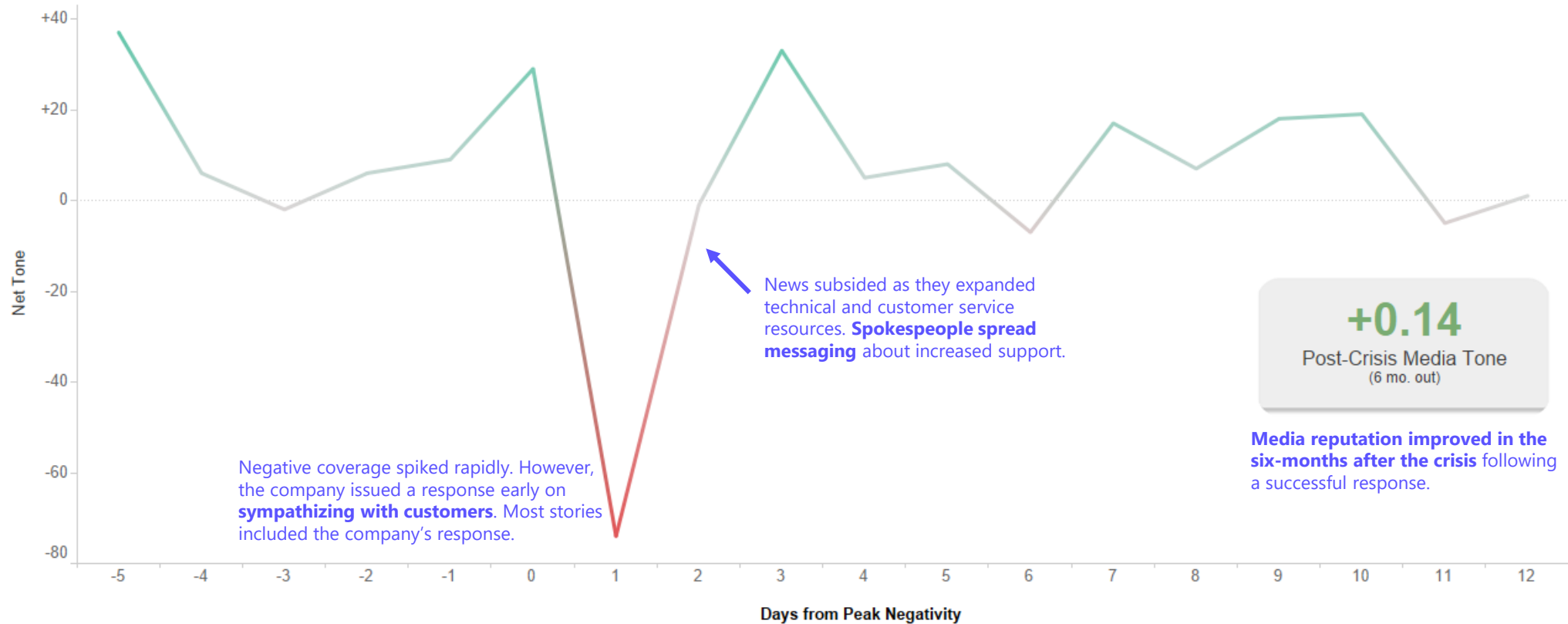
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An effective response can protect your reputation from lasting damage.

Example: A banking institution faced a service outage during a stimulus check disbursement. They issued an empathetic statement explaining the outage and increased technical support resources in response. The news subsided, and media reputation improved six-months post-crisis.

Successful PR Response

Banking Outage during Stimulus Check Distribution



Peak Negativity: Negative article count on the peak day of a crisis as a multiple of average daily negative volumes in the six-month period before the crisis.

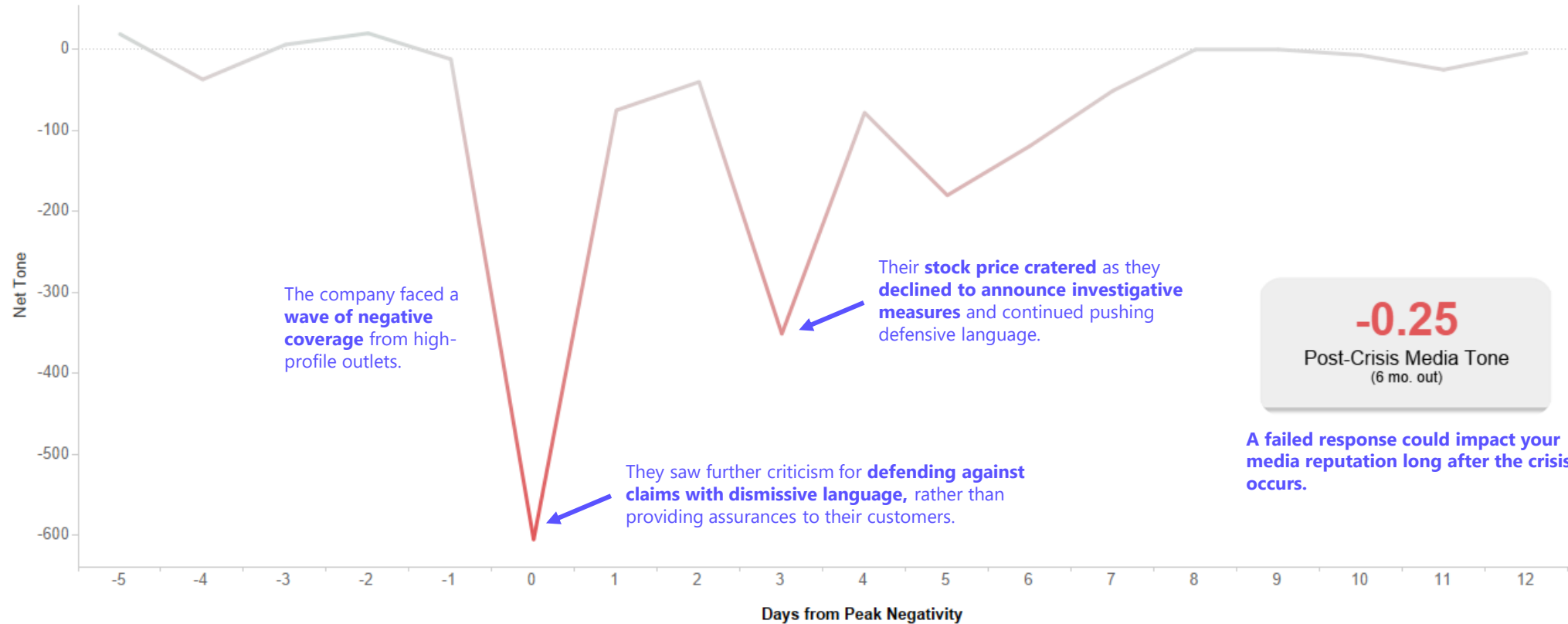
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Tune your responses to your audience or risk brand credibility.

Example: A reputable source accused a pharmaceutical company of including harmful chemicals in baby products. The company drew criticism for its defensive stance and failing to do right by its customer base.

Failed PR Response

Harmful Chemicals found in Baby Powder



Peak Negativity: Negative article count on the peak day of a crisis as a multiple of average daily negative volumes in the six-month period before the crisis.



Lawsuits and Regulatory investigations are the most common type of crises. Company governance crises appeared most often, with over half of them stemming from Legal and Regulatory concerns. Recurring examples included regulatory probes into misleading product claims and blocked mergers.

Product issues attract outsized media attention. Product Failure and Product Safety were among the most covered types of crises. Some of the crises analyzed included extended online service outages, product recalls, and issues with innovative tech such as automated driving.

Environmental and Social was the least covered type of crisis. Political/Social and Diversity/Inclusion crises often involved cases of racial discrimination and gender identity issues. Notable environmental impact stories included oil/chemical spills and wildfires.

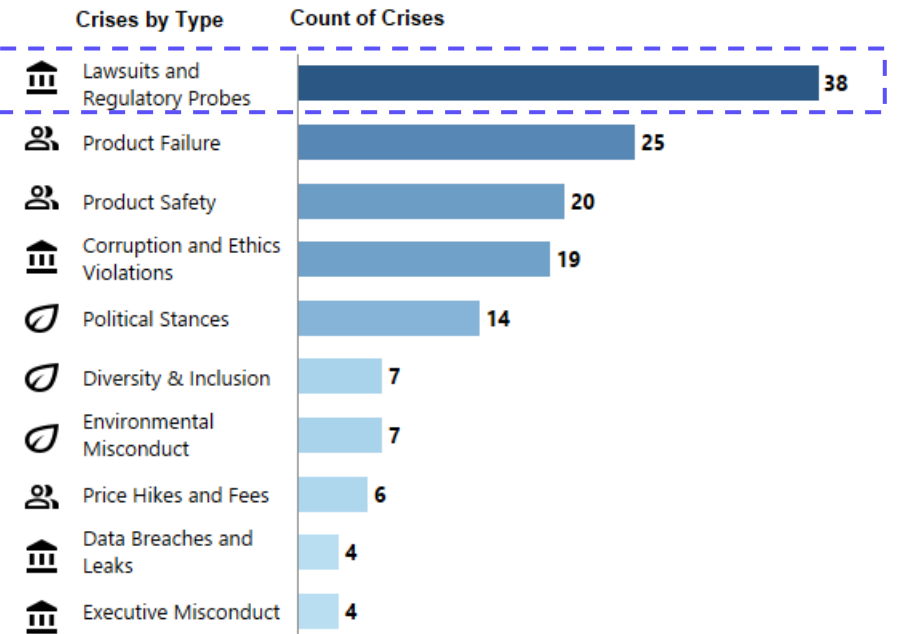
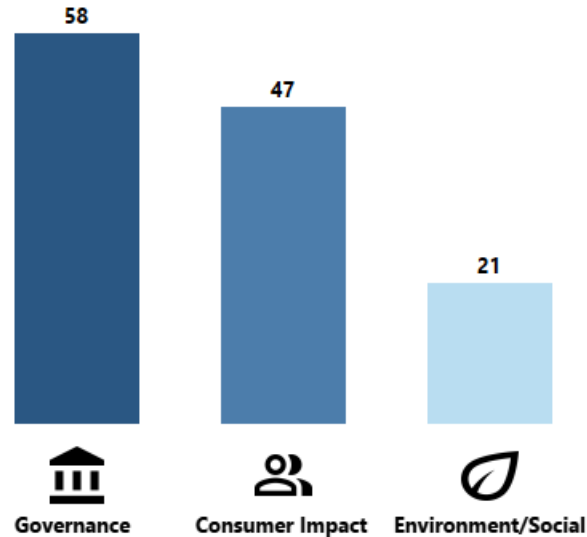
Key Takeaway

Legal and product issues are the leading factors in sparking a media crisis. Prioritize developing planned responses around these crises in advance.

Crises related to lawsuits and regulatory action are most often reported on by the media.

Most Common Types of Crises

Crises by Category



Reputational crises produce increased negativity, but at varying levels. Crises produced at least **20x** more negativity at their peak than a typical day.

Consumer trust crises attract outsized media attention. Product Failure and Product Safety had the highest peak negative coverage. These crises had around **135x** more negative stories compared to a typical day. These crises often have direct impacts on the public, resulting in high media appeal.

Crises with less direct impact on stakeholders see more muted coverage. Topics like Executive Behavior and Environmental Impact saw lower Peak Negativity. Compared to crises impacting customers, coverage was often restricted to Executive Behavior stories, for example, and appeared in mainly in finance outlets. These stories were targeted mainly towards shareholder interests.

Key Takeaway

Estimate the magnitude of a crisis shock by considering how it could affect the everyday consumer. Crises that affect the public directly are targeted by outlets for their broad appeal.

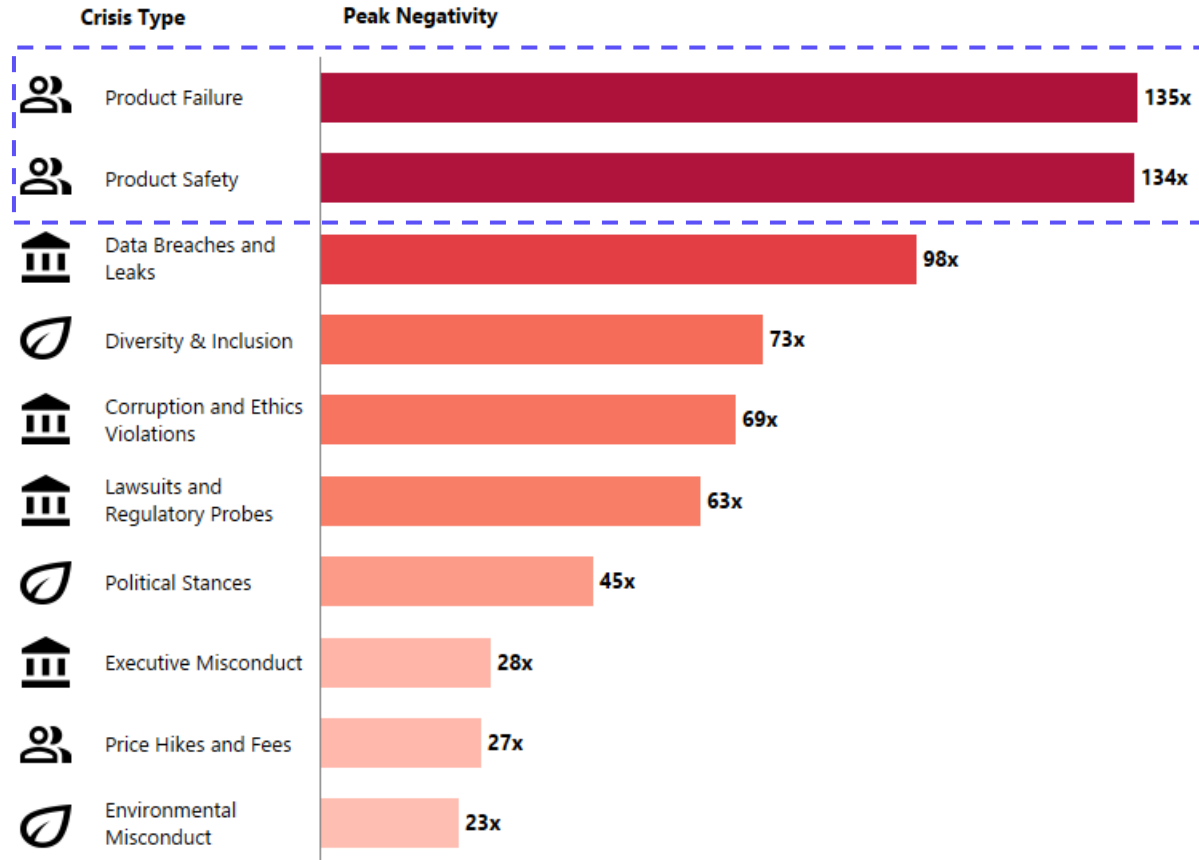
Not all crises are created equal. News that impacts your customer base directly see increased coverage.

Impact of a Crisis on Negative Media Coverage

👤 Consumer Impact

🌿 Environment/Social

🏛️ Governance



Peak Negativity: Negative article count on the peak day of a crisis as a multiple of average daily negative volumes in the six-month period before the crisis.

Data leaks have a longstanding impact on a company's media reputation. The initial news shock of a data leak lasted the longest of any category. The topic also had the lowest media tone in the six months following the crisis. As new details leak and lawsuits are filed, the lifetime of these stories grow.

Crises that hurt shareholder trust could impact your reputation in the long-run. Executive misconduct had the shortest initial media cycle. Yet it had the third highest impact on brand reputation months out. A notable example included inappropriate comments by a CEO that lost his company millions of dollars. The event would be brought up for years to come in coverage of the company's financial outlook.

Companies tend to recover more easily from social and environmental crises. Companies that weathered these saw little to no impact on their brand. While these may generate social media outrage initially, these are less likely impact a company's reputation in the long-run.

Key Takeaway

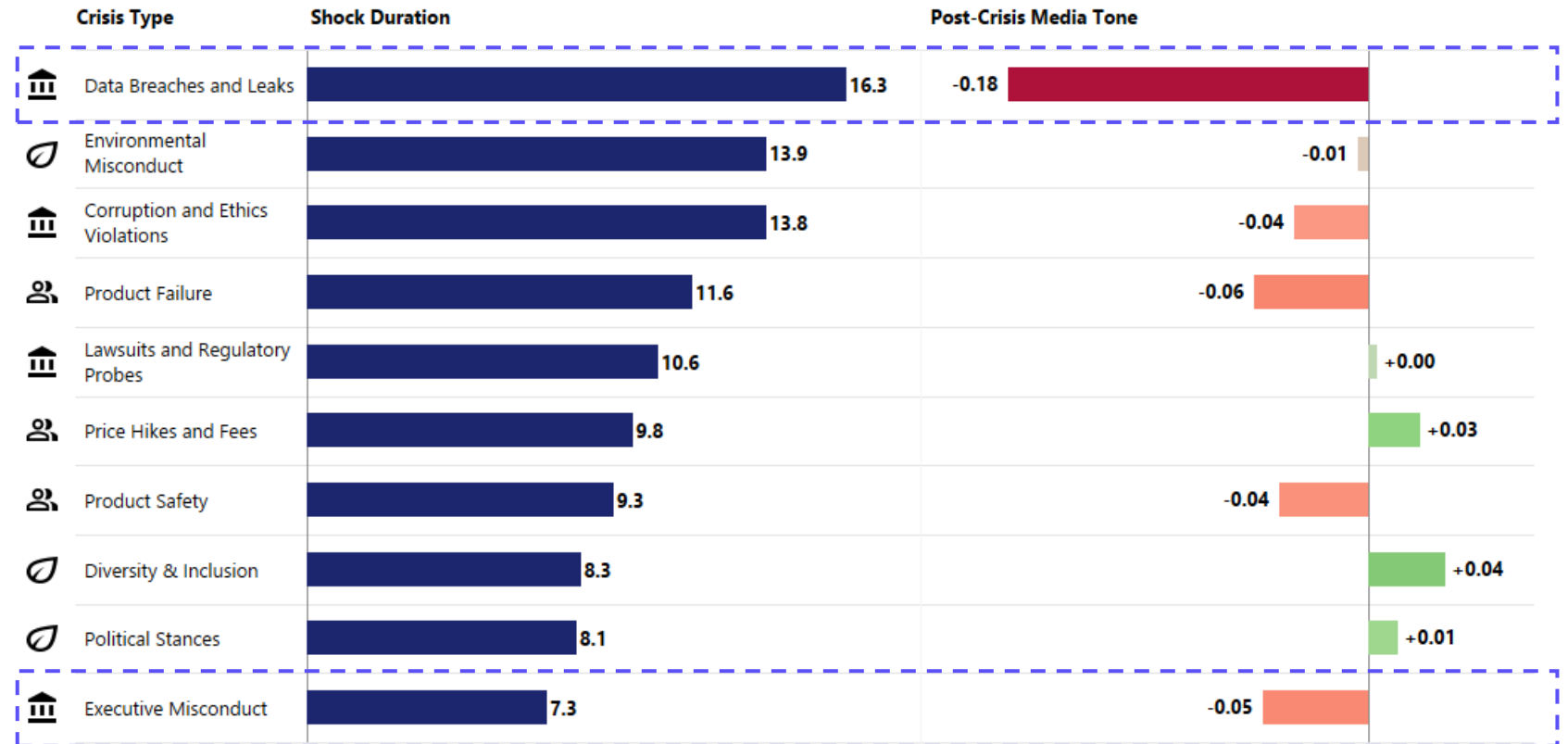
While social crises may feel impactful in the moment, these tend to be the easiest to recover from. Crises impacting shareholders could pose the greater long-term threat to your reputation.

Consider how crises could affect long-term brand reputation.

Duration of a PR Crisis

PR Crisis Shock Measured in Days vs Post-Crisis Perception

Consumer Impact Environment/Social Governance



Post-Crisis Media Tone: Average tone in six-month period after crisis minus average tone in six-month period before crisis



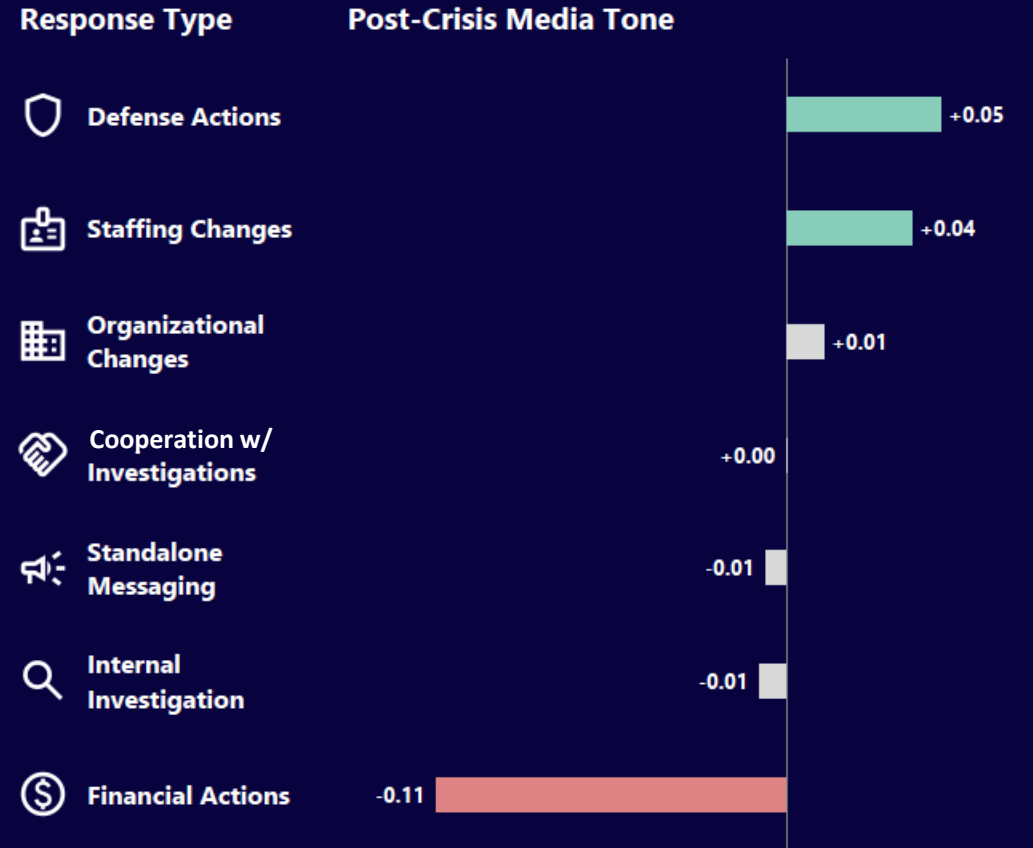
Key Considerations: Environmental and Social Crises

Defense statements help sway public opinion. Ethics investigations into misconduct take time to complete. Results tend to receive less coverage than the original story. Take a strong stance early on to influence the narrative when it is most effective.

Position a crisis as a learning moment. Informal accusations from customers or employees can hit your reputation harder than long-term investigations. Reframe a crisis as a turning point for the company. Publicize policy changes and announce the departures of those responsible.

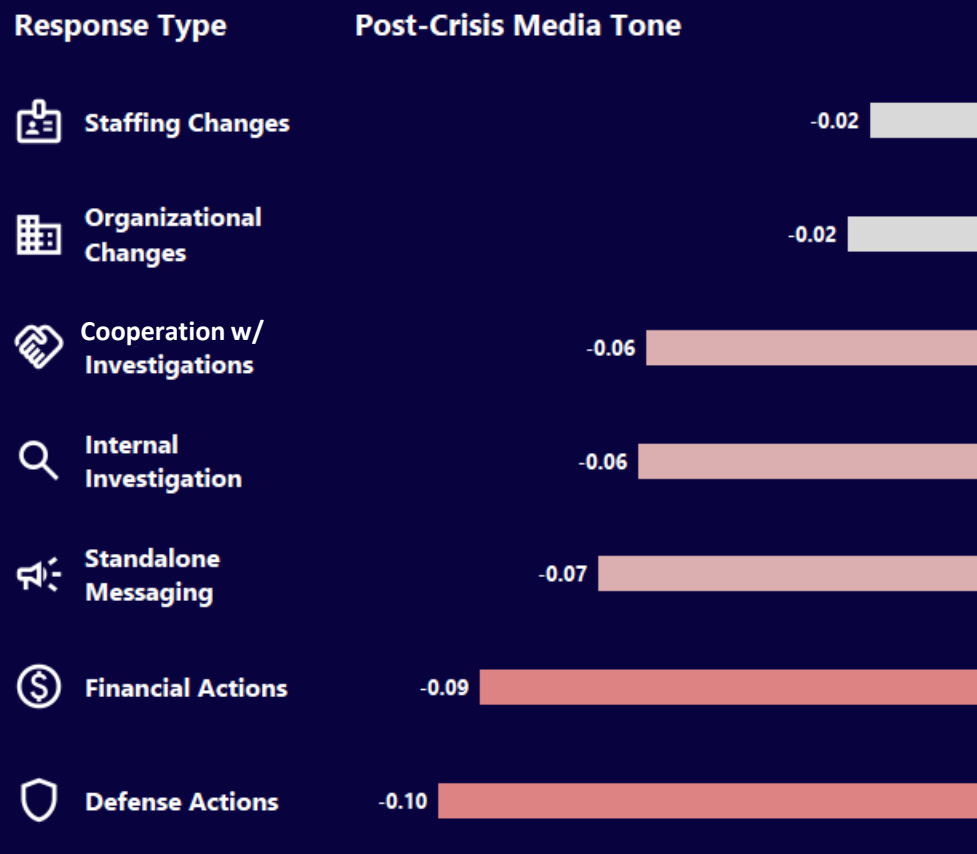
Double down on social and environmental pledges. Response statements are an opportunity to play up your company's ethical standards. Pair defense statements with examples of how the company champions responsible values. Link company policy changes to tangible social and environmental goals.

Money doesn't solve all issues. Focusing your messaging on the payment of fines or payouts to those affected is often seen as disingenuous and takes away from your company's ethical standing.





Key Considerations: Consumer Impact Crises



Companies face a long road ahead to regain customer trust. All response types resulted in some penalty to long-term media reputation.

Take direct action immediately. Consumers are quick to pass judgement on brands. Show you're taking immediate steps to minimize negative effects for your consumers. Move quickly to expand customer support options and issue recalls if needed.

Emphasize transparency. Open lines of communication are the first steps towards rebuilding trust. Acknowledge the issues and why they occurred. The media tended to call out companies that gave vague responses to why a crisis occurred.

Sympathize with your customer base. Effective responses make the customer feel heard. Pair your response with detailed messaging that acknowledges customer concerns. Having a spokesperson deliver the message can make the response feel more authentic.

Don't hand-wave concerns. Unlike with Environmental & Social crises, companies that responded defensively, or by treating the payment of fines as the answer, did the worst. For this type of crisis, these responses run the risk of alienating your customers further.



Key Considerations: Governance Crises

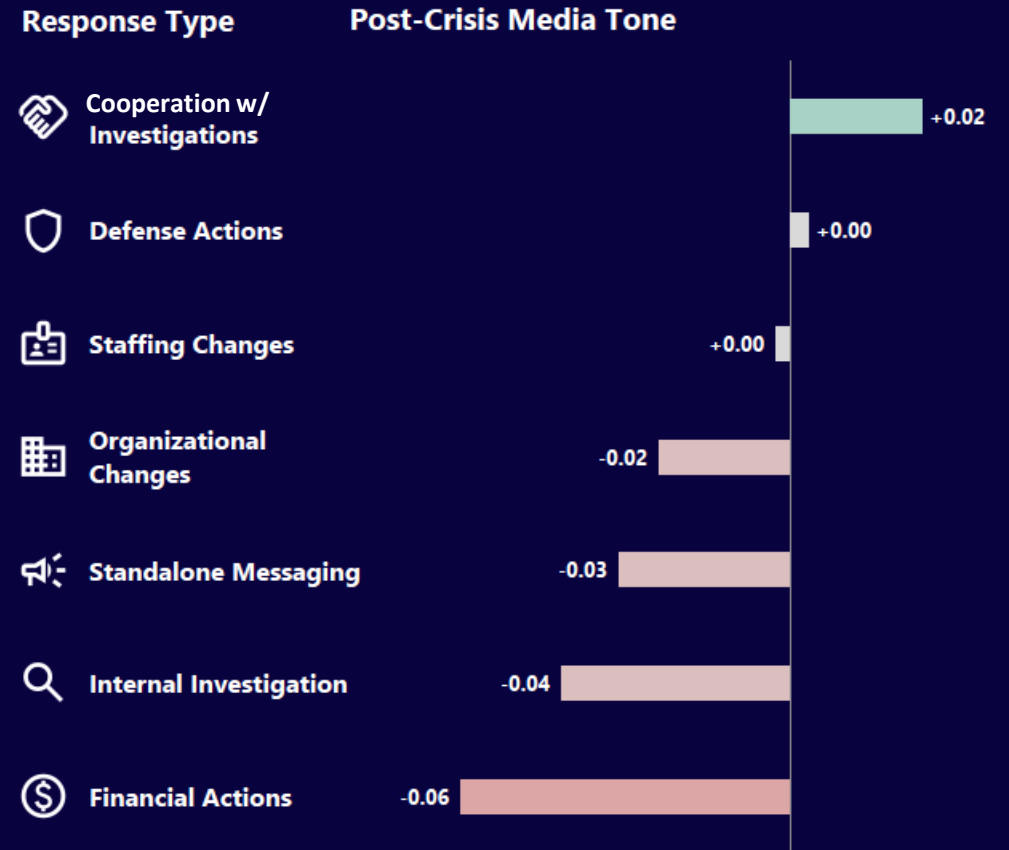
Be reasonable and cooperative in the face of regulatory scrutiny.

Companies that respond cooperatively to regulatory probes tend to have a better perception post-crisis. It's better to show full support towards investigations and highlight the strengths of your business than it is to pick a fight with regulators.

Mount a strong defense against legal allegations. When faced with external litigation, publicize your company's legal defense. This strategy shows confidence in the outcome of a trial.

Act early and swiftly. Legal decisions take time. But reputational blowback can happen quickly. That means PR teams need to be defensive early, since waiting until the legal dust settles might be too late. Lawsuit results often saw less media attention than the initial crisis.

Manage shareholder faith through internal changes. Issues like corruption charges can be reputationally damaging over the long term, especially towards shareholders. Successful strategies include announcing staffing changes. These featured employee departures and targeted training initiatives. They help portray your company as level-headed.



*Data Breaches were excluded from the Governance category due to their outsized impact on media reputation

Data Breaches can have severe impacts to stakeholder trust. The impact of these crises to media reputation was **9x greater** than other governance crises.

Prepare for extended media attention and be ready to respond. All responses had a negative Post-Crisis Media Tone score. This indicates that it may take over half a year before your company's media reputation recovers. Expect external lawsuits, regulatory action, and newly revealed details from the leak to extend the lifetime of the crisis.

Target a long-term media response associating cybersecurity with your reputation. Companies that had the strongest Post-Crisis Media Tone scores announced internal investigations and publicized new policies focused on protecting consumer data. Consider publishing thought leadership on cybersecurity to strengthen your reputation association.

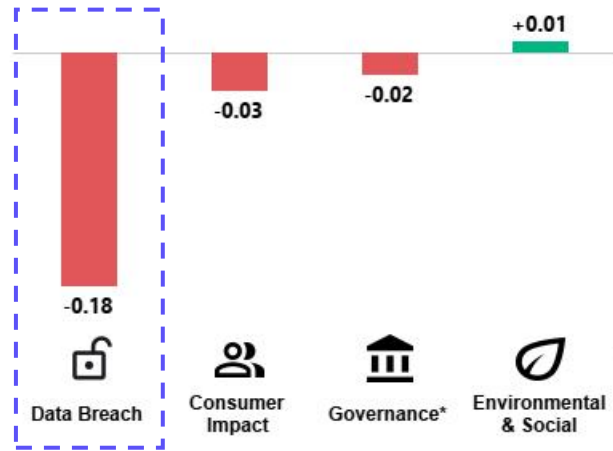
Key Takeaway

Long-term response campaigns can rebuild credibility. Closely associate your reputation with cybersecurity. Publicize enhancements in safeguarding consumer data and internal investigation efforts.



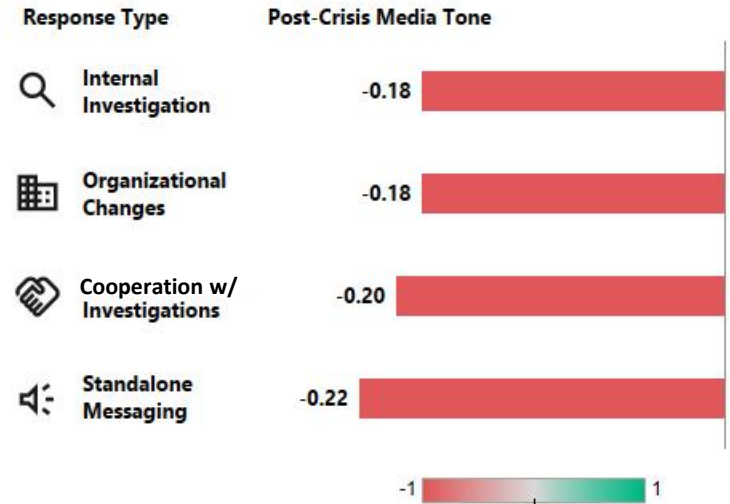
Key Considerations: Data Breach Crises

Post-Crisis Media Tone by Crisis Category



Responses Ranked by Reputational Impact

Data Breach Crises Responses



*Data Breaches were excluded from the Governance category due to their outsized impact on media reputation

About PublicRelay

PublicRelay is the most trusted media monitoring and analytics solution for communications and marketing professionals at the world's most recognizable consumer and business brands, associations, universities, and government agencies.

Our clients confidently use our media analysis to plan and measure influencer engagement, reputation management, competitive landscape, and message pull through. Known for its innovation, superior data quality, and actionable insights, PublicRelay helps communicators not only understand what they have done but what to do next.



Glossary

Article: A single, original earned media story, which may contain multiple company mentions. Article Volume refers to the number of articles about a company or topic.

Shock Duration: The number of days of that the initial news shock of a PR crisis lasts.

Start Date: Day that negative volumes increased the most rapidly in the lead up to the event.

End Date: Day that negative volumes fall below the average negative daily volumes of the six months prior to the crisis plus one standard deviation.

Peak Negativity: A measure of the crisis' impact on the day of peak negative coverage. Negative article count on the peak day of a crisis as a multiple of average daily negative volumes in the six-month period before the crisis.

Post-Crisis Media Tone: Average tone in six-month period after crisis minus average tone in six-month period before crisis.

