

A QUANTITATIVE CONTENT ANALYSIS AND TEXTUAL ANALYSIS OF COCA-COLA'S® CRISIS RESPONSES TO A COLOMBIAN LABOR RIGHTS SITUATION

By

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To my parents, who always believed in me, even when I didn't believe in myself
To the graduate students who will come after me: keep going

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Abstract of Thesis Presented to the Graduate School
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The tremendous increase in globalization has fundamentally altered the way the world does business (Osterhammel & Petersson, 2003). The transfer of production and other processes from developed countries such as the U.S. to developing countries has transformed U.S. corporations into multinational corporations (Jones, 2005). The creation of multinational corporations has brought complex social and political problems. In the case of Atlanta-based multinational Coca-Cola®, the issue of labor rights for foreign subcontracted laborers became a public battle when an employee was murdered on company premises in 1996. Coombs' (2010b) Situational Crisis Communication Theory is used to evaluate how Coca-Cola's® crisis and crisis responses were framed in newspapers and official corporate communications. The presence of corporate and critic voices as well as tone is also analyzed.

CHAPTER 1 INTRODUCTION

The tremendous increase in globalization has fundamentally altered the way the world does business (Osterhammel & Petersson, 2003). The process has made it easier than ever to transport goods and ideas, such as capitalism, all over the world. Capitalism is an economic ideology that emphasizes competition, open markets, and profits (Globalization, 2010). In pursuit of capitalism's ideals, U.S.-based corporations have outsourced almost every element of the supply chain to developing countries. The transfer of production and other processes to these countries has transformed U.S. corporations into multinational corporations, or corporations that maintain a headquarters in one country but have branches in other countries (Jones, 2005). One such multinational corporation is The Coca-Cola Company®. In the early 20th century, this beverage giant helped pioneer the globalization of U.S.-based corporations ("The Chronicle of Coca-Cola," 2006-2010).

The corporation was founded in Atlanta, Georgia by Asa Candler, a businessman who purchased all of the rights to Coca-Cola® before its inventor, Dr. John Stith Pemberton, died ("The Chronicle of Coca-Cola," 2006-2010). The caramel-colored, fizzy drink proved so popular that Coca-Cola® expanded out of Georgia to Texas and was soon sold in every state. Coca-Cola® originally was sold in soda shops but after the invention of bottling machinery, it was sold as a consumer product. By about 1918 over 1,000 bottlers existed across the United States. In the 1920s Robert Winship Woodruff, the president of Coca-Cola®, created the Foreign Department (now known as The Coca-Cola Export Corporation), which was meant to facilitate global expansion.

Colombia was one of the countries that was targeted for expansion during this period (“The Chronicle of Coca-Cola,” 2006-2010).

Around the time Coca-Cola® began operations in Colombia, three other U.S.-based corporations, United Fruit, the Tropical Oil Company, and the Shell Oil Company, were expanding their Colombian business ventures (Chomsky, 2008; Bucheli, 2005). The influence of these corporations helped shape Colombian labor policies which heavily favored multinational corporations. For example, multinational corporations were allowed to form contract relationships with their Colombian workers instead of formally employing them. This arrangement prevented the workers from demanding specific rights, such as an 8-hour-workday, as these rights were only guaranteed to formal employees. Contracting employees was advantageous to the multinationals because they could control the terms of employment. The lack of worker power led to frustration and compelled them to turn to politics for a solution. When political solutions failed the workers, many of them aligned with subversive groups who were sympathetic to their plight (Bucheli, 2005).

Little has apparently changed since the early 20th century as Colombian Coca-Cola® workers allegedly have many of the same problems as their predecessors. In 2001, a lawsuit was filed in Miami, Florida by the Colombian labor union, Sinaltrainal. The lawsuit alleged that Coca-Cola® bottlers Panamerican Beverages and Bebidas y Alimentos hired right-wing paramilitaries to threaten and violently intimidate the union’s members. The facts that prompted this lawsuit occurred on December 5, 1996 in Carepa, Colombia (Rayner, 2004).

On this day Sinaltrainal's chief negotiator a gatekeeper at the Bebidas y Alimentos bottling facility, named Isidro Segundo Gil, was gunned down by two paramilitaries on motorcycles (Rayner, 2004). The murder was followed by an attempt to kidnap another leader and the bombing of Sinaltrainal's local office. Sinaltrainal believes the paramilitaries targeted them at the behest of bottlers because workers had requested an increase in wages and benefits. In addition, workers allege they saw the paramilitaries communicating with Panamerican/Bebidas y Alimentos bosses in the days leading up to December 5. About a week after this tragedy, paramilitaries allegedly stormed into the bottling plant and forced all of the union members to type up letters of resignation from the union. After this mass exodus of union members, the Carepa chapter of Sinaltrainal ceased to exist (Rayner, 2004).

The alleged reason behind the violence directed at Sinaltrainal was its keenness to negotiate more favorable terms of employment with Coca-Cola's® Colombian bottlers (Rayner, 2004). Like the banana and oil workers of the 1920s, many of Sinaltrainal's members were contract laborers who lacked the rights afforded to formal employees. The formation of Sinaltrainal gave the workers an opportunity to try and change their circumstances, but these attempts were not met with favor by management. This is because labor unions in Colombia attract violent attention from right-wing paramilitaries as labor unions are seen as part of the left-wing guerillas, which are the right-wing's mortal enemy (Chomsky, 2008).

According to the International Labor Rights Forum (2009), Colombia is the most dangerous country in the world for union leaders. Since the 1980s about 4,000 labor union members have been murdered. To put this figure into perspective, 101 labor

unionists were murdered worldwide in 2009, with 48 of these unionists coming from Colombia (International Trade Union Confederation, 2010). The dangerous environment surrounding Colombian labor unionists coupled with the timing of Gil's death (he was spearheading a campaign to increase wages and benefits for Coca-Cola® workers) indicate he was probably murdered because of his union activity. In spite of this connection, there was insufficient proof to definitively link Coca-Cola® to Gil's death and the intimidation of Sinaltrainal.

The lack of legal evidence did not protect Coca-Cola® from receiving a lot of negative publicity, which threatened its corporate reputation. The Campaign to Stop Killer Coke, an activist group dedicated to mobilizing U.S. citizens against Coca-Cola®, presented the corporation with its biggest challenge because the group focused its efforts on persuading U.S. college students to pressure their universities into ending contracts with the corporation (Rogers, 2004-2011). Two of the most high profile universities to ban Coca-Cola® were the University of Michigan and New York University (Rogers, 2004-2011). The loss of these contracts combined with the negative press in U.S. media compelled Coca-Cola® to mount an aggressive public relations campaign in the U.S. to counter the effects of the allegations.

Part of the campaign included official communications and statements made in U.S. newspapers. These communications were analyzed through a quantitative content analysis to discern the types of crisis responses Coca-Cola® employed in its campaign. A textual analysis supplemented the quantitative content analysis as it allowed for more in-depth insights to be drawn. Both methods were informed by Coombs' Situational

Crisis Communication Theory (SCCT, 2010b) which posits that the type of crisis experienced should be identified before a crisis response is selected (Coombs, 2007a).

Official Coca-Cola® communications and newspaper articles were chosen as the observations because the former represent the official corporate voice and the latter often publish these statements. At the peak of the crisis in 2006, newspapers were still one of the primary ways that Americans got their news so studying relevant newspaper articles allowed for a more complete analysis of the crisis responses (Pew Research Center, 2006). In addition, journalists consistently show a conservative bias in their news coverage so they were likely to reiterate the crisis responses Coca-Cola® published on its official website (Herman, 2000). Their interest in maintaining business relationships with major advertisers such as Coca-Cola® also likely affected the published content (Altschull, 1995). Due to these facts, a review of newspaper articles would provide insight into whether or not Coca-Cola's® corporate voice was noticeable in U.S. newspapers and if the messages presented in the newspapers were consistent with the messages on the Coca-Cola® website.

Studying Coca-Cola's® public relations crisis has relevance for several reasons. As previously mentioned, Colombia has more labor unionists die each year than any other country in the world. Additionally, because Coca-Cola® is a prominent U.S. corporation it represents all U.S. citizens wherever it does business. The corporation must represent them positively and adhere to the highest ethical standards, even beyond U.S. borders. Lastly, the crisis Coca-Cola® experienced is an example of cross-national conflict shifting, a new phenomenon that is becoming increasingly prevalent as a result of rapid globalization. Cross-national conflict shifting describes a conflict that

“involves a transnational organization whose headquarters is located in one country (home), but it does business in another (host)” (Molleda, Connolly-Ahern, & Quinn, 2005, p. 99). The conflict typically erupts in the host country, and its effects are present both in the host country and in the corporation’s home country. Therefore, this type of conflict includes “host, home, and transnational publics (e.g., NGOs and activist groups, global media outlets, shareholders),” (Molleda, Connolly-Ahern, & Quinn, 2005, p. 89). Because multiple audiences have interest in cross-national conflict shifts, public relations professionals must generate a crisis response that addresses each group’s concerns without sending an inconsistent message. Oftentimes this task can be very challenging so an analysis of how one multinational, in this case Coca-Cola®, handled such a problem will help other corporations navigate similar conflicts in the future.

Before previous research is addressed, a more detailed explanation of Colombian political and labor history is merited to help the reader understand why labor unionists are constantly threatened and violently attacked.

Historical Context

Colombia: from Spanish Colony to War-Torn Republic

Simón Bolívar liberated Colombia from Spanish rule in 1819 (Simons, 2004). About 30 years after gaining its freedom, the Liberal and Conservative political parties were formed and are in existence today. Since these parties’ inception, they have engaged in violent power struggles as each seeks to control Colombia. The first major spate of violence occurred from 1899-1902 and was known as the War of a Thousand Days. Tens of thousands of people were slaughtered in a dark time, which seemed to foreshadow Colombia’s present situation (Safford & Palacios, 2002).

The War of a Thousand Days was followed by a period of Conservative rule in which the agriculture industry experienced tremendous prosperity (Lehrer, n.d.). Decades of Conservative rule yielded to Liberal control in 1930, and significant reforms were made. One of the most important reforms included the authorization of labor unions to organize. During this time frame, disgruntled workers and other unhappy members of society formed the Communist Party and the National Unity of the Revolutionary Left (Lehrer, n.d.).

In 1947, the Liberal Party was defeated by the Conservatives who immediately sought to contain labor unions, which they viewed as adverse to capitalist interests (Lehrer, n.d.). Their efforts were not entirely effective, so many business owners took an anti-union stance by organizing militia groups meant to intimidate labor union members. In 1948, Colombia experienced its second wave of political violence when the Liberal candidate for the presidency, Jorge Eliécer Gaitán, was assassinated. The death of Gaitán prompted a major riot in Bogota, which marked the start of a decade long armed conflict between Liberals and Conservatives known as La Violencia (Safford & Palacios, 2002; Simons, 2004).

During La Violencia many citizens sought cover in the dense rainforest where they could establish their own governments within Colombia (Lehrer, n.d.). These unofficial governments were supported by rich Liberals who also funded armies to defend these governments from conservative right-wing groups who wanted to take control of liberal territories. In the aftermath of La Violencia, a military dictatorship was installed, and it would remain in power until the Sitges Agreement was ratified in 1957. This bipartisan agreement evenly split government positions between the two main parties, the Liberals

and the Conservatives. This move angered members and supporters of other political parties and prompted them to form a rebel group called the Southern Bloc, which would one day become the Fuerzas Armadas Revolucionarias de Colombia (Spanish acronym FARC) [Revolutionary Armed Forces of Colombia] which continues to operate today (Simons, 2004; Chomsky, 2008).

The formation of governments by the people and their creation of rebel groups ignited a forceful response from the official Colombian government who believed these groups were conspiring with Communist Cuba (Lehrer, n.d., Simons, 2004). The response was known as Plan LAZO, and it was supported by the U.S. government. Far from quelling the proliferation of rebel groups, Plan LAZO actually served as the catalyst for the formation of the Ejército de la Liberación Nacional (ELN) and Movimiento-19 (M-19). Over the ensuing years these rebel groups gained more followers and capital from sympathizers in other countries, allowing them to strengthen. Eventually these groups would turn to drug trafficking, kidnapping, threats, and murder to intimidate anyone who challenged their authority (Lehrer, n.d.).

The ELN, FARC, and Autodefensas Unidas de Colombia (AUC) represent the three largest rebel groups currently operating in Colombia (Garamone, 2003). These groups have “hundreds of millions of dollars to finance operations against the government,” which make them a formidable enemy for the government to combat (Garamone, 2003, ¶6). Recent gains by the Colombian government over the rebels have given Colombians hope that an end to this lengthy conflict will materialize (BBC, 2010). However, these groups have infiltrated virtually every industry in Colombia, including multinational subsidiaries, which makes eradicating them a challenge.

Labor Unions: Unwelcome from the Start

According to Chomsky (2008), U.S. multinational corporations have been in Colombia since the early 1900s. Their extended existence in this country has given them the opportunity to influence labor policy during times when the government was in transition or weakened due to social unrest (Simons, 2004). The industries that have the longest history of labor struggles with U.S. corporations are the banana fruit and oil industries, but in reality all other industries receiving foreign investment have had similar experiences (Chomsky, 2008). Understanding the relationship between multinational corporations, the Colombian government and the U.S. government and how they conspired to disband unions is fundamental to understanding why the violence against Sinaltrainal members occurred and why no one has been brought to justice.

Scholars and historians such as Bucheli (2005) and Simons (2004) note that Boston's United Fruit Company pioneered the Colombian banana industry. The produce corporation ventured to Colombia in order to take advantage of the cheap labor and poor working conditions. United Fruit initially began its Colombian operations in the Caribbean town of Santa Marta. In 1928, banana workers in this town made the decision to strike against United Fruit, which ended with the murder of hundreds if not thousands of banana workers at the hands of the Colombian army. Subsequent generations of unionists have never forgotten this tragedy, and its memory serves both as a feared outcome and motivator to continue their fight against what is perceived as U.S. imperialism (Bucheli, 2005; Safford & Palacios, 2002; Simons, 2004).

Seeking more fertile land, United Fruit set its eyes on a fertile area of the Department of Antioquia known as Urabá (Bucheli, 2005). The problem with this area was that it already had inhabitants, mainly poor descendents of African slaves.

Paramilitaries and others in positions of power used deadly force to evict a great deal of these poverty-stricken people from the lands, which eventually made their way into United Fruit's control. Once the land was available for conversion into banana farms, United Fruit sent workers to start sowing the seeds and relocated its business from the coastal town of Santa Marta to the interior city of Urabá (Bucheli, 2005).

Workers on the banana plantations were forced to endure subhuman living conditions and work appallingly long days under United Fruit (Chomsky, 2008). The workers turned to left-wing groups to help them fight United Fruit's unfair labor practices. The fusion of banana workers and the left resulted in the formation of a labor union known as Sintrabanano. Almost immediately, Sintrabanano joined ranks with the Fedeta and Trade Union Confederation of Colombian Workers (CSTC) unions. United Fruit responded by firing all unionists, and the Colombian government had them imprisoned because they jeopardized foreign investment (Chomsky, 2008). These actions would be supplemented by death threats and murders in the years to come.

Colombian workers for U.S. oil corporations went through a strikingly similar struggle over labor rights with their employers; however, the oil industry and the unions it spawned began their fight a few years before United Fruit even set foot on Colombian soil (Chomsky, 2008). The two main U.S. oil corporations who refined and exported oil were the Tropical Oil Company and the Shell Oil Company, and they began operating in 1922. The following year Unión Obrera, the precursor to today's oil union, known as Unión Sindical Obrera (Spanish acronym USO), was founded. In the first decade of the oil union's existence it waged two strikes against Tropical. The unionists received aid

and moral support from their fellow citizens which helped the strikes to continue (Chomsky, 2008).

To suppress the laborers' uprisings Tropical and other multinational corporations experiencing similar difficulties pressured the U.S. government to encourage the Colombian government to take action against unionists (Chomsky, 2008). The main way the U.S. government would pressure the Colombian government into complying with the multinational corporations' desires was by threatening to eliminate much needed capital. Colombia was essentially dependent on foreign investment to run both the oil and banana industries. These threats prompted the Colombian government to respond by sending police to physically stop unionists from striking. These encounters frequently resulted in the deaths of the unionists. Colombian oil workers saw the Colombian government as the United States' lapdog and, like the banana workers, turned to the left-wing insurgent groups for help (Chomsky, 2008).

Many workers which collaborated with insurgent groups did so in their spare time so as not to arouse suspicion. In a documentary aired on PBS called *Colombia: The Coca-Cola controversy* two U.S. filmmakers traveled to Colombia to try and verify the facts put forth in Sinaltrainal's lawsuit against Coca-Cola® (Lapan & Harris, n.d.). During one of the segments the filmmakers interviewed the president of a banana union, Osvaldo Cuadrado. He openly admitted that he used to moonlight as a leftist rebel on the weekends while working as a unionized banana worker during the week (Lapan & Harris, n.d.).

The double life these unionists led made it difficult to discern which workers were true pacifists interested in negotiating with their employer, and those who were

ultimately trying to take down the multinational corporations. The employers seemed to take the safe bet and assume all unionists were insurgents, which in their eyes justified retaliation against the workers.

The complicated political and social problems in the background of Coca-Cola's® publicity crisis made formulating a crisis response all the more difficult as the corporation needed to show sensitivity towards the situation. The literature that follows will describe the ideal way to execute an effective crisis response and present Coombs' (2010b) Situational Crisis Communication Theory, which will aid in the assessment of Coca-Cola's® response.

CHAPTER 2 LITERATURE REVIEW

A good reputation is one of a corporation's most important assets because consumers associate it with the corporation's integrity (Coombs, 2010a; Lerbinger, 1997). Sometimes the corporate reputation is called into question when it encounters a crisis. The word crisis has many different definitions because scholars have been unable to reach a consensus over the term's meaning. However, it is generally agreed that all crises have three basic elements: suddenness, uncertainty, and time compression (Lerbinger, 1997). For the purposes of this study Seeger, Sellnow, and Ulmer's (1998) definition will be used. They defined a crisis as "a specific, unexpected, and nonroutine event or series of events that create high levels of uncertainty and threaten or are perceived to threaten an organization's high-priority goals" (Seeger, Sellnow & Ulmer, 1998, p. 233).

The term crisis is often used interchangeably with the term disaster (Coombs, 2010b). Some scholars believe these phenomena are the same and should be studied together while other scholars believe the two are separate. Those who distinguish the concepts view crises as man-made occurrences that are preventable and disasters as natural events that are merely containable (Mitroff & Anagnos, 2001). For example, if a bank executive embezzles money from his corporation and causes bank customers to sue the bank, this is a man-made occurrence and hence a crisis. If a tornado hits a major city and destroys all of the buildings, this is a natural event or a disaster. Concentrating on the cause of a crisis is one way to distinguish a crisis from a disaster, but it is not the only way. Evaluating which groups are affected by the event is also telling.

According to Ronald Perry (2007), crises affect specific groups and disasters affect whole societies. This difference is notable and important because the crisis communication strategy develops around the affected group. During a crisis, communicators must tailor their message to address specific stakeholders (Fearn-Banks, 2007, Harvard business essentials, 2004). In contrast, during a disaster the target audience is the entire society, obligating communicators to create a message that transcends all demographics (Perry, 2007). It can be argued then that because crisis responses require more precision, it is essential for a situation to be classified as either a crisis or a disaster before the management response continues. Ample literature exists that substantiates both sides of this argument, but elaborating upon this discussion is outside of the scope of this study. Nevertheless, the researcher finds it necessary to mention the controversy surrounding these two concepts.

The Crisis Management Process

Crisis management should begin long before a crisis strikes (Regester & Larkin, 2008; Zaremba, 2010). As with most problems, prevention should be the first goal. Crisis experts maintain that all corporations should have a crisis management plan in place before a crisis strikes. The steps involved in each plan vary depending on the author, but the main steps include preventing the crisis, assembling a crisis team, identifying and engaging the target audience, centralizing crisis management operations, and testing the crisis management plan (Mitroff, 2004).

Prevent the Crisis

The best way to prevent a crisis is to pinpoint the potential crises that could befall a corporation (Coombs, 2010a; Fearn-Banks, 2007). To do so a corporation should highlight the areas where a crisis is most likely to occur. Preemptively identifying

potential crisis situations provides countless benefits, yet many managers admit they do not take this step. It is not enough to just acknowledge potential sources of crises, an organization must also identify which crises are preventable and take steps to ensure these crises do not occur (Harvard business essentials, 2004).

Assemble a Crisis Team

It is crucial to designate a crisis team that will come together and formulate a crisis response when a crisis strikes (Coombs, 2010a). Planning out this team will ensure that the crisis response runs more smoothly. The crisis team members should be carefully chosen because they will control how the crisis response is implemented. Crisis experts recommend that a crisis team consist of at least a senior operating officer, a director of communications, the head of the affected division and a spokesperson (Lerbinger, 1997).

Some experts believe legal counsel should be kept off of the crisis team because lawyers are by nature risk adverse and will advise limited communication to avoid future liabilities. Experts that are of this mindset still find it necessary to keep legal counsel informed about the crisis team's plans because corporations should always be wary of lawsuits (Regester & Larkin, 2008). Other experts think the crisis team should include a lawyer in order to ensure that legal risks are kept to a minimum.

While limiting the information that comes from an organization during a crisis is a smart move from a legal perspective, it is a potentially devastating move from the communications perspective. Communication professionals know that the best way to protect the corporate reputation is to be as open as possible with the public (Fearn-Banks, 2007). As the legal and communication fields are naturally at odds in this regard,

some crisis experts think it is best to avoid including a lawyer on the crisis team in order to prevent indecisiveness amongst team members.

The crisis team's most important member is arguably the spokesperson because he or she is the most visible. This person represents the corporation, delivers the strategic message and answers the media's questions (Fearn-Banks, 2007; Harvard business essentials, 2004). The person who is selected for this position must be articulate, comfortable with answering difficult questions, and be credible. Some experts in crisis management advise against using the head of public relations as the spokesperson because he or she could be perceived as less credible due to the nature of his or her position. These people argue for using a prominent executive as the spokesperson, usually the Chief Executive Office (CEO) (Coombs, 2010a).

Identify and Engage Your Audiences

Another integral step is to establish who the key external stakeholders are and when they should be addressed (Register & Larkin, 2008, Zaremba, 2010). The external stakeholders are the persons who are affected by the corporation's crisis and who stand to change their opinion of the corporation depending on how the crisis is managed. Failing to communicate with external stakeholders may result in frustration and loss of credibility amongst the stakeholders, which threatens the corporate reputation. As one of its most important assets, a reputation must be protected at all reasonable costs (Coombs, 2010a).

While external communication is a pivotal aspect of crisis management, crisis experts strongly suggest that management implement an internal communications plan that will keep employees informed of the latest developments (Fearn-Banks, 2007). The rationale behind this suggestion is that employees act as additional informal

spokespersons for the corporation, making it essential that they are well informed. Family, friends, and acquaintances will likely question the employee about the crisis, especially if the crisis is particularly salacious, and management must ensure that they spread the desired message (Lerbinger, 1997).

Centralize Crisis Management Operations

In addition to putting forth a central message, a corporation must designate a central location for the crisis team to meet and execute its strategies. The crisis headquarters could be either externally or internally located. The decision depends on space and resource availability as well as preference (Zaremba, 2010).

Test and Retest the Crisis Plan

Once a crisis management plan has been developed, it should be tested in a mock crisis situation. Doing so will allow everyone who is part of the crisis team feel more comfortable with their roles and will uncover any weaknesses within the plan (Zaremba, 2010).

Preparing for a crisis can help reduce its negative consequences although it can never eliminate the possibility of having a crisis. In the Coca-Cola® crisis, these pre-crisis steps cannot be applied because the situation had already reached a crisis level. The crisis management steps that are applicable to the case study are identifying the type of crisis, containing the crisis, and solving it (Coombs, 1999; Fearn-Banks, 2007; Harvard business essentials, 2004).

Realizing a Crisis Exists

Knowing when a crisis exists may not be as obvious as one would believe. In some instances, a corporation will trivialize an event because it fails to view the situation from an external perspective. Crisis experts maintain that crises exist as a matter of

perception. What this means is that if the external stakeholders believe a crisis exists or even think that a crisis exists, then a crisis does exist no matter what a corporation's management perceives (Coombs, 2010a). Stakeholders' opinions matter the most because their opinions uphold the corporate reputation; therefore, they should defer to stakeholders.

Most crisis experts assert that all crises give off warning signals management must be trained to recognize. As an objective list of signs does not exist, crisis experts advocate periodically reviewing other departments' reports or media sources to see if there is a potential for a problem. Examples of internal reports include financial audits, safety/accident records, and a record of customer complaints (Coombs, 1999; Fearn-Banks, 2007).

The exact moment Coca-Cola® realized it was experiencing a crisis does not need to be determined as it does not affect the analysis of its crisis response. All that matters is that a crisis existed and that the corporation recognized it as such. Given the public outcry and boycotts referenced in Coca-Cola's® official communications, it will be assumed that Coca-Cola's® stakeholders viewed the situation to be discussed as a crisis. Because Coca-Cola® responded to these reactions by refuting the accusations and providing evidence to the contrary, it will be assumed that Coca-Cola® recognized its stakeholders' concerns and treated the allegations as a crisis.

Identification

Once management has realized a crisis exists, the crisis management process moves to the identification stage. Identifying the type of crisis a corporation faces is important because the crisis response will depend upon this classification. However, assigning a crisis type is challenging because many types exist and none of them are

standard (Coombs, 2002; Seeger, Sellnow & Ulmer, 1998). Attempts to create a flexible type that will withstand the test of time continue to this day but given the complex nature of these situations there may never be a permanent type (Gundel, 2005). A review of the existing crisis types will be discussed and the relevant ones were selected and applied to the Coca-Cola® case focused upon in this study.

Crisis Types

Scholars have approached crisis types in many different ways. Some have focused on how the crisis affects the corporation and those who have invested in it. Others have studied the effect on business practices. Yet others have concentrated on issues of temporality, mainly the amount of time a corporation has to prepare an initial response to the crisis (Gilpin & Murphy, 2008).

One such study by Curtis Linke (1989) produced four crisis types: exploding, immediate, building, and continuing. An exploding crisis is an event that occurs suddenly and causes instant damage. An immediate crisis may appear out of nowhere, but its effects do not occur instantly, which gives management a chance to mitigate the damage. Building crises are mishaps that management can expect, and continuing crises are ongoing problems (Linke, 1989).

A study by Hwang and Lichtenthal (2000) simplified Linke's (1989) four crisis types into two using a biological theory known as punctuated equilibria. This theory characterizes evolution as a process with long periods of stagnation and short spurts of growth brought about by some sort of catalyst. The authors drew a parallel between this series of actions and how corporations respond to crises because they typically remain dormant (long period of stagnation) until they encounter a crisis (catalyst) that forces them to undergo change (growth). The comparison resulted in two crisis typologies

abrupt and cumulative. As their names indicate, abrupt crises appear without warning and cumulative crises build steadily until they materialize. The amount of time that passes before management makes an initial response is an important point of study because this timing is correlated with the crisis' duration and intensity (Coombs, 2007a).

Scholars have also used the origin of a crisis as a basis for creating crisis types (Gilpin & Murphy, 2008). Although countless crisis types exist, many scholars have consistently identified the same ones. Crisis expert Timothy Coombs (2007b) compiled a master list of the most common typologies. They are the natural disasters, rumor, workplace violence, malevolence, challenge, technical error accidents, technical error product harm, human-error accidents, human-error product harm, and organizational misdeed. These and their respective definitions as defined by the same author informed this analysis.

The first crisis typology, the natural disaster, is premised on Charles Perrow's (1984) normal accident. Virtually every scholar that has worked on crisis typologies since has included a natural disaster as one of their categorizations (Coombs, 2007b, Egelhoff & Sen, 1992, Fearn-Banks, 1996, Lerbinger, 1997, Marcus & Goodman, 1991). The natural disaster envelops all natural phenomena that can disrupt normal activities like tsunamis, brush fires, and mudslides (Coombs, 2007b). The second type, rumor, is defined as false information that is spread and slanders an organization. The third type, workplace violence, involves violence at the workplace by a former or current employee. The fourth type, malevolence, covers events that a person outside of a corporation intentionally carries out to harm it. Such events include sabotage, blackmail and the sale of trade secrets. Challenge, the fifth type, occurs when a corporation's

stakeholders state that it is not operating as it should. Examples of challenges are lawsuits, government penalties, and protests. Technical error accident is the sixth type, and it exists when a corporation's technology fails and the result is an industrial accident. A crisis that involves a technical error product harm is the same as a technical error accident except the result is a product defect. Human-error accident includes accidents caused by human beings. Human-error product harm encompasses product defects that are caused by human mistakes. Organizational misdeed encompasses decisions made by management "it knows will harm or place stakeholders at risk for harm without adequate precautions" (Coombs, 1999, p. 61). A contemporary example of organizational misdeed may be seen in the Enron and WorldCom scandals that came to light in the early 21st century.

As previously noted, the categories mentioned above are not exhaustive but they are the most common types of crises a corporation will face. The main shortcoming of this list is that in some categories it fails to explicitly note the level of control, if any, a corporation has over a crisis. When creating their crisis types, Mitroff, Pauchant, and Shrivastava (1988) avoided this oversight by first identifying the crisis by type and then classifying the crisis as either internal (within corporate control) or external (outside of corporate control). Assessing the level of control a corporation has over a crisis is important because it influences the crisis communication response (Coombs, 2007a). Let us use the rumor typology as an example. If a rumor is generated by a current employee (within a corporation), the public would arguably be more receptive to the corporation issuing a denial response because this is the strongest way to distance itself from allegations. If the rumor comes from outside of the corporation, say from a

rival, the public would arguably be more receptive to the attack the accusers response because the source of the rumor stands to profit from the rumor being accepted by the public. Therefore, evaluating the level of corporate control in each crisis situation is an essential process. However, this step will not be applied to the Coca-Cola® crisis because the allegations came from current employees (within the corporation) so it will be assumed Coca-Cola® had some level of control over the crisis.

Once a corporation identifies a crisis, the crisis management process moves to the response phase, otherwise known as the containment and resolution phase. This step is the most important step in protecting and saving the corporation's reputation because the response it deploys determines the severity and the duration of the crisis' effects (Coombs, 2002).

Containment and Resolution

After a crisis has been detected, the corporation must formulate a response that will contain the crisis until it can be resolved. Coombs (1999) divided the response process into four phases: the initial response, reputation management, execution of the crisis management plan, and post-crisis communication.

The initial response is the first official communication from a corporation in crisis (Coombs, 1999). The timing and the content within this communication must be carefully thought out as both factors will help set the tone for how the stakeholders will respond to the crisis management team. The initial crisis response also sends the public the message that the corporation is aware of the crisis, is in control of its management and is working to return operations to normal as soon as possible. A poor initial response fails to address these concerns, which could exacerbate the threat to the corporate reputation (Coombs, 1999).

Several principles must be kept in mind when creating the initial crisis response. Firstly, timeliness is everything (Coombs, 1999). The initial crisis response must be released as soon as possible because a delay will make stakeholders panic and will encourage speculation. The latter can be far more damaging than the crisis itself because it could frame the crisis in an undesirable way or blow the crisis out of proportion. Crisis experts note that corporations should make a timely initial crisis response even if it does not have much information. Crisis experts recommend that organizations make up for the lack of information by assuring the public they will provide more information as soon as it is possible (Coombs, 1999).

In the initial crisis response, the crisis management team must focus on creating a central message that will be repeated throughout the duration of the crisis (Coombs, 2010b). The message should be standardized to eliminate confusion as to how the corporation is handling the crisis and to ensure that it is viewed favorably. An inconsistent message sends the signal that the corporation is ill equipped to handle the crisis and reduces credibility (Coombs, 2010b).

Throughout the crisis response, but especially during the initial crisis response, the imperiled corporation must put forth an image of honesty and show it wants to keep the public informed (Coombs, 2010b). Being forthcoming signals that it has nothing to hide and encourages the public to believe the message it is pushing. In addition to honesty, it is crucial for a corporation to show concern for anyone injured by the crisis, as it will inspire feelings of compassion from the rest of society. These concerned citizens can become enraged if they perceive the corporation as callously disregarding any human suffering, which threatens its reputation (Coombs, 2010b; Zaremba, 2010).

The final essential feature of a good initial crisis response is what Sturges (1994) called instructing information (as cited in Coombs, 2010b). This information directs the stakeholders in case they need to take some sort of action. It also serves as a progress report to let the stakeholders understand the circumstances around the initial crisis and how it is being handled (Coombs, 2010b).

After the initial crisis response has been made, the focus shifts towards managing the corporate reputation. The main theory used for this purpose is the Situational Crisis Communication Theory (Coombs, 2010).

Situational Crisis Communication Theory

Coombs (2007a) created the Situational Crisis Communication Theory (SCCT) to give communicators “evidence-based crisis communication guidance” which he thought was lacking in previous research (p. 163). He based his theory on Benoit’s (1995) Image Restoration Theory (IRT), a theory that views communication as a way to rebuild a public reputation after a scandal. IRT divides the rehabilitative process into five categories denial, evading responsibility, reducing offensiveness, corrective action, and mortification (Benoit, 1995). Coombs expanded upon these categories and created a list of nine main crisis response strategies.

Before any of these responses may be selected, the crisis management team must first analyze the crisis and label it using the crisis types previously discussed (Coombs, 2007b). This is the first step because, according to Attribution Theory which influences SCCT, when a major event occurs people naturally search for someone to ascribe responsibility to. As each crisis type carries a different level of responsibility, its selection will determine which crisis response is chosen. Coombs and Holladay (2002) divided the crisis types into three clusters that predict the level of responsibility a

corporation is likely to receive. Doing so helps the crisis manager determine which crisis response will protect the corporation most effectively. The three clusters are victim, accidental, and intentional.

The victim cluster means that the organization is not going to be blamed for the crisis because it is perceived as the victim. Natural disasters, workplace violence, product tampering, and rumor fall under this category. The accidental cluster means that the corporation will receive some blame, but not a lot because the crisis was not meant to occur. Technical-error accident, technical-error product harm, and challenge exemplify the accidental cluster. The final cluster, the intentional cluster, attributes the most blame to the corporation because the crisis is considered under its control. Human-error accident, human-error product harm, and organizational misdeed are categorized under this cluster. (Coombs and Holladay, 2002). Once the appropriate cluster has been ascertained, the crisis manager can select the response that will do the most to protect the corporate reputation.

Crisis managers must then evaluate a corporation's crisis history and prior reputation as these factors will affect the severity of the crisis (Coombs, 2007b). Having a history of crises will make the current one more intense because the public will perceive it as having failed to learn from past mistakes since crises continue to occur. In contrast, a sterling reputation will lessen the reputational damage that could result from the crisis (Coombs, 2007b).

Once the crisis type and influential factors have been assessed, the crisis manager can move on to selecting the appropriate crisis response. These include (1) attack the accuser, (2) denial, (3) scapegoat, (4) excuse, (5) justification, (6) reminder,

(7) ingratiation, (8) compensation, and (9) apology. The excuse category has four subtypes: provocation, defeasibility, accidental, and good intentions which brings the total number of crisis responses to 13 (Coombs, 2007b). The responses are further broken down into postures which are separated by the corporation's goal. The main goals are changing how stakeholders view the crisis or altering the perception of the corporation experiencing the crisis (Coombs, 2007c). The four postures are denial, diminishment, rebuilding, and bolstering.

The denial posture aims to sever the link between the crisis and the corporation. If this strategy is successfully implemented, then the public will not direct responsibility at the corporation, and its reputation will not be jeopardized. The diminishment posture aims to protect the corporate reputation by lessening the perceived control the corporation had over the crisis or by reducing the negative impact caused by the crisis. The rebuilding posture involves accepting full responsibility for the crisis and offering to make amends. Coombs (2007c) notes that all three of these postures require the corporation to acknowledge some level of responsibility for the crisis and show concern for the victims. The final posture, bolstering, contains complementary strategies that are to be used in conjunction with the strategies in the other postures.

SCCT offers crisis managers recommendations on when to use each posture. The relevant suggestions include "use rebuilding strategies for any preventable crisis", "use denial strategies in rumor crises", "use denial strategies in challenges when the challenge is unwarranted", "use corrective action in challenges when other stakeholders are likely to support the challenge", and "use reinforcing strategies as supplements to

the other response strategies” (Coombs, 2007c, p. 143). Following these recommendations ensures maximum protection against negative publicity.

Once all of these considerations have been made, the next step is for the crisis team to put the crisis management plan into action. The plan should remain in effect until the crisis subsides. There are several signs that a crisis is over: “employees are back to their normal routines”, business continues to come in, the media do not call and earnings are back on track (Harvard business essentials, 2004, p. 91; Coombs, 2010a).

After the crisis is over, a corporation must be sure that they have given the information they have promised (Coombs, 1999). As previously discussed, if a corporation did not have enough information to make an educated comment on something like the cause of the event but promised they would do so at a later date, it should make sure to address this. People will remember how it handled a crisis more than the crisis itself. Coombs (1999) found post-crisis communication also helps to strengthen relationships with stakeholders. Continually giving stakeholders information after the crisis lets the stakeholders know the corporation has completely taken care of the crisis and it can move on to repairing itself. In addition to communicating after a crisis, crisis experts recommend debriefing the crisis with all employees and going over the lessons that were learned. Doing so will help prevent similar situations from occurring in the future (Coombs, 2010a; Fearn-Banks, 2007).

Journalistic Ethics

Because the mass media allow for instant dissemination of information to large populations, they should be involved in the corporate crisis response. (Fearn-Banks, 1996). Indeed Coombs (2007a) agrees as he asserts that stakeholders mainly receive news about corporations through the mass media. The media can be a corporation’s

biggest supporter or adversary depending on one's perspective, but no matter what attitude is displayed towards a corporation, corporate activity will always be given prominent news coverage.

Journalistic professionalism and ethics demand that the news be presented objectively (Jacquette, 2007). This notion comes from the Hutchins Commission of 1947. The purpose of this commission was to evaluate and reform U.S. journalism as it was perceived as being too profit-oriented and too biased toward the normative class. Out of this commission emerged the concept of social responsibility. This philosophy holds, among other things, that the media must keep the public interest in mind when reporting the news and should be truthful, objective, ethical, and professional (McQuail, 2010). These sentiments are echoed by the Society of Professional Journalists. In 1996, the society developed a code of ethics that has been widely adopted by U.S. journalists. Its first tenant advises journalists to "Seek Truth and Report It" (Society of Professional Journalists, 1996, ¶ 2). What this means is that journalists must refrain from injecting ideological bias into stories and distorting the truth regardless of any valid justification. While journalists might strive for objectivity, scholars Atschull (1995) and Herman (2000) assert that journalistic objectivity is merely a façade and that the media has a strong conservative bias.

In his book, *The Myth of the Liberal Media*, Herman (2000) argues that objectivity as practiced in U.S. journalism is not really objective because it is premised on ideological assumptions that prejudice the concept. For example, the media presume that "responsible capitalism" and "free trade" are both positive but this is not a fact; this is an ideological preference (Herman, 2000, p. 59). By supporting this form of

prejudiced objectivity, the media inherently provide support to conservative ideology in their reporting.

Furthermore, as Altschull (1995) points out, the media are ultimately a profit-seeking entity. The emphasis placed on generating profits requires the media to seek commentary from official sources as opposed to independent sources because official sources are deemed more credible. Additionally, the media has to be cautious with their content because publishing stories that are critical of advertisers or their affiliates could result in a loss of advertising revenue. These concerns prevent the media from offering minorities a public voice and presenting anti-corporate information, reinforcing conservative ideals (Atschull, 1995).

Not all scholars agree that the media are conservative. In their study, Groseclose and Milyo (2005) attempt to paint the media as a liberal institution by counting how many times liberal and conservative think tanks are quoted in the print media. The authors found that liberal think tanks were cited more frequently than conservative think tanks, which led them to conclude that the media are predominantly liberal (Groseclose & Milyo, 2005). However, because the authors fail to address the underlying biases present in the journalistic concept of objectivity, their conclusion is debatable.

To gauge the media's objectivity in their portrayal of Coca-Cola's® crisis and its responses, relevant newspaper articles were studied along with official corporate communications. The following research questions and hypotheses demonstrate other research objectives.

Research Questions and Hypotheses

The literature on crisis management holds that the type of crisis a corporation experiences will shape the response that the crisis management team will choose

(Coombs, 1999). Because of the crisis typologies' influential nature, they must be identified and discussed before a complete analysis of the crisis response typologies may proceed. Therefore, the following question is posed:

- RQ1: Using the information presented in official Coca-Cola® communications and newspapers, how can the crisis Coca-Cola® experienced be classified using the crisis types derived from Coombs' Situational Crisis Communication Theory?

Choosing a crisis response is the most important step in the crisis management process because the type of response that is deployed will determine the severity and the duration of the crisis' effects (Coombs, 1999). This significance prompts the following research questions:

- RQ2: Using the information presented in official Coca-Cola® communications and newspapers, how can Coca-Cola's® response be described using the crisis responses identified in Coombs' Situational Crisis Communication Theory? How can Coca-Cola's® most frequently used crisis response(s) be categorized using the aforementioned theory?

When a crisis occurs, the media will look to the imperiled corporation for a comment. Fearn-Banks (1996) notes that the media will continue with its story even if comment is refused so she advises all corporations to prepare some statement. The voices present in the media will help shape the story so the following questions are presented:

- RQ3: What are the most prominent voices, in terms of corporate voice versus critics' voices, included in the news coverage of Coca-Cola's® crisis? Can these voices be described as positive, negative, or balanced?

Fearn-Banks (1996) emphasizes the importance of the media in helping to contain a crisis. She advises viewing the media as an ally and working with it. However, even if a corporation cooperates with the media, it may not be portrayed in the manner it would like. The following question seeks to evaluate the corporate-media relationship during the Coca-Cola® crisis by asking:

- RQ 4: How noticeable was Coca-Cola's® corporate voice in news coverage pertaining to the Sinaltrainal controversy and is the tone positive, negative, or balanced?

As discussed in the previous rationale, the media play an integral role in managing a crisis, but sometimes it does not present information in the same way a corporation would. To elaborate on this potential disconnect, the following question is set forth:

- RQ 5: Using the crisis responses discussed in Coombs' Situational Crisis Communication Theory, how can the crisis response(s) from Coca-Cola's® official crisis communications be compared to U.S. newspapers' portrayal of Coca-Cola's® crisis response (same or different)?

The allegations made against Coca-Cola® suggest that there was collusion between the bosses of Coca-Cola® subsidiaries and right-wing paramilitaries. The crisis typology that deals with errant decision-making on the part of management is called organizational misdeed. Coombs (1999) describes organizational misdeed as decisions made by management "it knows will harm or place stakeholders at risk for harm without adequate precautions" (p. 61). Therefore hypothesis one posits that:

- H1: Organizational misdeed will be the crisis type most frequently used to describe the Coca-Cola® controversy.

Coombs (2002) states that reputation is one of a corporation's most important assets. It follows then that Coca-Cola® will implement crisis responses that are most protective of its reputation. Logically, the most powerful way to distance oneself from an accusation is to refuse any affiliation with it. Hypothesis two argues:

- H2: Coca-Cola® will use denial more than any other crisis response.

In their respective books, Altschull (1995) and Herman (2000) demonstrate that the U.S. media has a conservative bias as it caters to advertisers and the normative class by operating under flawed objectivity. Because of this bias, the following hypotheses are posed:

- H3: Coca-Cola's® voice will be more prominent than critics' voices.
- H4: The media coverage of the Coca-Cola® crisis will be primarily positive.
- H5: The crisis responses presented in official communications from Coca-Cola® will be the same as the U.S. newspapers' portrayal of Coca-Cola's® crisis responses.

CHAPTER 3 METHOD

My research was conducted to identify the crisis responses Coca-Cola® used to protect its corporate reputation when it was jeopardized by a Colombian labor union. The observations are the official communications from the Coca-Cola® website and relevant U.S. newspaper articles. These communications were collected from two sources and were primarily analyzed using a quantitative content analysis informed by Coombs' (2010b) Situational Crisis Communication Theory. A secondary method, textual analysis, was used to support or negate the results of the quantitative content analysis.

A quantitative content analysis as defined by Riffe, Lacy, and Fico (2005) is “the systematic and replicable examination of symbols of communication, which have been assigned numeric values according to valid measurement rules and the analysis of relationships involving those values using statistical methods, to describe the communication, draw inferences about its meaning, or infer from the communication to its context, both of production and consumption” (p. 25). This study’s design followed the steps of content analysis as developed by Wimmer and Dominick (2006) which included the following steps (a) formulate research questions and hypotheses, (b) define population, (c) select sample from population, (d) select unit of analysis, (e) construct the categories of content, and (g) establish the quantifications system. After these steps were completed a textual analysis was conducted following McKee’s (2003) guidelines.

McKee (2003) defined a textual analysis as a way for researchers to “make an educated guess at some of the most likely interpretations that might be made of that

text” (p. 1). When a textual analysis is conducted, the person relies on his or her intimate knowledge of the culture in which the text was written to guide his or her interpretations. These textual interpretations must be reasonable and make sense within the context they are presented. This means that the interpretation logically flows from the text on which it is premised. It is important to note that a textual analysis is not concerned with making a correct interpretation because, even if the general conclusion is the same, every interpreter will describe their interpretation differently (McKee, 2003). What this means is that there is no such thing as a correct interpretation.

A quantitative content analysis was chosen as the primary method for this study because it provides a numeric means of identifying which crisis responses were used most frequently. Isolating the most popular crisis response typologies will influence the textual interpretations because the frequency of the message will provide insight as to what were Coca-Cola’s® primary crisis responses.

Textual analysis was chosen as the secondary method because it allows for the most comprehensive assessment as to why Coca-Cola® could have chosen the strategies it did. The reason the level of comprehensiveness is amplified is because a textual analysis allows external knowledge to be taken into consideration when making educated interpretations. A textual analysis also allows cultural information to influence the interpretations, making the interpretation a more in-depth analysis (McKee, 2003).

Sampling

The observations, U.S. newspapers and official Coca-Cola® communications, were collected through a search on the LexisNexis Academic database and the Coca-Cola® corporate website.

Each search on the LexisNexis Academic database was done under the “easy search” section. Then the “news” tab was selected. Under the news tab the “newspapers and wires” option was chosen. Then the box next to “U.S. newspapers and wires” was checked.

This portion of the LexisNexis Academic database searches through 575 independent sources. The sources that returned the most results were Associated Press, Associated Press Online, Associated Press State and Local Wire, Atlanta Journal-Constitution Birmingham News, Cox News Service, The Daily News (New York), New York Times, Pittsburgh Post-Gazette, PR Newswire, and University Wire.

Nine searches were conducted on the LexisNexis Academic database. To isolate the relevant data gathered on the LexisNexis Academic database, all 1,302 documents were put in chronological order. The aim was to eliminate duplicate articles. Articles that had the same date and source were further reviewed for matching headlines. If headlines matched, then author and word count were reviewed. If author and the word count were the same, the first paragraph was read to see if the content was duplicative. Any time documents matched, one article was kept and the duplicate(s) was/were discarded. Through this process, 818 duplicate documents were eliminated leaving 484 articles left.

Reducing the data from 484 to 160 documents was a three-step process. First, the headlines and the first five lines of all 484 documents were read for key terms which were separated into five groups. Typically, an entire news article is summarized in the first paragraph, and the first paragraph of both official Coca-Cola® communications and newspaper articles are at least five lines so this is why only the headlines and first five

lines were read at first (Arnold & Cook, 2010). The key terms and their groupings were selected because they appeared most frequently when preliminary searches were run. They are as follows (where applicable, all groups include the possessive form of the term): (1) Colombia, Colombian(s); (2) Sinaltrainal; (3) Coca-Cola®, Coke®; (4) labor union(s), trade union(s), unionist(s), union(s); and (5) paramilitary, paramilitaries. Finally, the headlines and the first five lines had to contain at least three key terms and each term had to come from a different group for the article to be accepted. At first, articles containing two terms from two separate groups were accepted, but these criteria returned too many irrelevant results. Changing the criteria to three terms dramatically reduced this number.

Next, the first 15 lines of all 160 articles were read. Fifteen lines was the chosen cut off point because in many communications and articles, this figure represented roughly half of the line count. Therefore, the relevance of the article could definitely be ascertained after reading this amount of content. Using the key terms and the groupings discussed in the previous paragraph, the lines were searched for at least four key terms. Four key terms were selected as the minimum because the usage of three terms still brought back irrelevant results. Again, each term had to come from a different group for the article to be accepted. This method reduced the number of documents from 160 to 61.

The 61 newspaper articles were then read for official quotes from Coca-Cola® personnel and statements attributed to Coca-Cola®. For this study, a quote is operationalized as a sentence or phrase enclosed in quotation marks and attributed to Coca-Cola® or a critic. A statement is operationalized as a sentence that is attributed

to Coca-Cola® or a critic. (i.e. “Coca-Cola® has said...”) This process reduced the number of articles from 61 articles to 45 which were kept for analysis.

Ten searches were conducted on the Coca-Cola® corporate website (<http://www.thecoca-colacompany.com>). The search terms that were used for the LexisNexis Academic search were the same terms that were used for the Coca-Cola® search, but an additional search was run using just the term ‘Colombia’. This search was added to ensure no relevant communications were missed. Altogether, the searches returned 186 communications. The URL of each publication was saved in a Word™ document. The text of each URL was singled out and compared to the remaining 185 URLs. If the URLs matched, meaning the entire URL that was isolated matched any of the 185 other URLs, then the duplicates were eliminated. This comparison reduced the data from 186 to 45. After the first reduction was made, all 45 URLs were opened and searched for key terms from the following five groupings: (1) Colombia, Colombian(s); (2) Sinaltrainal; (3) Coca-Cola®, Coke®; (4) labor union(s), trade union(s), unionist(s), union(s); and (5) paramilitary, paramilitaries. Any time one of the key terms appeared, the surrounding text was read for context to determine if the appearance was relevant to the objective of this study. This process reduced the 45 URLs to 28 publications suitable for a textual analysis.

Content Analysis Coding Sheet Construction

A coding sheet was developed to facilitate the analysis of the data. It was divided into four sections: source types’ information, competing voices, crisis type, and crisis responses by Coca-Cola® based on Coombs’ (2010b) SCCT. The first section began by recording each source’s identification number. Then the date the article was published was written down. The communication type and word count were also noted.

The absence or presence of the corporate voice and the critic's voice was recorded. Finally, the coder identified which crisis types and crisis responses were present in each observation.

Variables

This study had three independent variables (1) newspapers (2) official Coca-Cola® communications, and (3) date. There were thirty-one dependent variables (1) word count, (2) corporate quote, (3) corporate statement, (4) critic quote, (5) critic statement, (6) negative, (7) balanced, (8) positive, (9) natural disaster, (10) rumor, (11) workplace violence, (12) malevolence, (13) challenge, (14) technical error accident, (15) technical error product harm, (16) human-error accident, (17) human-error product harm, (18) organizational misdeed, (19) attack the accusers, (20) denial, (21) scapegoat, (22) excuse, (23) provocation, (24) defeasibility, (25) accidental, (26) good intentions, (27) justification, (28) reminder, (29) ingratiation, (30) compensation, and (31) apology.

The following paragraphs will offer conceptualizations of all dependent variables.

Conceptualizations

The word count is the number of words in the observation, excluding headlines and bylines. A quote is a sentence or phrase enclosed in quotation marks and attributed to Coca-Cola® or a critic. A statement is a sentence that is attributed to Coca-Cola® or a critic. (i.e. "Coca-Cola® said").

The terms negative, balanced, and positive were used to describe the tone of each observation. Tone was determined by reading each paragraph and classifying it as either positive or negative. Then the total number of positive and negative paragraphs was added up and compared. If there were more positive than negative paragraphs

then the observation was labeled positive and vice versa. If there were the same number of positive as negative paragraphs then the unit was considered balanced.

Negative is defined as the presence of words that indict or criticize Coca-Cola®.

Positive is operationalized as the presence of words that support or defend Coca-Cola®. Balanced is conceptualized as a source that has the same number of paragraphs with a favorable connotation as an unfavorable connotation.

The ten crisis types were conceptualized using Coombs' (2007b) definitions.

- NATURAL DISASTERS. Are “acts of nature such as tornadoes or earthquakes” (Coombs, 2007b, Table 6).
- MALEVOLENCE. Occurs when an “external agent causes damage to the organization” (Coombs, 2007b, Table 6).
- TECHNICAL ERROR ACCIDENT. Includes “equipment or technology failure that cause an industrial accident” (Coombs, 2007b, Table 6).
- TECHNICAL ERROR PRODUCT HARM. Describes “equipment or technology failure that cause a product to be defective or potentially harmful” (Coombs, 2007b, Table 6).
- HUMAN-ERROR ACCIDENT. Involve “industrial accident caused by human error” where as
- HUMAN-ERROR PRODUCT HARM. Describes situations where a “product is defective or potentially harmful because of human error” (Coombs, 2007b, Table 6).
- CHALLENGE. Is a “stakeholder claim that the organization is operating in an inappropriate manner” (Coombs, 2007b, Table 6).
- ORGANIZATIONAL MISDEED. Occurs when there are “management actions that put stakeholders at risk and/or violate the law” (Coombs, 2007b, Table 6).
- WORKPLACE VIOLENCE. Is an “attack by former or current employee on current employees on-site” (Coombs, 2007b, Table 6).
- RUMOR. Is “false and damaging information being circulated about your organization” (Coombs, 2007b, Table 6).

Coombs (2007b) was also the source for the crisis responses' definitions. The first response, attack the accusers occurs when the "crisis manager confronts the person or group claiming something is wrong with the organization" (Coombs, 2007b, Table 5). In the denial response a "crisis manager asserts that there is no crisis" (Coombs, 2007b, Table 5). When the scapegoat response is used the "crisis manager blames some person or group outside of the organization for the crisis" (Coombs, 2007b, Table 5). The excuse response is implemented when a "crisis manager minimizes organizational responsibility by denying intent to do harm and/or claiming inability to control the events that triggered the crisis" (Coombs, 2007b, Table 5). The subtypes of excuse are provocation, defeasibility, accidental, and good intentions. Provocation involves responses in which the crisis manager says the "crisis was a result of response to some one else's actions" (Coombs, 2007b, Table 5). The defeasibility response results when the crisis manager asserts that there was a "lack of information about events leading to the crisis situation" (Coombs, 2007b, Table 5). The accidental response asserts that there was a "lack of control over events leading to the crisis situation" (Coombs, 2007b, Table 5). When the good intentions response is used it will be claimed that the "organization meant to do well" (Coombs, 2007b, Table 5). Justification is the response type in which the "crisis manager minimizes the perceived damage caused by the crisis" (Coombs, 2007b, Table 5). The reminder response occurs when the "crisis managers tell stakeholders about the past good works of the organization" (Coombs, 2007b, Table 5). Ingratiation is implemented when the "crisis manager praises stakeholders for their actions" (Coombs, 2007b, Table 5). Compensation as a response is used when a "crisis manager offers money or other gifts to victims" (Coombs, 2007b, Table 5). Finally, the

apology response occurs when the “crisis manager indicates the organization takes full responsibility for the crisis and asks stakeholders for forgiveness” (Coombs, 2007b, Table 5).

Measurements

Coding was the primary method for answering the research questions and hypotheses presented in this study.

Research Question 1 and Hypothesis 1 were measured by identifying which crisis type(s) appeared most frequently overall in the units of analysis. Research Question 2 and Hypothesis 2 were measured in a similar manner. The number of times each crisis response was present overall determined how the crisis response was described.

Research Question 3, Hypothesis 3, and Research Questions 4 were measured by comparing how many times the corporate voice was present overall versus how many times the critics’ voices were present. To measure the second portion of Research Questions 3 and 4, each paragraph of each article was marked as positive or negative. The number of positive and negative paragraphs was tallied at the end of each source. If there were more positive than negative paragraphs then the observation was considered positive and vice versa. Source types were only described as balanced if there were an equal number of positive and negative paragraphs.

Research Question 5 and Hypothesis 5 were measured by identifying the crisis responses in Coca-Cola’s® official crisis communications and counting these responses to determine the top three. The crisis responses cited in U.S. newspapers followed the same process. A comparison of the top three strategies of each source type determined if the same strategies were highlighted in each communication.

Intercoder Reliability

Intercoder reliability was calculated between the researcher and another graduate student who served as the second coder. A codebook was made to define all relevant terms, and the coder was trained to ensure her understanding of each term. Ten percent of the data collected was isolated for both coders to code. Both coders filled out the coding sheet which included sections on crisis types and crisis responses. For these sections coders marked 0 absence and 1 for presence. Once both coders completed coding the sample, Holsti's method, $PA_o = 2A/(n_A + n_B)$, was used to calculate the percentage of agreement (Neuendorf, 2002). A minimum of .80 agreement is required for coding to be deemed reliable, which the researcher and coder achieved at .96 agreement.

Data Analysis

Data was analyzed using the Statistical Package for the Social Sciences for Windows™ (SPSS v. 19). Descriptive statistics were run to explain and summarize the characteristics of the 31 dependent variables in the 73 observations. Cross-tabulations with chi-square tests were run to see if statistically significant relationships existed between the crisis types and the types of communication as well as the crisis responses and the source types. Lastly, Analysis of Variance (ANOVA) was used to determine if there was a significant difference between the independent variables (source type) and the length of the observations.

Table 3-1. LexisNexis search term results

Term(s)	Documents Returned
Sinaltrainal	75
Sinaltrainal, Coca-Cola®	67
Paramilitaries, Colombia, Coca-Cola®	223
Labor unions Colombia, Coca-Cola®	305
Sinaltrainal, Coke®	57
Paramilitaries, Colombia, Coke®	192
Labor unions, Colombia, Coke®	275
Trade unions, Colombia, Coke®	47
Trade union, Colombia, Coca-Cola®	51
Total	1,302

CHAPTER 4 FINDINGS

Research Question 1

Using the information presented in official Coca-Cola® communications and newspapers, how can the crisis Coca-Cola® experienced be classified using the crisis types derived from Coombs' Situational Crisis Communication Theory?

Ten crisis types from Coombs' (2010b) Situational Crisis Communication Theory were identified. Frequencies and cross tabulations with chi-square were run on each crisis type to test for significance. Figure 4-1 and Table 4-1 show the results of these analyses. For a crisis type to be considered significant it had to have an alpha score less than or equal to .05 ($\alpha = > .05$).

Only four of the 10 crisis types appeared in the source type. They are challenge (59%, N = 43), organizational harm (58%, N = 42), rumor (40%, N = 29), and human error product harm (3%, N = 2). See Figure 4-1.

Table 4-1 demonstrates how many times crisis as an overall concept was present in the source type. The results indicate that crisis appeared in 100% (N = 45) of newspaper articles and 36% (N = 10) Coca-Cola® communications. The chi-square in Table 4-1 shows that there is a significant relationship between crisis and the source type [$\chi^2 (1, N = 73) = 38.40; p = .000$]. This means that the presence of crisis was apparent in both newspapers and Coca-Cola® communications.

Each crisis type was individually tested against both newspapers and Coca-Cola® communications. The dependent variables, natural disasters, workplace violence, malevolence, technical error accident, technical error product harm and human error

accident were explored, but no statistical relationships were found. These crisis types were absent because they did not apply to the Coca-Cola® crisis.

Human error product harm and rumor both appeared in the source types but did not generate statistically significant relationships. This means that although these crisis types were present, the presence was not notable. Human error product harm appeared in 4% (N = 2) of newspapers. As seen in Table 4-1, the chi-square score for human error product harm was not conducted because it not have enough observations to run the analysis. Rumor was present in 26% (N = 19) of newspaper articles and 36% (N = 10) of Coca-Cola® communications. The chi-square score for rumor was [χ^2 (1, N = 73) = .31; p = .581].

Two crisis types showed a statistically significant relationship with the source types. They are challenge and organizational misdeed. Both of these crisis types appeared only in newspapers. Challenge appeared in 43 newspaper articles (59%), and as depicted in Table 4-1, its chi-square was [χ^2 (1, N = 73) = 65.11; p = .000]. This score indicates that challenge had a very noticeable presence in newspapers. Organizational misdeed appeared in 58% (N = 42) of newspaper articles. The chi-square for organizational misdeeds was [χ^2 (1, N = 73) = 61.54; p = .000], which means that its presence was also very prominent in newspapers.

Research Question 2

Using the information presented in official Coca-Cola® communications and newspapers, how can Coca-Cola's® response be described using the crisis responses identified in Coombs' Situational Crisis Communication Theory? How can Coca-Cola's® most frequently used crisis response(s) be categorized using the aforementioned theory?

Thirteen crisis responses were derived from Coombs' Situational Crisis Communication Theory. Frequencies and cross tabulations with chi-square were run on all crisis responses to test for significance. For a crisis response to be considered significant, it had to have an alpha score less than or equal to .05.

Of the 13 crisis responses, 10 were present in the observations as Figure 4-2 and Table 4-2 show. They are denial (66%, N = 48), reminder (37%, N = 27), attack the accusers (23%, N = 17), excuse (23%, N = 17), scapegoat (21%, N = 15), accidental (16%, N = 12), ingratiation (8%, N = 6), compensation (3%, N = 2), defeasibility (1%, N = 1), and justification (1%, N = 1).

The association between provocation, good intentions, and apology was explored but no statistically significant relationship was found.

There were five crisis responses that had a presence in the source types, but did not have a significant statistical relationship with the independent variables. The first response, attack the accusers, was present in 29% (N = 13) of newspapers and 14% (4) of Coca-Cola® communications. The chi-square for attack the accusers was [$\chi^2 (1, N = 73) = 2.06; p = .151$], which means this crisis type did not have a significant presence in the type of communication. Defeasibility in 2% (N = 1) of newspapers only. Its chi-square score was [$\chi^2 (1, N = 73) = .63; p = .427$], which shows that defeasibility did not have a significant presence in newspapers or Coca-Cola® communications (Table 4-2). Justification was present in 2% (N = 1) of newspapers. Its chi-square was [$\chi^2 (1, N = 73) = .63; p = .427$], which indicates that justification did not have a noticeable presence in the communications studied. Ingratiation appeared 7% (N = 3) of newspapers and 11% (N = 3) of Coca-Cola® communications. Its chi-square was [$\chi^2 (1, N = 73) = .38; p =$

.540], demonstrating that ingratiation did not have a strong presence in the types of communication. Lastly, compensation appeared in 2% (N = 1) of newspapers and 4% (N = 1) of Coca-Cola® communications. Compensation had a chi-square of [χ^2 (1, N = 73) = .12; p = .731] which indicates that compensation did not have a notable presence in Coca-Cola® communications.

There were five crisis responses that had significant statistical relationships with the source types. The first one, denial, was present in 89% (N = 40) of newspapers and 29% (N = 8) of Coca-Cola® communications. Its chi-square was [χ^2 (1, N = 73) = 27.89; p = .000], which demonstrates that denial had a very significant presence in both newspapers and Coca-Cola® communications. This result may be seen in Table 4-2. Reminder appeared in 11% (N = 5) of newspapers and 79% (N = 22) of Coca-Cola® communications. Reminder had a chi-square of [χ^2 (1, N = 73) = 33.70; p = .000], showing that it also had a very significant presence in both sources. Scapegoat was present in 29% (N = 13) of newspapers and 7% (N = 2) of Coca-Cola® communications. Its chi-square was [χ^2 (1, N = 73) = 5.00; p = .025]. This score means that scapegoat had a small but noticeable presence in both newspapers and Coca-Cola® communications. Accidental was present in 24% (N = 11) of newspapers and 4% (N = 1) of Coca-Cola® communications. The chi-square for accidental was [χ^2 (1, N = 73) = 5.48; p = .019], which indicates that accidental and the source type had a significant relationship. Finally, excuse had a presence in 31% (N = 14) of newspapers and 11% (N = 3) of Coca-Cola® communications. The chi-square for excuse is [χ^2 (1, N = 73) = 4.02; p = .045]. This result was very close to the rejection threshold of .05, which means excuse's presence is questionable but still considered significant.

Research Question 3

What are the most prominent voices, in terms of corporate voice versus critics' voices, included in the news coverage of Coca-Cola's® crisis? Can these voices be described as positive, negative, or balanced?

The researcher initially identified two main categories of voices: critic(s) voice(s) and the corporate voice (or Coca-Cola's® voice). Further reading of the source types created two subtypes for each voice: quotes and statements. Frequencies and cross tabulations were run to test the significance of each voice in the observations. For a voice to have a significant presence in each communication type, it had to have an alpha score less than or equal to .05.

As Figure 4-3 illustrates, the corporate voice as a whole was present in 72 (99%) of the observations. Corporate quote was noted in 36 (49%) communications where as corporate statement appeared in 57 (78%) of the source types. The critic voice as a whole was present in 49 (67%) of the communications. The critic quote was present in 36 (49%) communications, and the critic statement was published in 43 (59%) of the observations.

The corporate voice appeared in 98% (N = 44) of newspaper articles as Table 4-3 shows. The corporate quote appeared in 64% (N = 29) of newspaper articles, and the corporate statement appeared in 87% (N = 39) of the same communication. The critic voice was also present in 98% (N = 44) of newspaper articles. When broken down, the critic quote was published in 80% (N = 36) of the articles while critic statement appeared in 98% (N = 40) of the same communication.

In official Coca-Cola® communications, the corporate voice as a whole appeared 100% (N = 28) of the time. The corporate quote was present in 25% (N = 7) of the

corporate communications and the corporate statement was published in 64% (N = 18) documents. The critic voice as a whole appeared in 18% (N = 5) of the communications. Critic quotes were present in 0% (N = 0) of official Coca-Cola® communications, and critic statements were published in 11% (N = 3) publications (Table 4-3).

As Table 4-3 illustrates, the chi-square for the corporate voice was [χ^2 (1, N = 73) = .631; p = .427], which is not significant. This means that the presence of the corporate voice was not related to the observations. The chi-square for the corporate quote was [χ^2 (1, N = 73) = 10.74; p = .001]. The alpha score indicates that the presence of the corporate quote varied by the type of communication. The chi-square for corporate statement was [χ^2 (1, N = 73) = 5.05; p = .025], which shows that there is a somewhat significant relationship between the presence of the corporate statement and the type of communication. The chi-square for the critic voice was [χ^2 (1, N = 73) = 49.96; p = .000], proving the presence of the critic voice was very strongly related to the type of communication. The chi-square for the critic quote was [χ^2 (1, N = 73) = 44.195; p = .000]. The alpha score also shows a very significant relationship between the critic quote and both newspapers and Coca-Cola® communications. Lastly, the chi-square for the critic statement was [χ^2 (1, N = 73) = 43.575; p = .000]. The score indicates that the presence of the critic statement was very strongly related to the type of communication.

A one-way ANOVA was run to test if there was a significant relationship between source type and tone (Table 4-4, Figure 4-4). A significant relationship was found between the tone and the source type [$F(1, 70) = 328.850, p = .000$]. The p-value

between negative articles and source type was .000. The p-value between positive and source type was .000. These results mean that the source type impacted the tone.

The chi-square for tone as it relates to the source type is depicted in Table 4-5. The score was [$\chi^2 (1, N = 73) = 65.11; p = .000$], proving that the tone had a very strong relationship with the source type.

Research Question 4

How noticeable was Coca-Cola's® corporate voice in news coverage pertaining to the Sinaltrainal controversy and is the tone positive, negative, or balanced?

The corporate voice appeared in 99% (N = 72) of the communications (Figure 4-3). As Table 4-3 shows, 98% (N = 44) of these instances were in newspapers, and 100% (N = 28) were in Coca-Cola® communications. These results demonstrate that Coca-Cola's® voice was very prominent in both newspapers and Coca-Cola® communications.

Table 4-5 illustrates that the negative tone was present in 51% of the publications (N = 37). The balanced tone appeared in 8% (N = 6) of the sources, and the positive tone was present in 41% (N = 30) of the communications. Because the negative tone appeared most frequently, the tone in the news coverage toward Coca-Cola® can be described as negative.

Research Question 5

Using the crisis responses discussed in Coombs' Situational Crisis Communication Theory, how can the crisis response(s) from Coca-Cola's® official crisis communications be compared to U.S. newspapers' portrayal of Coca-Cola's® crisis response (same or different)?

The presence of Coombs' 13 crisis responses in each observation was measured using a frequency test. The results in Table 4-2 show that newspapers published 10 of the 13 crisis responses and Coca-Cola® communications contained eight of the crisis responses. The responses present in the newspapers were denial (89%, N = 40), excuse (31%, N = 14), attack the accusers (29%, N = 13), scapegoat (29%, N = 13), accidental (24%, N = 11), reminder (11%, N = 5), ingratiation (7%, N = 3), defeasibility (2%, N = 1), justification (2%, N = 1), and compensation (2%, N = 1). The Coca-Cola® communications implemented reminder (79%, N = 22), denial (29%, N = 8), attack the accusers (14%, N = 4), excuse (11%, N = 3), ingratiation (11%, N = 3), scapegoat (7%, N = 2), accidental (4%, N = 1), and compensation (4%, N = 1).

The top three crisis responses present in newspaper articles were denial, excuse, and attack the accusers. Coca-Cola® communications implemented reminder, denial, and attack the accusers. The frequency distribution in Table 4-2 shows that denial was used far more frequently in newspapers than in Coca-Cola® communications. The main strategy Coca-Cola® used was reminder. Although both communications had attack the accusers in common, this response had more appearances in newspapers. These results indicate that the crisis responses were not the same in the source types.

Additional Findings

A one-way ANOVA was run to compare the effect of tone on word count in negative, balanced, and positive conditions. As Table 4-6 and Figure 4-4 show, tone had a significant effect on word count at the $p \leq .05$ level for the three conditions [$F(2,70) = 3.77$; $p = .028$]. This means that word count varied due to tone. More specifically, as word count increased, the article became more negative.

An independent-samples t-test was conducted to also evaluate if a significant relationship existed between word count and the source type. The results in Table 4-7 show that there was a statistically significant relationship between the word count and newspaper (M = 644.93, SD = 418.84) as well as word count and Coca-Cola® communications (M = 405.54, SD = 360.01); $t(71) = 2.492, p = .015$. This means that word count varied with the source type. The effect size was also calculated using the formula for Cohen's standard, $d = x_1 - x_2 / s$. The score was .590, which means the effect size is medium.

Finally, a bar graph was created to assess when the most coverage occurred. Figure 4-5 indicates that there were five dates which saw an increase in news coverage. They are July 20, 2001; April 2, 2003; January 19, 2006; January 25, 2006; October 4, 2006.

Hypothesis 1

Organizational misdeeds will be the crisis type most frequently used to describe the Coca-Cola® controversy. With a chi-square of $[\chi^2(1, N = 73) = 61.54]$ and a significance level of .000, organizational misdeed had a very significant presence in the communications. However, challenge had a chi-square of $[\chi^2(1, N = 73) = 65.11]$ and a significance level of .000, making it also a frequently used crisis type. Therefore, Hypothesis 1 is partially supported.

Hypothesis 2

Coca-Cola® will use denial more than any other crisis response. With a chi-square of $[\chi^2(1, N = 73) = 27.89]$ and a significance of .000, denial was the crisis response most frequently used by Coca-Cola®. Consequently, Hypothesis 2 is supported.

Hypothesis 3

Coca-Cola's® voice will be more prominent than critics' voices. The corporate voice had a chi-square of $[\chi^2 (1, N = 73) = .631]$ and a significance of .427. The corporate quote had a chi-square of $[\chi^2 (1, N = 73) = 10.74]$ and a significance of .001. The corporate statement had a chi-square of $[\chi^2 (1, N = 73) = 5.05]$ and a significance level of .025. The critic voice had a chi-square of $[\chi^2 (1, N = 73) = 49.96]$ and a significance level of .000. The critic quote had a chi-square of $[\chi^2 (1, N = 73) = 44.20]$ and a significance level of .000. The critic statement had a chi-square of $[\chi^2 (1, N = 73) = 43.58]$ and a significance level of .000. These scores indicate that the critic voice, critic quote and critic statement had a stronger presence in the source types than their corporate counterparts. Hence, Hypothesis 3 is rejected.

Hypothesis 4

The media coverage of the Coca-Cola® crisis will be primarily positive. The ANOVA between tone and source type shows that the negative tone and newspapers had a significant relationship. Hence, Hypothesis 4 is rejected.

Hypothesis 5

The crisis responses presented in official communications from Coca-Cola® will be the same as the U.S. newspapers' portrayal of Coca-Cola's® crisis responses. Denial $[\chi^2 (1, N = 73) = 27.89]$, attack the accusers $[\chi^2 (1, N = 73) = 2.06]$, and scapegoat $[\chi^2 (1, N = 73) = 5.00]$ were the most prevalent crisis responses in newspapers. Refer to Table 4-2. In Coca-Cola® communications, reminder $[\chi^2 (1, N = 73) = 33.70]$, denial $[\chi^2 (1, N = 73) = 27.89]$, and attack the accusers $[\chi^2 (1, N = 73) = 2.06]$ were the most common crisis responses. The fact that there was at least one

difference in response (scapegoat and reminder) and differences in the frequencies of the common responses, denial and attack the accusers, Hypothesis 5 is rejected.

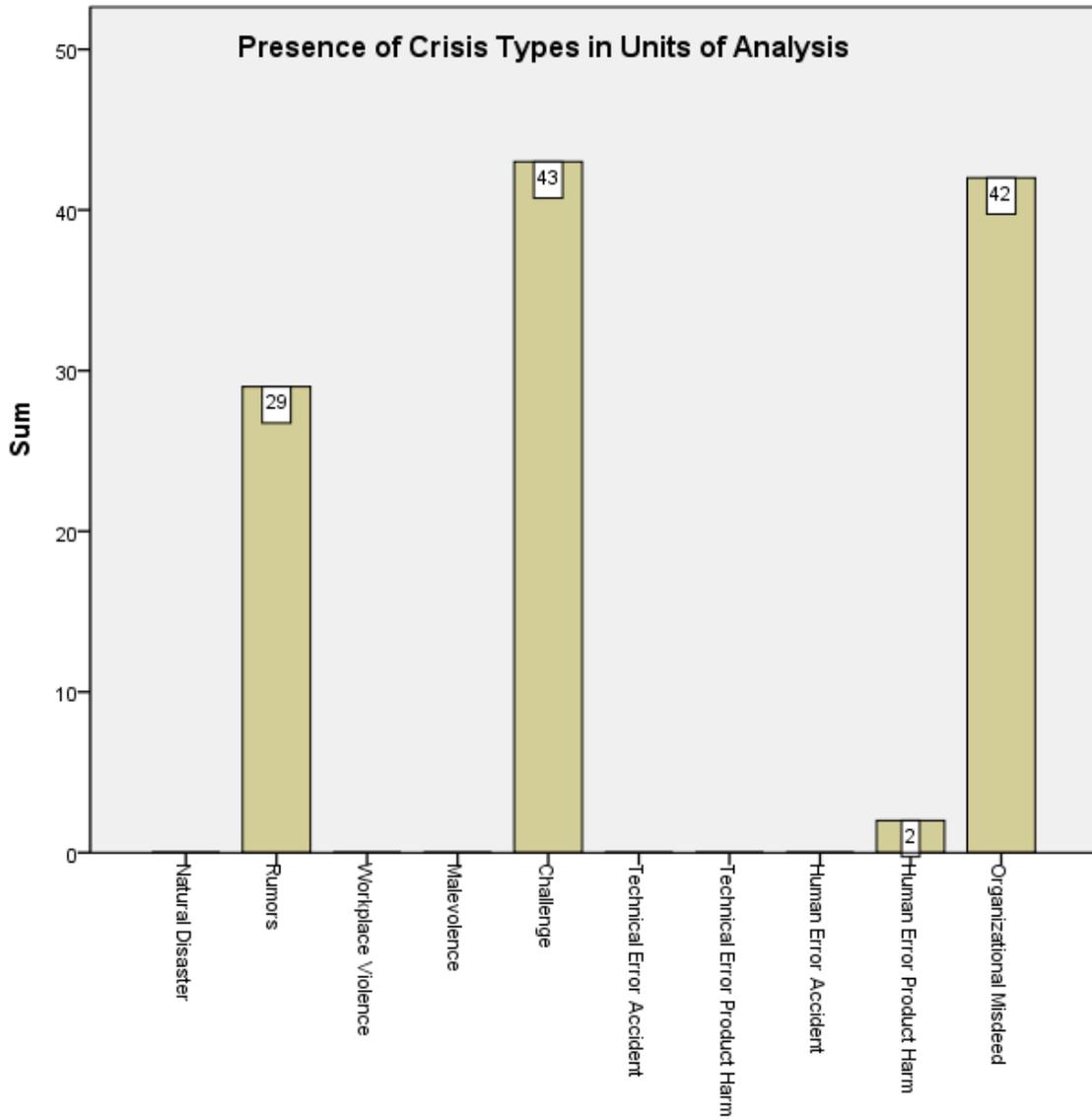


Figure 4-1. Bar graph illustrating the crisis types that were present in the source types

Presence of Crisis Responses in Units of Analyses

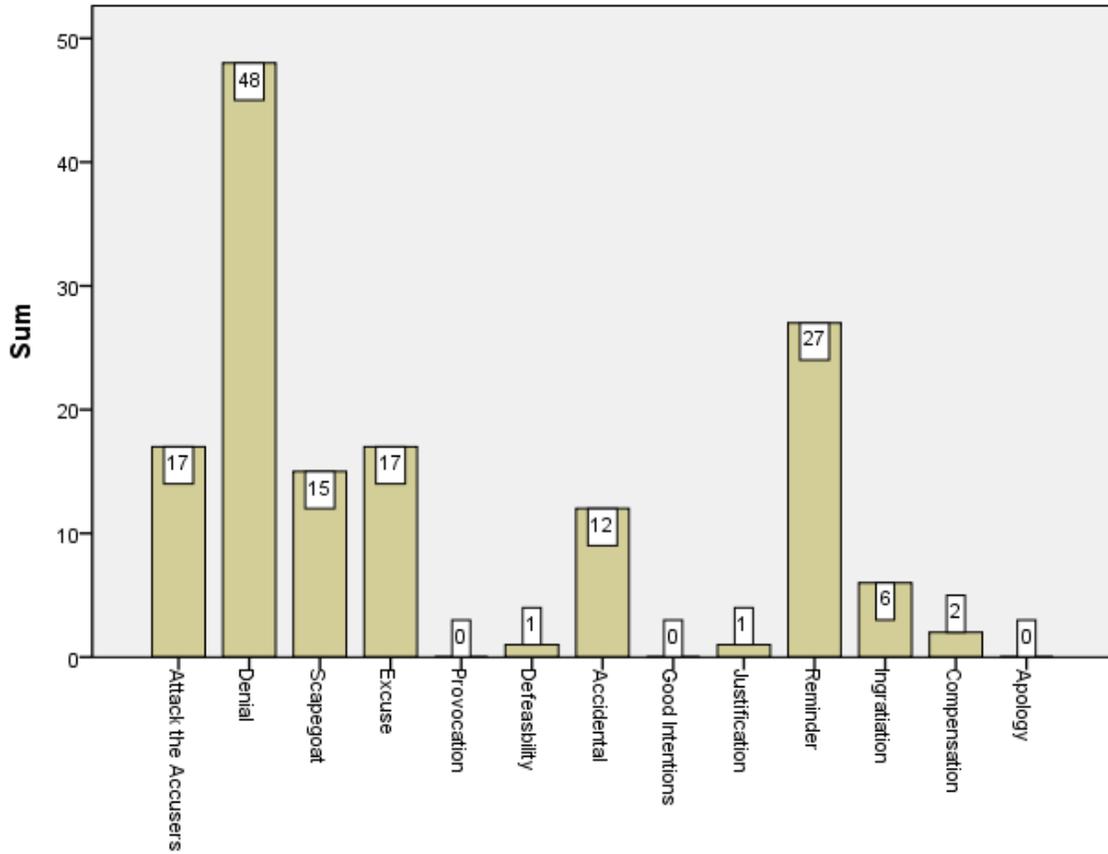


Figure 4-2. Bar graph illustrating the presence of crisis responses in the source types

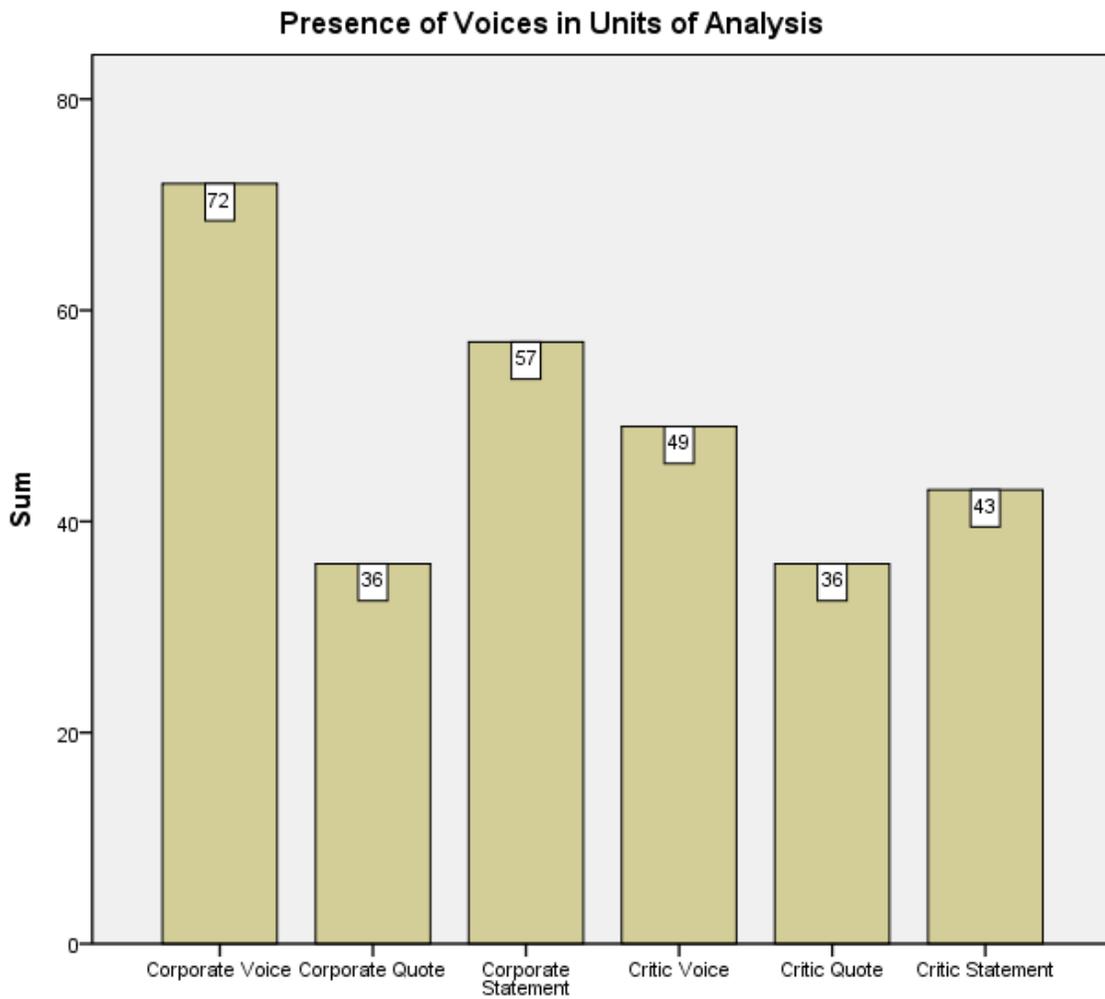


Figure 4-3. Bar graphs illustrating the presence of the corporate voice and critic voice in the source types

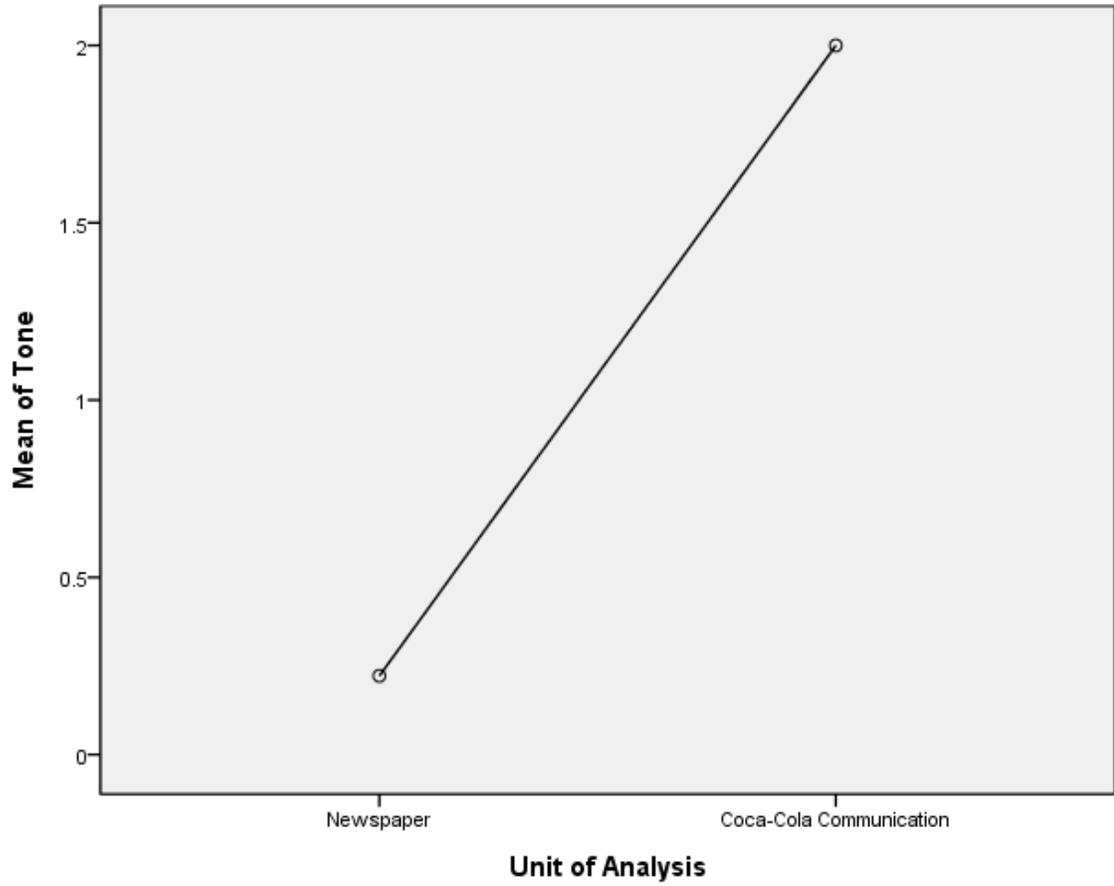


Figure 4-4. Illustration of the relationship between tone and source types

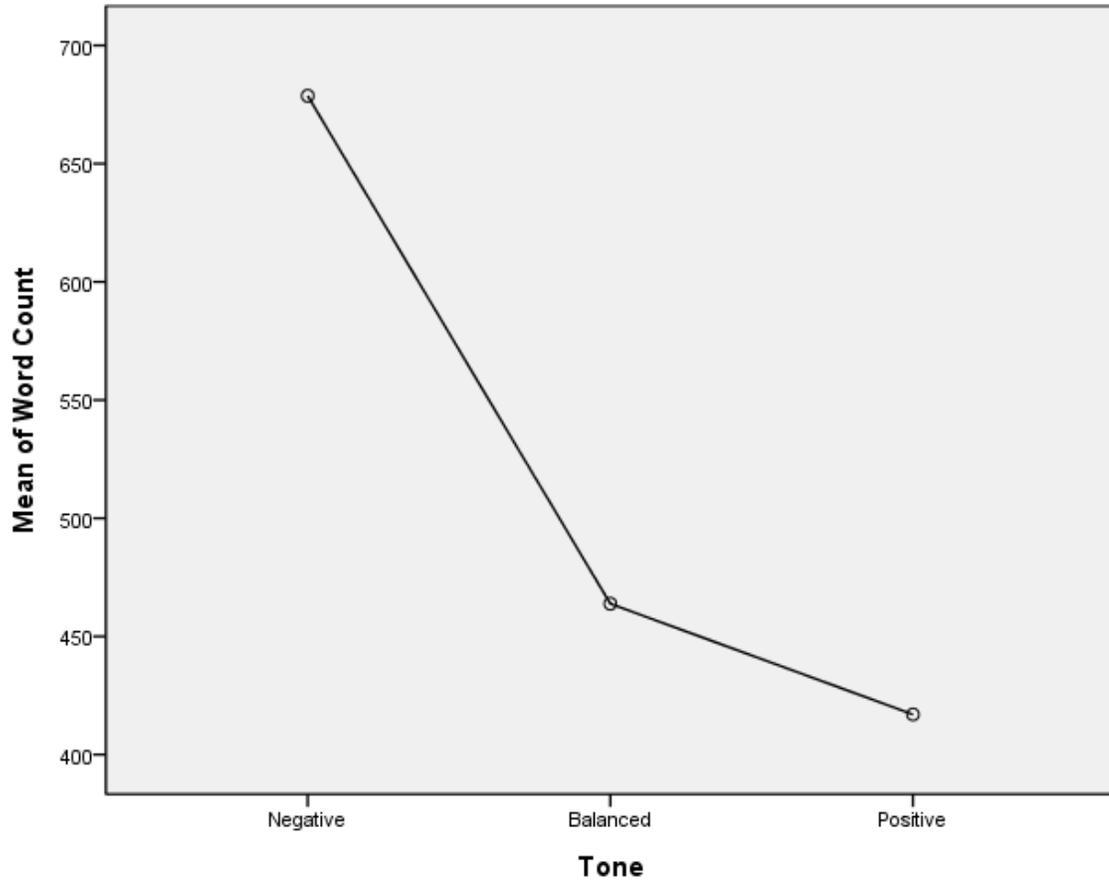


Figure 4-5. Illustration of the relationship between tone and word count

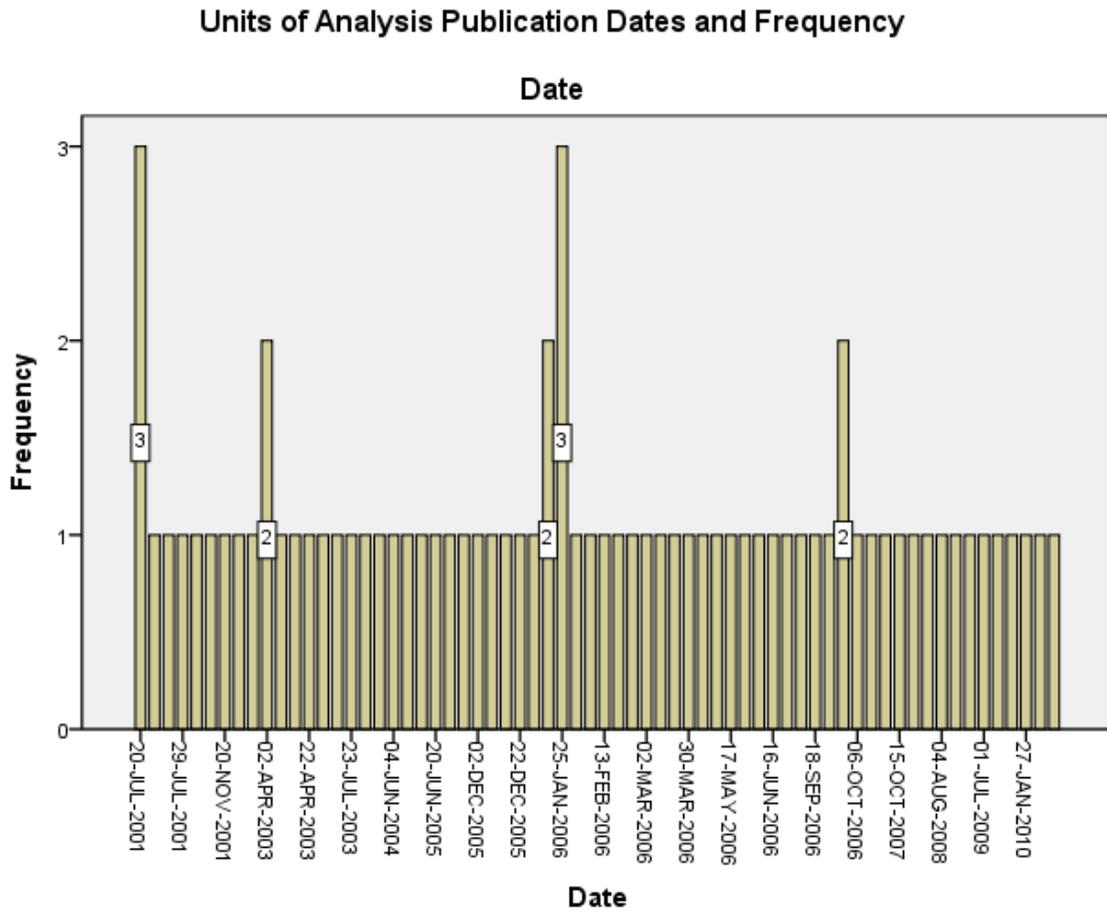


Figure 4-6. Bar graph illustrating the source types' publication date and how many communications were published on those days

Table 4-1. Frequency and significance of the crisis types in the source types

Crisis Type	Newspaper (N = 45)	%	Coca Cola Comm. (N =28)	%	χ^2 (1, N = 73)	($\alpha = \geq .05$)
Crisis	45	100	0	36	38.40	.000
Human Error	2	4	0	0	1.28a	.258
Product Harm						
Rumors	19	26	10	36	.31	.581
Challenge	43	59	0	0	65.11	.000
Organizational Misdeed	42	58	0	0	61.54	.000

Table 4-2. Frequency and significance of the crisis responses in the source types

Crisis Response	Newspaper (N = 45)	%	Coca-Cola® Comm. (N = 28)	%	χ^2 (1, N = 73)	($\alpha = \geq .05$)
Attack the Accusers	13	29	4	14	2.06	.151
Defeasibility	1	2	0	0	.63	.427
Justification	1	2	0	0	.63	.427
Ingratiation	3	7	3	11	.38	.540
Compensation	1	2	1	4	.12	.731
Denial	40	89	8	29	27.89	.000
Scapegoat	13	29	2	7	5.00	.025
Accidental	11	24	1	4	5.48	.019
Reminder	5	11	22	79	33.70	.000
Excuse	14	31	3	11	4.02	.045

Table 4-3. Frequency and significance of corporate and critic voices in the source types

Voice	Newspapers (N = 45)	%	Coca-Cola® Comm. (N = 28)	%	χ^2 (1, N = 73)	($\alpha = \geq .05$)
Corporate Voice	44	98	28	100	.631	.427
Corporate Quote	29	64	7	25	10.74	.001
Corporate Statement	39	87	18	64	5.05	.025
Critic Voice	44	98	5	18	49.96	.000
Critic Quote	36	80	0	0	44.20	.000
Critic Statement	40	98	3	11	43.58	.000

Table 4-4. Relationship between tone and source types

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	54.551	1	54.551	328.850	.000
Within Groups	11.778	71	.166		
Total	66.329	72			

Table 4-5. Frequency and significance of tone in the source types

Tone	Newspaper (N = 45)	Coca-Cola® Comm. (N = 28)	Total	χ^2 (1, N = 73)	($\alpha = \geq .05$)
Negative	37	0	37	65.11	.000
Balanced	6	0	6	65.11	.000
Positive	2	28	30	65.11	.000

Table 4-6. Relationship between word count and tone

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1187209.684	2	593604.842	3.773	.028
Within Groups	1.101E7	70	157313.579		
Total	1.220E&	72			

Table 4-7. Group statistics for word count as it relates to the source types

	Mean	Standard Deviation	Degrees of Freedom	Significance
Newspaper	644.93	418.84	71	.015
Coca-Cola® Comm.	405.54	360.01		

CHAPTER 5 DISCUSSION

This study was conducted to evaluate how a multinational company responds to its home public when a crisis originating in a foreign country becomes major news.

Summary of the Coca-Cola® Crisis

In December of 1996, a Coca-Cola® worker named Isidro Segundo Gil was shot at the gates of a Colombian bottling plant. His killers were right-wing paramilitaries who allegedly had an agreement with the plant's management: terrorize unionists and prevent them from organizing and receive compensation. Unionists who witnessed Gil's death as well as those who were members of his union, Sinaltrainal, sought solidarity with union workers in the United States who eagerly rallied behind them. Through the assistance of U.S. unionists, Sinaltrainal was able to bring a lawsuit against Coca-Cola® and its Colombian bottlers. Meanwhile, labor activist Roy Rogers started the Campaign to Stop Killer Coke which raised awareness about Sinaltrainal's plight on college campuses. Students responded to the campaign by demanding that their universities end their contracts with Coca-Cola®. After high-profile universities such as the University of Michigan and New York University terminated these contracts, Coca-Cola® launched a public relations strategy meant to clear its name in the court of public opinion and protect its reputation.

Summary of Crisis Types Used to Portray the Coca-Cola® Case

The Findings reveal that the top three crisis types in order of frequency were challenge, organizational misdeed, and rumor (Figure 4-1). These were used to describe the Coca-Cola® case because they were the only applicable crisis types.

Challenge was the most popular crisis type, and it was only used in newspapers. Organizational misdeed was the second most popular crisis type, and it also only appeared in newspapers. These crisis types were probably mentioned in newspapers and not Coca-Cola® communications because they both attribute some level of blame to the corporation. Newspapers have at least two major interests in reporting news where a well-known corporation is accused of wrongdoing. The first interest involves social responsibility, or the newspapers' duty to publish news that is in the public's best interest. As the allegations were never proven to be false, it was incumbent upon the media to present the allegations in all its derivative forms. This includes the possibility that Coca-Cola® was guilty of conspiring with paramilitaries. The second interest is fiscal as reporting salacious news about a prominent corporation is likely to generate a lot of public interest. The heightened interest would increase readership and consequently, profits. Because newspapers ultimately exist to make a profit, portraying the crisis as a challenge or an organizational misdeed would benefit the newspaper.

Text that supports the characterization of the crisis as a challenge proved abundant. For example, the Boston Herald reported that Ray Rogers, the founder of the Campaign to Stop Killer Coke, "has spent years trying to make the Coca-Cola Co. take responsibility for what he says are a series of 'gruesome' labor-related murders in Colombia, where the international giant has bottling plants" (McConville, 2010, ¶ 2). This quote names a specific individual with an interest in Coca-Cola® and discusses the situation which he believes demonstrates that the corporation is not operating as it should.

This characterization balances the interests of the competing voices as it refrains from indicting Coca-Cola® by attributing the claims to an independent source and including words that express uncertainty about the claims. Thus, allegations that could damage Coca-Cola's® reputation are made public (critic interest), but they are never confirmed or advanced (corporate interest).

The accommodation of both voices demonstrates the journalists' desire to follow the journalistic value of objectivity. As neither side is fully supported by the newspapers, it would appear that the status quo remains unchanged. Coca-Cola® remains a multinational corporation facing accusations of wrongdoing rather than an unethical multinational or a victim of activists' agendas. Similarly, those bringing the allegations remain activists rather than instigators or champions of social justice. Because change either way is not encouraged and Coca-Cola® maintains its status, Herman's (2000) assertion that objectivity supports corporate interests and in effect conservative ideology is supported.

The second most popular crisis type described in the source types was organizational misdeed. This crisis type is defined as "management actions that put stakeholders at risk and/or violate the law" (Coombs, 2007b, Table 6). Lawsuits against a corporation for its alleged wrongdoing are an example of organizational misdeed, which makes this crisis type sound similar to challenge. Although subtle, there is a distinction between the two types. An organizational misdeed identifies "management actions" as essential to the definition (Coombs, 2007b, Table 6). What this implies is that the actions were deliberate so the corporation can justifiably be blamed. In contrast, challenge describes "stakeholder claims" which creates uncertainty as to whether or not

these claims are true, making it difficult to ascribe blame to the corporation (Coombs and Holladay, 2002). Journalists who wrote articles using organizational misdeed are condemning Coca-Cola® instead of dismissing or minimizing the allegations. This demonstrates that corporations are not always supported by news agencies.

Figure 4-1 and Table 4-1 show that natural disasters, technical error accident, technical error product harm, human-error accident, workplace violence, and malevolence had no presence in the observations and hence no significance. These crisis types were absent because they did not apply to the Coca-Cola® crisis.

Coca-Cola® communications refrained from portraying the crisis as either a challenge or an organizational misdeed because the corporation had no interest in blaming itself for a tragic situation. If it would have done so, it could have encouraged lawsuits and negative publicity, both of which would have hurt the corporate reputation and profits.

Rumor was the third most popular crisis type, and it was mainly used in Coca-Cola® communications. It was probably employed by Coca-Cola® because the rumor crisis type is the only one of the three applicable types that does not ascribe blame to the corporation. If blame for a crisis cannot be attributed to an organization, then the corporate reputation will not be threatened. Rumor probably appeared in a few newspaper articles because those newspapers either had some sort of relationship with Coca-Cola®, which could have been jeopardized if the newspaper had implicated the corporation, or they did not believe the corporation was guilty.

Summary of Coca-Cola's® Crisis Responses

Denial as the Primary Response

Based on the information contained in newspapers and official Coca-Cola® communications, the crisis response that Coca-Cola® used the most was denial. Coombs (2007a) suggests that denial is the strongest way to distance a corporation from negative allegations because it severs the link between the crisis and the corporation. Once the connection is gone, then the public will not assign blame to the corporation. Without blame, the corporate reputation does not suffer. Since Coca-Cola® wanted to protect its reputation as much as possible, denial is the best strategy for it to use, especially when the allegations could not be definitely proven.

Denial was used in various ways by the beverage giant. At the beginning of the crisis, the corporation denied the allegations by calling them false and asserting that Coca-Cola® had no connection to the tragedy. As time went on, Coca-Cola® adjusted its message by refusing to claim ownership of the bottlers while emphasizing the contractual nature of their relationship. By doing so, Coca-Cola® could explain its connection to the bottlers while showing that it did not legally control the bottlers' actions. This adjustment probably occurred because it was undeniable that Gil had been murdered on a Coca-Cola® bottler's premises, so the public may not have believed that there was no link between the bottler and the paramilitaries. Coca-Cola® would have had to find a strategy that is credible in order to protect its reputation.

It is interesting to note that denial appeared mostly in newspaper articles rather than Coca-Cola® communications. This is probably because newspapers have access to large groups of people that Coca-Cola® could not reach on its own. If Coca-Cola®

wanted to protect its reputation and prevent people from believing the allegations then it would make sense to use denial in the media.

Evidence that supports denial's presence is as follows. A Coca-Cola® communication asserted "the claims in the suit filed against The Coca-Cola Company and two bottlers in Colombia are inaccurate and based on distorted versions of events" ("Miami court dismisses Colombia lawsuit," 2006, ¶ 3). A similar communication proclaimed, "The allegations made against us in Colombia are absolutely false and they are repugnant to all of us at The Coca-Cola Company" ("Notice of annual meeting of shareowners," 2006, p. 65, ¶ 4).

These quotes contain strong words like 'repugnant' and 'distorted' and phrases such as 'it goes without saying' and 'do not reflect the facts' which attempt to create as much distance between Coca-Cola® and the allegations as possible. The choice of words also suggests the corporation's confidence in its innocence. Consumers may be assured by this confidence and as a result support Coca-Cola®.

Coca-Cola® probably refrained from using denial as much in its own communications because if a consumer is making the effort to access the corporation's website, it is probably because they want to hear more about Coca-Cola's® perspective than what is given in the media. This is the perfect opportunity for the corporation to draw attention away from the negative accusations and direct it towards positive messages. Then the consumer can repeat these messages to the people he or she interacts with, which could counter the effects of negative publicity.

Additional Responses

The denial response was supplemented with excuse, accidental, scapegoat, and attack the accusers. These four crisis responses are related as they all involve

removing the blame from the corporation and directing it to a third party or extraneous circumstances. When Coca-Cola® blamed Colombia's political environment for Gil's death or asserted that it was not responsible because it did not own the subsidiaries, it was using excuse, accidental, and scapegoat.

Excuse and accidental both involve a corporation claiming that it could not control the circumstances that caused the crisis. If Coca-Cola® could get the public to believe that the violent political environment was responsible for the murder, then it would be absolved from any culpability because no logical person would assert that Coca-Cola® is responsible for Colombia's civil unrest. If Coca-Cola® could convince people that it merely contracted with the subsidiaries but did not directly control them, then again, the corporation would not be blamed.

Blaming Colombia's political situation and emphasizing the nature of a contractual relationship were also examples of scapegoat as this response entails placing responsibility for the crisis on an independent third party. If the outside party receives the blame, then the corporation does not have to worry about its reputation being threatened.

Attack the accusers was also used to supplement denial when Coca-Cola® argued that the unionists and their allies were using the corporation's name in the lawsuit to attract attention and advance their own political agenda. By employing this strategy, the responsibility for the crisis was deflected away from Coca-Cola® and placed on the critics' shoulders. If the public accepts this strategy then Coca-Cola's® reputation remains intact.

Provocation was not present in any of the observations because it involves claiming responsibility for the crisis while asserting that the crisis was the result of someone else's actions. This response would not appeal to Coca-Cola® because it admits involvement in the crisis, and Coca-Cola® did not want any link to it as evidenced by its frequent use of denial. Similarly, good intentions and apology also admit responsibility for the crisis, which explains why these responses did not appear.

The following crisis responses did not have a significant presence. They are defeasibility, justification, ingratiation, compensation, and attack the accusers.

Defeasibility probably was not used very much because it emphasizes that the corporation did not have enough information to prevent the crisis. Because the violent political situation in Colombia has been occurring for about 50 years, it would be implausible for Coca-Cola® to claim that it could not have had enough information to prevent such a crisis. At the very least, employing defeasibility would make the corporation look like it did not do its due diligence and was irresponsible. The public is unlikely to respond well to an admission of negligence especially when a life was lost.

Justification involves making the crisis seem less significant. This response did not have a significant presence because since the unionists were sympathetic regardless of Coca-Cola's® involvement, it would look callous if it tried to downplay the situation.

The compensation response requires the corporation to pay the victims of the crisis. Coca-Cola® created several social programs in Colombia to help victims of violence, so it indirectly compensated some Colombian citizens. However, overtly stressing that Coca-Cola® was going to directly pay the victims would make it appear

guilty. As the corporation's goal was to be completely separated from the allegations, employing this response would be counterintuitive.

Ingratiation was used a couple of times in the source types. Mainly this response was used to thank the courts for dismissing the lawsuits against Coca-Cola®. This response probably was not used much because there were not many public figures supporting the corporation, so there were few opportunities to express appreciation.

Attack the accusers probably was not used frequently by Coca-Cola® because, as mentioned in the justification paragraph, the persons bringing the allegations were very sympathetic. Attacking them would make the corporation look like a bully and decrease the public's good will.

Reminder as Coca-Cola's® Primary Response

Reminder was the third most popular strategy overall and the primary strategy within Coca-Cola® communications. This strategy's goal is to call attention to a corporation's good deeds. Reminder probably was not used frequently in the newspapers because one of this publication's goals is to be objective. Highlighting a corporation's positive deeds would make the newspaper appear biased towards Coca-Cola®. As biases are not tolerated in U.S. media, the prominent use of reminder would not support the newspapers' interest.

In contrast, reminder could have appealed to Coca-Cola® because it would allow it to be viewed favorably by the public. If Coca-Cola® is seen in a positive light then the public may get distracted from the allegations and continue to support the corporation. In this scenario, Coca-Cola's® reputation does not suffer, and its profits are unaffected. Coca-Cola's® used reminder when it discussed the ways it has helped its Colombian workers, mainly by offering them secure transportation and cell phones to use to call for

help. The corporation also discussed a social program it started which funded education for victims of violence. These examples were likely meant to show that Coca-Cola® could not have been involved in Gil's death because the corporation's actions demonstrate that it supports the workers and has no interest in hurting them.

Application of Situational Crisis Communication Theory

Coombs (2007c) offers several suggestions about applying Situational Crisis Communication Theory (SCCT). He states that the denial response should be used when a corporation experiences an unwarranted challenge or rumor. Because challenge was the most frequent crisis type, it can be argued that Coca-Cola® adhered to SCCT as it used denial more than any other strategy. However, one important caveat for employing the denial strategy is that it should not be used when a corporation is experiencing a challenge that stakeholders are likely to believe (Coombs, 2007c).

Although no analysis was undertaken to determine if stakeholders believed the challenge, it can be assumed that some stakeholders did given the protracted nature of the crisis. The recommended response for this type of challenge is to engage in corrective action, or fix the original cause of the crisis to prevent it from reoccurring. Evidence that suggests Coca-Cola® took corrective action includes its provision of cell phones and transportation to its Colombian workers, and its creation of a global human rights policy. These measures were meant to prevent employees from experiencing the danger that caused the original crisis. As Coca-Cola® responded to both forms of challenge with the suggestions advocated by Coombs, it is apparent that the corporation was executing SCCT.

Organizational misdeed was the second most popular crisis type and it falls under the preventable cluster. Coombs (2007c) advises using a rebuilding strategy for crises

of this nature. Responses that fall under the rebuilding strategy are compensation and apology. Coca-Cola® never used apology and when it issued compensation, it was limited to charity. As money was never directed at the victims, classifying the money that was put into foundations as compensation may be improper. In which case, Coca-Cola® did not follow the recommended strategies when facing the organizational misdeed frame.

Rumor was the third overall crisis type, and the most frequent crisis type present in Coca-Cola® communications. As with challenge, Coombs recommends using denial to combat rumor. While denial was the most common response overall, reminder was used more than any other type of response in the corporate communications. This suggests that reminder was used to combat rumor. Tests were not run to examine which response corresponded to each crisis type so this assumption is not definite. If it is accurate, then Coca-Cola® did not use the suggested response to deal with a rumor crisis. However, Coombs (2007c) indicates that rebuilding strategies, such as reminder, should be used to supplement other responses. If reminder was not intended as a main response, then Coca-Cola® executed SCCT appropriately when addressing rumor.

Coca-Cola® also used several other crisis responses to a lesser degree. They are excuse, accidental, scapegoat, and attack the accusers. In his suggestions, Coombs notes that denial strategies should not be used in conjunction with any of the strategies listed in the other postures. As excuse and scapegoat are part of the diminishment posture, Coca-Cola® did not heed this recommendation. However, this oversight does not appear to have affected the overall campaign.

Evaluation of Coca-Cola's® Crisis Responses and Recommendations

The analyses indicate that Coca-Cola® mostly followed SCCT when responding to the labor rights crisis. Its campaign appears to have been successful because its profits have not suffered and the two most prominent schools to boycott Coca-Cola®, the University of Michigan and New York University, have both resumed their relationships with the corporation. However, the crisis has not completely vanished as a documentary critical of the corporation's Colombian business practices emerged in 2010, prompting a new wave of protests. As all multinationals face scrutiny from critics, it is not necessarily Coca-Cola's® fault that the crisis has not completely dissipated, but Coca-Cola® could alter its previous strategy to increase its reputational protection.

Throughout its campaign, Coca-Cola's® primary focus was on avoiding legal liability for the crisis. As the crisis itself and the political context in which it occurred are both sensitive, Coca-Cola® would have been wise to express more compassion towards the victims, in addition to its denial response, as this would have helped it appear more human and evoked favorable attitudes toward it from the public. Additionally, the provision of cell phones and transportation and the creation of a global human rights policy were both commendable efforts, but they are not powerful enough to convince the more cynical stakeholders of the corporation's sincerity to promote change. An independent audit of the bottlers (to see if they were guilty of conspiring with paramilitaries) could have persuaded such stakeholders, but commissioning such an investigation could have invited other lawsuits. In sum, Coca-Cola's® responses were effective, but there is room for some improvement.

Summary of General Tone

Table 4-5 shows that the negative tone appeared most frequently in newspaper articles whereas the positive tone was mostly present in the Coca-Cola® communications. Because the number of articles marked negative was more than those marked as positive, the observations as a whole were considered negative.

The newspapers probably used the negative tone the most as they are responsible for reporting news that is critical of a major corporation if doing so is in the public's best interest. In this case, ensuring that Coca-Cola® acted ethically abroad is in the public's best interest so newspapers were obligated to report the situation. As the circumstances surrounding Gil's death are not positive, even from an objective standpoint, by default words used in the report would be negative so this could explain why so many newspapers articles had this tone.

Another possible explanation is that newspapers do not necessarily have an interest in portraying Coca-Cola® positively unless a business relationship exists with the corporation. Using negative tones would create a more interesting story than using positive tones and would attract more readers. An increase in readership would increase the newspapers' profits which obviously benefits them.

The negative tone was arguably so frequent because the balanced tone was conceptualized poorly. To recall, balanced was defined as an observation with the same number of positive and negative paragraphs. The researcher conceptualized balanced in this way because upon a preliminary reading of the observations, it was discovered that many of them gave irrelevant information. Classifying irrelevant information as balanced could potentially skew the results, which was unfavorable. The researcher thought about asking the coder only to mark paragraphs that were relevant to the

Colombian crisis, but as Coca-Cola® was simultaneously battling allegations coming from India, many of the observations intertwined the two situations into one paragraph. It became impossible to define what was relevant without going through each source with the other coder, which also would have impacted the results. Therefore, balanced was conceptualized in the aforementioned way.

The negative tone was absent in Coca-Cola® communications, and the positive tone was overwhelmingly present because the corporation has no interest in threatening its own corporate reputation. Coca-Cola® exists to sell products and make money so to publish negative messages about itself would go against its fundamental purpose. The use of positive tones makes sense because this would allow Coca-Cola® to build itself up and encourage the public to support it and buy its product.

Summary of the Word Count-Tone Relationship

Table 4-7 shows that word count and tone had a significant relationship. Figure 4-4 indicates that the mean of articles with a negative tone was the greatest. The balanced tone had the second highest number of words, and the positive toned articles had the fewest amount of words.

The negative toned articles probably had the most words because there was plenty of interest in the crisis and many people were interested in giving their opinion about the situation. Given the sympathetic nature of the unionists, most people unaffiliated with Coca-Cola® probably had a negative view of the corporation, so negative commentary was abundant. Also, the newspapers not affiliated with Coca-Cola® may have had a financial interest in publishing negative stories about a well-known corporation because it would increase readership and hence, profits. As newspaper articles do not have unlimited space to publish stories, it would be more

prudent for them to dedicate the space they do have to content that will help their profits. On the other hand, as discussed in the previous section, newspapers must report news that is in the public's best interest. As this situation is anything but positive, it would be very difficult to describe it using positive words.

Articles with a balanced tone had the second highest word count probably because the newspapers that published these articles wanted to adhere to the U.S. journalist's ideal of objectivity. To be objective, a journalist must present all sides to a story so that he or she does not appear biased. When one undertakes a thorough analysis, the resulting text is likely to be long so this is probably why balanced articles had so many words.

The positive articles probably had the least words because the majority of them originated from the Coca-Cola® website. For consumers to actively seek out the corporate website in order to find more information is good for Coca-Cola®, but the corporation needs to create publications that are interesting to the consumer so they will remember the message. Writing long paragraphs praising Coca-Cola® will probably result in the reader losing interest in Coca-Cola's® message, and then the corporation loses its opportunity to use the consumer as an unofficial spokesperson. By delivering a short, positive and memorable message, the consumer is likely to be engaged and repeat the message. Those that visit the corporate website are probably pro-Coca-Cola® or at least willing to hear its side, and Coca-Cola® needs to capitalize on this chance.

Summary of Competing Voices

Figure 4-3 and Table 4-3 show that the corporate voice and critic voice both had a strong presence in the observations. Upon closer inspection, it was revealed that newspapers gave almost equal space to both voices so the newspaper articles should

have been classified as balanced overall. By offering equal space to the corporate and critic voices, the newspapers were encouraging the acceptance of the status quo. According to Herman (2000) maintaining the status quo panders to corporate interests and conservative ideology. His argument is further supported by the fact that newspapers only quoted named sources that were officially sanctioned instead of including independent sources. By doing so, the newspapers only legitimized official voices and dismissed independent voices as not credible.

The Coca-Cola® communications overwhelmingly quoted Coca-Cola® employees and supporters and barely allowed the critics to voice their thoughts. This is unsurprisingly considering the purpose of the Coca-Cola® communications was to protect and build up its reputation. Allowing critics to speak in the corporation's official communications could have strengthened Coca-Cola's® communications because it would have appeared less biased, but it is not really expected that corporations would do so.

Summary of Publication Date and Frequency

The observations confirm that publications increased on July 20, 2001, April 2, 2003, and October 4, 2006 because of developments in the lawsuit. The first date was important because this was the date of the initial filing by Sinaltrainal against Coca-Cola®. On April 2, 2003, a judge ruled that the lawsuit could continue against the Colombian bottlers (one of which was owned by a U.S. citizen) even though Coca-Cola® had been dismissed. On October 4, 2006, the lawsuit against the bottlers was dismissed. The coverage increased in January of 2006 because the University of Michigan had publically stated that it would not carry Coca-Cola® products until the corporation agreed to an independent third-party investigation. Also, Coca-Cola®

spokespersons went on news shows to discuss the allegations concerning their bottlers which explains this surge in coverage. In sum, coverage increased when a major development in the public relations battle surfaced.

Implications for Public Relations and Communication Management

This study used Coombs' (2010b) Situational Crisis Communication Theory to evaluate Coca-Cola's® crisis responses to a Colombian labor rights situation that generated substantial negative publicity for the beverage corporation. The findings of this study validate SCCT as they show that using denial to combat rumor and challenge was effective for Coca-Cola®. This suggests that identifying the crisis type and its inherent level of attributable responsibility before choosing a crisis response from the relevant posture does secure the maximum possible reputational protection for the corporation. Similar studies should be conducted to verify this study's findings.

Support for Molleda, Connolly-Ahern, and Quinn's (2005) Cross-National Conflict Shifting Theory was also found as the crisis studied demonstrates that incidents that occur abroad can have serious repercussions in the home country. This means that public relations professionals need to be knowledgeable about their corporation's performance in all areas where it is doing business, as doing so will allow them to contain a potential crisis before it reaches a threatening level.

Finally, the findings in this study underscore the need for corporations to pay closer attention to how college-aged students perceive them as these students tend to have high levels of activism. This crisis shows that even the strongest corporation can be threatened by small groups of zealous activists.

Limitations and Suggestions for Future Study

As with all research, this study had several limitations. Firstly, the researcher should have categorized the balanced tone more precisely to allow for more articles to receive this label. The definition used in this study was “the unit of analysis has the same number of paragraphs with a favorable connotation as an unfavorable connotation”. Because this definition did not allow any paragraphs to be classified as balanced, the definition may have biased the results. The research should have created a definition that allowed balanced paragraphs to be labeled as such.

Secondly, the researcher must acknowledge that newspapers could have portrayed the crisis as a rumor because they were trying to protect themselves from liability, and not because they believe the allegations were false. Thirdly, several of the crisis types and crisis responses overlapped. Efforts should be made to streamline both in order to allow for clearer analyses in the future. Fourthly, the results in this study may have been different if the researcher had coded more articles. Articles from U.S. publications and Coca-Cola® were limited so expanding the sample to include international publications would have allowed for stronger results.

When writing the discussion section, it was apparent that the researcher should have identified which voice used each response. For example, it would have been helpful to the analysis if the attack the accusers response had been attributed to a Coca-Cola® spokesperson or the corporation’s attorney. Identifying a connection between the voice and the response would have provided more insight into why the particular response was selected. The researcher also should have noted the name of the publication that used each crisis type. By doing so, the researcher could have drawn stronger conclusions about each newspaper’s motive for framing the crisis in a

particular way. Finally, the researcher should have analyzed what crisis response was used for each crisis type. This would have allowed for a stronger assessment of SCCT's effectiveness.

APPENDIX A
CODING SHEET

I. Unit of analysis' information

1. Unit of analysis' identification number: _____
2. Date _____
3. What type of communication was the unit of analysis?

1-Newspaper

2-A communication from the Coca-Cola® website

4. How many words were in the unit of analysis? _____

II. Competing voices

Unless otherwise indicated, mark 0 for No and 1 for Yes.

5. Was the corporate voice present in the unit of analysis?
6. Was the corporate voice quoted in the unit of analysis?
7. Was any statement attributed to the corporate voice in the unit of analysis?
8. Was/were any critic(s) named in the unit of analysis?
9. Was/were any critic(s) quoted in the unit of analysis?
10. Were any statements attributed to critics in the unit of analysis?
11. How can the voices in the article as a whole be described?

0-Negative

1-Balanced

2-Positive

III. Crisis type

Mark 0 for No and 1 for Yes

12. Did the article describe the crisis? If yes, answer questions 13-22. If no, move on to question 25.
13. Was the crisis portrayed as a natural disaster?
14. Was the crisis portrayed as rumors?
15. Was the crisis portrayed as workplace violence?
16. Was the crisis portrayed as a malevolence?
17. Was the crisis portrayed as a challenge?
18. Was the crisis portrayed as technical error accidents?
19. Was the crisis portrayed as technical error product harm?
20. Was the crisis portrayed as human-error accidents?
21. Was the crisis portrayed as human-error product harm?

22. Was the crisis portrayed as an organizational misdeed?

IV. Crisis responses by Coca-Cola® based on Coombs' SCCT (2007)

Mark 0 for No and 1 for Yes.

23. Was attack the accusers used as a crisis response?

24. Was denial used as a crisis response?

25. Was scapegoat used as a crisis response?

26. Was excuse used as a crisis response? This category includes the provocation, defeasibility, accidental and good intentions subcategories.

27. Was provocation used as a crisis response?

28. Was defeasibility used as a crisis response?

29. Was accidental used as a crisis response?

30. Was good intentions used as a crisis response?

31. Was justification used as a crisis response?

32. Was reminder used as a crisis response?

33. Was ingratiation used as a crisis response?

34. Was compensation used as a crisis response?

35. Was apology used as a crisis response?

APPENDIX B CODE BOOK

Unit of analysis ID number: is the number assigned to each unit of analysis.

Date: is the day, month, and year the unit of analysis was published.

Unit of Analysis: is either a newspaper or official Coca-Cola® communication.

Word Count: is the unit of analysis' word count, excluding headlines and bylines.

Corporate voice: quotes and statements made by Coca-Cola® or on behalf of Coca-Cola®.

Statement: is a sentence that is attributed to Coca-Cola® or a critic. (i.e. "Coca-Cola® said").

Quote: is a sentence or phrase enclosed in quotation marks and attributed to Coca-Cola® or a critic.

Critics' voice: quotes or statements given by anyone critical of Coca-Cola®.

Positive: the presence of words that support or defend Coca-Cola®.

Negative: the presence of words that indict or criticize Coca-Cola®.

Balanced: this means that the unit of analysis has the same number of paragraphs with a favorable connotation as an unfavorable connotation.

Stakeholders: people with an interest in the organization. The interest can either be financial, emotional, social, or legal.

Crisis: circumstances that created negative publicity for Coca-Cola® or threatened its image.

Crisis Types

Natural disasters: "acts of nature such as tornadoes or earthquakes" (Coombs, 2007d, Table 6).

Malevolence: "external agent causes damage to the organization" (Coombs, 2007d, Table 6). Examples: product tampering, espionage, and terrorism.

Technical error accident: "equipment or technology failure that cause an industrial accident" (Coombs, 2007d, Table 6).

Technical error product harm: “equipment or technology failure that cause a product to be defective or potentially harmful” (Coombs, 2007d, Table 6).

Human-error accidents: “industrial accident caused by human error” (Coombs, 2007d, Table 6).

Human-error product harm: “product is defective or potentially harmful because of human error” (Coombs, 2007d, Table 6).

Challenges: “stakeholder claim that the organization is operating in an inappropriate manner” (Coombs, 2007d, Table 6).

Organizational misdeed: “management actions that put stakeholders at risk and/or violate the law” (Coombs, 2007d, Table 6).

Workplace violence: “attack by former or current employee on current employees on-site” (Coombs, 2007d, Table 6).

Rumors: “false and damaging information being circulated about your organization” (Coombs, 2007d, Table 6).

Crisis Responses

Attack accusers: “crisis manager confronts the person or group claiming something is wrong with the organization” (Coombs, 2007d, Table 5). Example: Coca-Cola® attacks critics or vice versa.

Denial: “crisis manager asserts that there is no crisis” (Coombs, 2007d, Table 5). Example: claiming the facts causing the crisis are wrong or untruthful.

Scapegoat: “crisis manager blames some person or group outside of the organization for the crisis” (Coombs, 2007d, Table 5). Example: blaming anyone not from Coca-Cola® for the crisis.

Excuse: “crisis manager minimizes organizational responsibility by denying intent to do harm and/or claiming inability to control the events that triggered the crisis” (Coombs, 2007d, Table 5).

Provocation: “crisis was a result of response to some one else’s actions” (Coombs, 2007d, Table 5).

Defeasibility: “lack of information about events leading to the crisis situation” (Coombs, 2007d, Table 5). Example: claiming ignorance about alleged paramilitary/bottler relationship.

Accidental: “lack of control over events leading to the crisis situation” (Coombs, 2007d, Table 5).

Good intentions: “organization meant to do well” (Coombs, 2007d, Table 5).
Justification: “crisis manager minimizes the perceived damage caused by the crisis” (Coombs, 2007d, Table 5).

Reminder: “crisis managers tell stakeholders about the past good works of the organization” (Coombs, 2007d, Table 5).

Ingratiation: “crisis manager praises stakeholders for their actions” (Coombs, 2007d, Table 5).

Compensation: “crisis manager offers money or other gifts to victims” (Coombs, 2007d, Table 5).

Apology: “crisis manager indicates the organization takes full responsibility for the crisis and asks stakeholders for forgiveness” (Coombs, 2007d, Table 5).

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BIOGRAPHICAL SKETCH

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