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# Auto recall crisis, framing, and ethical response: Toyota's missteps

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## ARTICLE INFO

## ABSTRACT

This study employs a content analysis to examine news coverage concerning Toyota's recall crises from January 16, 2009, through November 21, 2012, in the following media: *The New York Times*, *The Washington Post*, *USA Today*, and the news releases listed on the Toyota official website. We examine how the media frame Toyota's crises and responses, and whether the news coverage varied between mass media and Toyota's releases. The findings shed light on the crisis communication in terms of response strategy selection. In tracking the ethics of the Toyota crisis in the years since its inception, combined with a content analysis conducted in this paper, the authors attempted to integrate the literature of crisis management with that of ethics in public relations. Ethics should be foremost among the considerations of an organization's reputation and a primary factor of successful crisis management. The Toyota case has far reaching implications for ethical crisis management and recall strategy in the auto industry as a whole.

## 1. Introduction

On August 28, 2009, near San Diego a Lexus sedan unintentionally accelerated and killed four people, including an off-duty California highway patrol officer. This tragedy was just one example of product failures that began a series of Toyota recalls: 3.8 million vehicles including models like Camry and Avalon, followed by Prius on Sep. 30, 2008. Then, a recall of another 4 million vehicles was issued on Nov. 26, 2009 (Woodyard, 2009). In 2010, Toyota generated an even longer recall list: 2.4 million sedans and trucks (Carty & Healey, 2010), 436,000 Prius hybrids (Tabuchi & Bunkley, 2010), 600,000 Sienna minivans (Whoriskey, 2010), 14,900 Lexus sedans (Woodyard, 2010), 50,000 Sequoia SUVs (Carty, 2010), 17,000 hybrid sedans (Jensen, 2010b), 373,000 Avalons (Jensen, 2010a), and 1.13 million Corolla and Matrix hatchbacks (Bunkley, 2010a).

The U.S. government criticized Toyota concluding that recalls should have been initiated at least one year earlier, a total of $48.8 million in penalties against Toyota were assessed (Bunkley, 2010c). The recalls and Congressional hearings triggered a huge financial loss and damaged Toyota's reputation (Bunkley, 2010b). Although we cannot divine the intention of Toyota's top management team in Japan, it is clear that the auto maker faced a public crisis of confidence and trust. Toyota's crisis management left so much to be desired that auto makers, such as General Motors, have been rapid and transparent in instituting recalls since this case, largely as a result of the government and public criticism levied against Toyota.

To alleviate crises, strategic communicators should routinely monitor crisis coverage and work with organizations to modify the news frames via providing appropriate responses (Coombs, 1995). However, when discussing crises news coverage, previous studies only examined the news coverage of mass media (An & Gower, 2009; Meer & Verhoeven, 2013; Miller & Littlefield, 2010), leaving the organizations' original crisis responses unstudied. It also leaves a paucity of information about whether mass media framed statements the way the organization's crisis response team intended. Although a few studies did compare the news coverage between mass media and social media, they only explore the news frames and often neglect studying the role played by crisis response strategies (Liu, 2009, 2010; Liu & Kim, 2011; Schultz, Kleinnijenhuis, Oegema, Utz, & Atteveldt, 2012).

The present study seeks to fill those gaps in the body of knowledge, comparing both media coverage and organizational response between newspapers and Toyota news releases, and to combine crisis management research with ethical analyses of Toyota's moral responsibility during this series of product failures.

## 2. Conceptual foundations

### 2.1. Media frames

Framing theory explains how the media focus on certain components of a story. Entman (1993, p. 52) explained that the media help reduce the complexity of issues by "selecting some aspects of a perceived reality and making them more salient in a communicating text." The media determine which frames to include and exclude and organize the frames in a certain priority order (Gamson & Modigliani, 1989). Due to a lack of contextual knowledge about responsibility (Bowen, 2008a), low self-confidence, or limited ability (Glik, 2007; Kelley, 1967), most people rely on mass media to obtain and interpret messages attempting to understand or minimize risk (Bowen, 2009a; Gitlin, 2003; Guttman, 2000; Hoffman-Goetz, 1999; Holladay & Coombs, 2013a; Iyengar, 1987; Scheufele, 1999).

Several news frames are so highly visible in mass media that they have been chosen to define or explain complex or ambiguous situations including business (An & Gower, 2009; Meer & Verhoeven, 2013; Schultz et al., 2012), politically (Iyengar, 1996) or economically relevant events (Semetko & Valkenburg, 2000), and social problems (Iyengar, 1991). Generic frames are usually presented in the following order of predominance of frame types in news coverage: attribution of responsibility, economic, conflict, human interest, and a morality frame (An & Gower, 2009).

### 2.2. Situational crisis communication theory (SCCT)

The negative news coverage of a crisis, ideally, could be diminished by different kinds of communication strategies. Determining an ethical and effective crisis response strategy is so vital that it has an impact on the duration and magnitude of the crisis (Holladay & Coombs, 2013b). The selection of an inappropriate strategy has been argued to be even worse for an organization than no response at all (Bradford & Garrett, 1995; Liu, Austin, & Jin, 2011), or to exacerbate a crisis by creating anger (Choi & Lin, 2009).

Situational crisis communication theory (SCCT) suggests a series of mass-mediated communication strategies by which crisis communicators expect the stakeholders' evaluations of the organization via the way mass media frame the crisis and attempt to elicit the stakeholders' positive evaluations via providing the appropriate responses on the media coverage (Coombs, 2007; Coombs & Holladay, 2011, 2012a, 2012b). The first step of reputation repair is to determine the crisis type via accessing the level of framed crisis responsibility in the mass media. Responsibility level is determined by assessing a victim cluster, by which the organization is viewed as the victim of the crisis and attributed the weakest level of crisis responsibility; an accidental cluster, by which the organization is considered to unintentionally or uncontrollably trigger the crisis and attributed a minimal level of crisis responsibility; or a preventable cluster, in which the organization is believed to trigger the crisis and attributed the strongest level of crisis responsibility (Coombs, 2007).

By identifying the crisis type, crisis communicators can determine the level of crisis responsibility stakeholders attribute to the organization and expect a commensurate level of reputational damage. In general, the higher the level of crisis responsibility an organization holds, the more accommodative response strategy it should select. In other words, the lower an organization's responsibility, the more defensive the strategy it should employ (Coombs, 1998). SCCT locates response strategies along a continuum from defensive to accommodative: Deny (attack the accuser, denial, scapegoat, or suffering), diminish (excuse, deny volition, or justification), rebuild (compensation, apology, repentance, or rectification), or reinforce (bolstering, transcendence, or ingratiation) (Holladay, 2012).

### 2.3. Ethics of crisis response

Crises and ethical dilemmas were among the most common reasons that a public relations counsel must work at the highest level of an organization (Bowen, 2009b; Neill & Drumright, 2012). Many CCOs act as ethical consciences in their organizations (Bowen, 2008b), yet 35% are not permitted the access to top decision makers to act as an ethical conscience and occasionally they do not have the training to act as an ethics advisor (Bowen et al., 2006). However, many CCOs report routinely advising on ethics in their organizations on both ethics and crises (Bowen, 2009b). The CCO represents the interests of both the organization and of the publics upon whom doing business has consequences (Grunig & Repper, 1992).