



Exploring the effectiveness of creating regulatory fit in crisis communications: Can it change perceptions of media coverage during a crisis?

Tamar Avnet^{a,^}, Daniel Laufer^{b,^,*}

^a Sy Syms School of Business, Yeshiva University, 215 Lexington, Suite 421, New York, NY 10016, U.S.A.

^b Victoria Business School, Victoria University of Wellington, New Zealand, 23 Lambton Quay, Wellington 6011, New Zealand

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Abstract This article examines an important issue in crisis management: how to influence public perceptions of the news media's reporting of a crisis. Previous research has found that congruency between the regulatory orientation of a consumer and a product recall message—also known as the *regulatory fit effect*—increases compliance with a product recall request. Could the creation of a regulatory fit effect prior to reading a news article about a crisis also be beneficial to a company? Two separate experiments conducted in the United States and India involving crises in different industries (airline and tires) examined this issue, and found that contrary to previous research, reactions toward the company were more negative in terms of expectations for a product recall and future purchase intentions. The findings revealed that these negative consumer reactions occurred because regulatory fit enhanced people's vulnerability to harm after reading the article. These results suggest that a company should consider creating regulatory non-fit in order to influence the public's perceptions of a crisis.

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1. Regulatory fit and crisis communications

During a crisis, a company typically encounters negative publicity from the news media, which can

adversely influence public perceptions of the company. This can occur even during the initial stages when uncertainty exists regarding company culpability for the crisis. At this critical stage, consumers quickly form their perceptions based upon media reports, and it is very difficult for companies to change these first impressions (Sjovall & Talk, 2004).

The public's reaction to media reports may also be swift and damaging to a company. Consider the 2010 Toyota sudden acceleration crisis, during which

* Corresponding author

E-mail addresses: avnet@yu.edu (T. Avnet), dan.laufer@vuw.ac.nz (D. Laufer)

[^] Both authors contributed equally to this research project.

public opinion quickly turned against the automaker and sales of its cars were adversely impacted after news reports surfaced that Toyota models were accelerating uncontrollably and unable to brake (Liker & Ogden, 2011). It is worth noting that a negative reaction toward a company during a crisis can take place even if the company is not actually responsible for the crisis. In the case of Toyota, a 2011 government investigation in the United States vindicated the company, suggesting that the accidents were caused by driver error (Liker & Ogden, 2011).

Despite having limited influence over the news media's message, is there a way for companies to still affect how the public perceives news reports about the crisis? This article examines one way companies can try to manage public perceptions during a crisis: by creating regulatory fit. *Regulatory fit* occurs when the nature of a message is consistent with the regulatory orientation of an individual. Regulatory non-fit occurs when the nature of a message is inconsistent with the regulatory orientation of an individual.

Numerous studies have demonstrated that the experience of regulatory fit can affect the persuasive value of a message such that when framed to fit the viewer's regulatory orientation, messages are evaluated more positively as compared to when non-fit framing takes place (Cesario, Grant, & Higgins, 2004; Lee & Aaker, 2004). As Laufer and Jung (2010) point out, the regulatory orientations of target markets can be assessed based on the positioning strategies of companies. Laufer and Jung give examples from the automobile industry to illustrate this point (p. 148): "Volvo targets more prevention-oriented customers as reflected by their slogan 'Safe and Sound' (www.volvo.com), and BMW targets more promotion-oriented customers which can be seen through their slogan 'Driving Pleasure' (www.bmw.com)." Using the example of Volvo's positioning strategy, regulatory fit would occur when prevention-oriented customers are exposed to Volvo's ads, and regulatory non-fit would occur when promotion-oriented customers are exposed to the same ads.

Previous studies examining the effectiveness of creating regulatory fit have focused primarily on situations in which companies have control over the message. For example, in the context of crisis communications, Laufer and Jung (2010, p. 149) created regulatory fit by aligning the regulatory orientation of the target market (promotion) with the product recall message associated with defective laptop computers: "By replacing the battery, you will enhance the performance of your laptop. The benefits of replacing the battery include faster

processing times and a longer lifespan for your laptop." Laufer and Jung found that by creating regulatory fit with the message, consumers were more likely to comply with a product recall request.

Despite being much less common than creating regulatory fit with the message, it is worth noting that companies can also create regulatory fit independent of the message. For example, a company can create regulatory fit through the placement of advertisements that are congruent with the regulatory orientation of their target markets before consumers read articles in newspapers about a crisis associated with the company. The placement of advertisements prior to reading about a crisis in the media is increasingly possible in an online environment. For example, Google sells advertising space based on search terms (see www.google.com), and if a company successfully bids for the search terms, people could see the company's advertisement before other items related to the search term (e.g., newspaper articles). Toyota decided to pursue this strategy, and when people searched the term 'Toyota Crisis' with Google, the first item that appeared was a paid advertisement from Toyota.¹

An important issue for companies that are considering this type of strategy is determining whether creating regulatory fit independent of the message reduces the negative effects of media reports. For example, can regulatory fit reduce the pressure for a product recall, giving the company more time to investigate the cause of a crisis? An unnecessary recall can be very expensive and damaging to the company's image. Moreover, can regulatory fit prior to reading about the crisis in the news media increase consumers' purchase intentions toward the company's products or services? This article examines these questions, which could have important implications for companies' crisis communications strategy.

2. What is regulatory fit, and how can it be created?

Regulatory fit (non-fit) occurs when the manner in which a goal is being pursued is consistent (inconsistent) with the regulatory orientation of the individual (Higgins, 2000). Consumers can either be promotion focused (i.e., motivated by achievements) or prevention focused (i.e., motivated by avoiding threats).

Numerous studies have demonstrated that the experience of fit can affect the persuasive value

¹ We verified this by searching for 'Toyota Crisis' using the Google search engine.

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