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Brand, We Have a Problem

From swine flu and spinach fears to viral videos, quick-serve crises are pay dirt for the press. Learn how to prepare your brand. [By Robin Van Tan](#)



Ask any quick-serve operator who's been through a crisis. He will be able to tell you the exact date, time, and day of the week the fate of his concept came under attack. Whether it's a food scare, a rodent infestation, a food-borne illness, or a product recall that threatens a brand's reputation, its every detail—along with a feeling of peril—is emblazoned into his memory.

What would you do if your company came under fire? In this day and age, the unpredictability of crises is no longer an excuse for responding to them poorly. Preparation can be the deciding factor in whether your brand survives the onslaught of customer concerns and media coverage that will inevitably follow.

It's 2010. Do you know where your crisis-management plan is?

Assess the Situation

Last April, when news of the swine flu started to consume the media, Richard Averitte, marketing director of Smithfield's Chicken 'N Bar-B-Q, a 33-unit concept in North Carolina, realized it could present a problem for the concept. He could already imagine the questions from customers: Is it safe to eat at your restaurants? Where does Smithfield's get its pork from?

And then he imagined customers who wouldn't even ask those questions, who would simply avoid Smithfield's completely to be on the safe side.

“I wanted to answer those questions,” Averitte says. “So I did the research.”

Often, the first step in crisis management is the same one Averitte took: gathering as much information as possible.

“It’s reconnaissance,” says Eric Dezenhall, author of the book *Damage Control*. “It’s, What exactly on a factual level is the problem that we have? Until you know that, there’s not a lot else you can do.”

Averitte visited the Centers for Disease Control and Prevention (CDC) Web site to learn as much as he could about the swine flu. Luckily, he found the information he needed quickly—and it was good news.

“One of the questions on the swine flu Q&A page that I read said you cannot get swine flu from eating pork,” Averitte says. He also learned that the infected pigs were thought to have come from Mexico and California. Armed with the information necessary to settle customers’ fears, Averitte decided to take action that day (a Saturday) by writing a blog post that would start a conversation with customers on the subject. The post first addressed the foremost question on customers’ minds by reassuring them that Smithfield’s pork came exclusively from North Carolina farms. It went on to explain that you can’t become infected with H1N1 by eating pork and gave a link to the CDC Web site to prove it.

Averitte thinks the order of the message was crucial in addressing customer’s concerns and preventing a potential sales dip.

“You often have to put on your customer shoes,” he says.

At the time, the public was concerned more with whether Smithfield’s was using infected pigs to make its barbecue than with learning enough about the technicalities of swine flu to realize that they couldn’t catch it from eating barbecue.

“You have to think, ‘What would they think?’” Averitte says.

Be Level-Headed

When a crisis hits, each level of a brand takes on a distinct responsibility, regardless of whether the problem is local or national.

“All crises are both,” disaster control expert Dezenhall says. “In actuality they’re local, but they become national by virtue of the media bloodstream.”

Take Domino’s, for example. Last April, two employees in a Conover, North Carolina, store decided to make a series of repulsive videos, which they posted on YouTube.

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“Our first step was trying to figure out who they were and where they were,” says Tim McIntyre, vice president of communications for Domino’s. He grabbed still images of the employees from the videos and sent them out to the company’s 5,000 U.S. stores as soon as possible.

As soon as we posted a statement on our Web site, we were essentially posting chapter two.”

Immediately, the corporate, regional, and store managers at Domino’s took on different roles. The manager of the Conover store where the incident occurred fired the responsible employees then closed his store so all of the food could be thrown away and the entire store could be sanitized.

Other store managers, under the direction of corporate, were encouraged to “be pissed” when reassuring concerned customers that the incident was an isolated event that happened in one store.

At the regional level, managers were directed to respond similarly to customer concerns and to call McIntyre for guidance with media inquiries.

All the while, corporate continued to make strategic decisions—such as when and how to communicate about the issue.

Speak Up (or Not)

Domino’s decided to post a statement on its Web site 24 hours after the inappropriate employee video was released. It told customers that the company was aware of the video, that the employees who made it claimed it was a hoax, and that they had been fired and were now facing felony charges.

About 48 hours after the incident occurred, the company posted a video response to YouTube. It featured CEO Patrick Doyle discussing how angry Domino’s was about the incident and how it was not representative of the way the company had conducted business for the past 49 years. Although this was an unprecedented move, many faulted Domino’s for not responding to the problem immediately—a criticism McIntyre finds laughable.

While Domino’s found the employees responsible for the video and made sure they were fired and charged with tampering with food, the company also was communicating with the Web sites where the video was being circulated.

“We were addressing a core audience,” McIntyre says. “To do otherwise would have been putting out a candle with a fire hose.”

Before every move, Domino’s weighed carefully whether to communicate about the video to a larger audience. When it did post that first statement on its Web site, the number of views of the original YouTube video doubled to half a million.

“I don’t want to say we triggered our own crisis,” McIntyre says, “but we knew what was going to happen. As soon as we posted a statement on our Web site, we were essentially posting chapter two, and we knew people were going to go find chapter one.”

Dezenhall, author of *Damage Control*, agrees that sometimes less is more when it comes to crisis communication.

“Some organizations make the mistake of doing too much PR with the assumption that everybody is as aware of the incident as they are,” he says. “When you do that, you can create a situation whereby you actually make anxious consumers who had not heard of the issue aware of it.”

He recommends instead communicating only to customers who express concern with responses to what are typically their two main questions: “Am I going to be OK?” and “What are you doing about it?”

Saladworks President Paul Steck, though, has a different view on the subject.

“Overcommunicate would be my strong recommendation to anyone in the case of a crisis,” he says.

When spinach was linked to an outbreak of E. Coli in 2006, communication about what Saladworks was doing to combat the problem helped the company stop a three-week sales slump dead in its tracks.

“You’ve got to take the most conservative, safe approach possible,” Steck says. “Even though we were being told our spinach was okay by our spinach vendors, our response was, ‘We don’t care. Toss it.’”

After the company disposed of as much as \$20,000 worth of spinach throughout its 80 stores, it did everything possible to get the message out to customers that, until further notice, Saladworks was a spinach-free zone.

“We created a printed message that went up in every store,” Steck says. “We crafted a script of exactly what the salad makers, our hourly employees, should say to customers if they asked about it.”

And they embraced another key component of communication: dealing with the media.

Become Media Savvy

All of the experts *QSR* interviewed agree that cooperation with the press is a must during crisis recovery.

“Corporate should decide what are the key messages that they want to get out, what’s the basic information they need to provide, what is the company’s position on this,” says Julia Stewart, a spokeswoman for the Produce Marketing Association, adding that companies also must take whatever steps are needed to overcome customers’ remaining fears.

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For Saladworks, that meant reassuring the media that the concept had taken spinach off the menu and would keep it off for as long as it was in question.

At Domino's, communicating the core message that "Domino's didn't do this" became a key strategy. The company emphasized the point so successfully that most of the media coverage turned into a case study of how social media can turn disastrous for a company—instead of a criticism of Domino's.

Smithfield's, too, found communication with the media to be beneficial during its swine flu scare.

Averitte took a proactive approach to media coverage, sending the blog post he had drafted to his media list.

"If swine flu was going to be the lead story, then I wanted something to counter it," he says. Local media were eager for the chance to cover the outbreak from a new angle, and the story eventually made its way to *The Wall Street Journal*. In the article, the news outlet recognized Smithfield's for its social-media savvy in the face of a crisis.

Of course, the facts were on Smithfield's side during that incident. But even when that's not the case, Stewart recommends complete communication with the media.

"If you don't share information, then that leads people to guess," she says. "That is never in your best interest."

At the same time, questions should be answered only with information that is certain to be accurate.

"If it's outside of your area of expertise, don't speculate," Stewart says. "Don't be afraid to say, 'I'm sorry, I can't answer that question.'"

One of the most effective ways to control the information the media receives is to appoint a lead communicator for media inquiries. In the case of Domino's, that was McIntyre.

"I answered every media phone call," McIntyre says. "I answered every e-mail."

Plan Ahead

Successful media handling was part of the reason Domino's got through the storm largely unscathed (stock prices were not affected by the incident). But not everyone was so lucky. The Conover store did not survive the incident, and surrounding Charlotte-area locations are still recovering from continued coverage of the event by local media.

The key that will help a brand overcome potential disaster, crisis-management experts say, is preparing for it before it hits.

"We recommend going through a risk-assessment process and looking to mitigate or avoid as many of those risks as possible," Stewart says. That involves examining the operation's entire food-production process, imagining all of the things that could potentially go wrong at each point, and taking steps to prevent those from happening.

Domino's McIntyre also recommends becoming involved in the community by shopping around your store and contributing to local organizations.

“Let people know who you are and where you are,” he says. “In the event that something happens, people will be more likely to forgive you.”

Damage-control experts also recommend putting a leadership team in place that will be responsible for making any decisions in the event of a crisis.

“If you don’t have a leader with absolute power, you don’t have a crisis team,” Dezenhall says. “It all comes back to the leader.”

Once that team is in place, prepare it to respond to worst-case scenarios. For some, that means formal training with a crisis-management expert. Others prefer to discuss all of the possible crises and develop a plan for dealing with each one.

“Your response will impact your reputation as much if not more than the incident itself,” McIntyre says. And the more you do to figure out how you’ll handle a crisis before the fact, the better your response will be.