

Crisis Communications Take Home Assignment

Taco Express

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Case Study: #HappensAllTheTime

- You lead communications for the popular fast food chain Taco Express
- On March 1, 2017 at 5:40 pm you receive a call from Sheridan News (a major National news outlet) letting you know they have a copy of a video of two franchise employees adding floor sweepings to the taco meat.
- The reporter tells you that the video does not show the beef being served to customers and the video appears to be filmed after the restaurant is closed.
- The reporter also tells you they have a statement from another employee who works at the location who commented on camera, "That type of thing happens all the time...I'm pretty sure Jeff and Scott were drunk when they filmed that." The employee laughs on camera – he thinks it's funny. He finishes his statement by saying "Dude, #happensallthetime"
- The reporter is releasing the story tomorrow morning at 5 a.m. and wants to know if you'd like to comment.

- March 2, 2017 11 am
 - #happensallthetime is now trending on twitter
 - Jeff and Scott have been identified as under the age of 19
 - Scott is the son of a Taco Express executive

- March 2, 2017 5 pm
 - #happensallthetime continues to trend
 - New videos from five different locations have been shared as Taco Express employees appear to be enjoying the hashtag and want to share their own stories.
 - Sheridan News runs another story highlighting the social media and employee reaction to the story
 - You have received three additional media requests regarding the videos

- March 2, 2017 11 pm
 - A new hashtag has emerged - #nevereatingthereagain
 - Customers are now sharing their stories as well

- March 3, 2017 9:30 am
 - Stock opens down \$1.67
 - You receive two inquiries from key investors asking about the stories

Overview

Taco Express is a leading fast-food corporation in North America. They are a publicly-traded company that serves tens of thousands of customers per day. Sheridan News has just called and let me know that they will be releasing a video of two employees adding floor-sweepings to our meat mixture. Thankfully the video was shot after hours and no customers were affected. We must prepare for this story to break and manage the message we put out in response.

Crisis Evolution

Warning

We were warned about the impending news story being released via a media inquiry so we should prepare a statement to be released as soon as the story breaks. Many crises don't begin with this much time for a response to be prepared therefore we cannot say we were caught off-guard with this.

Key Risks

- Risks to customer safety if meat was served.
- Lose customer trust.
- Long-term damage to brand.
- Loss of sales means more profits to competitors.
- Employees could lose their jobs if the loss of sales is significant.
- Stock could go down and shareholders sell their shares.
- Employees could become disenfranchised if they see special treatment being given to executive's family members if they are not punished.

Response

- Prepare a statement to be released as soon as the story breaks.
- Stress that this was an out of the ordinary event and customers should continue to trust the great tasting food from Taco Express.
- The employees in the video will be suspended pending an investigation.

Management

- Any employee who posts a subsequent video will also be suspended.
- Internal memos will be circulated and meetings held between upper management, lower management and store employees.
- Stress the severity of the incident – if that meat was actually served to customers, the employees could be looking at jail time.

- Have the executive whose son it was make a statement that he and the management do not condone this type of behaviour.
- Manage the situation in the traditional media and on social media (see tactics).

Resolution

Execute tactics and wait for the crisis to die down. This does not need to be kept in the limelight for longer than it should be by continuing to push the issue.

Recovery

Our stock did go down \$1.67 over the first day of the crisis but the dip will not be a trend. Thankfully, the nature of social media means the Taco Express crisis will not last long in the spotlight. People have already forgotten that McDonalds tweeted about Trump and that Subway doesn't use real chicken.

Key Stakeholders

- Customers – the base of our whole operation. They are why we are in business and we can't operate without them.
- Employees – the people who represent Taco Express on the front lines. Retail workers are more likely to be trusted in the public eye than management.
- Management – the people we depend on to guide us.
- Shareholders – the people who believe in us (or our ability to make money).

Communications Plan

Objectives

- Affirm our commitment to serving fresh and safe food in conditions that surpass industry standards while defending our image.
- Ensure that all staff are adhering to or exceeding employment expectations at every level.

Strategies

- Launch a social media defense of our brand.
- Remain open to questions from media, customers and employees.
- Retrain management on best practices and employee motivation.

Tactics

- Create a video for social media platforms showing how our products are made and the fresh ingredients they are made with.
- Hijack the hashtag #happensallthetime. Create stories that illustrate embarrassing things that happen to real people. This could be done using the corporate account or from anonymous accounts, depending on the
 - For example, dropping ketchup onto your favourite sweater or tripping over a bucket.
 - This needs more refinement before execution. The tweets would need to be really clever in order to make any sort of impact.
- Host a Twitter Q & A with top executives (like a low-level press conference). Anyone can ask questions.
- Release the most recent health inspection reports (if positive) from local health departments. Make all reports available on our website so customers can look up their local store.
- Create a Facebook group for employees to chat amongst themselves and ask questions of the management.
- Host full staff meetings with an upper-level manager at every store.

Key Messages

- Taco Express thrives as a team. We understand the seriousness of the video and are launching a full investigation. We believe that no one employee is bigger than the company and therefore we hold our employees to the highest standards and will be reviewing our code of conduct as part of our investigation.
- Taco Express' top priority is our customer's safety. The video does not represent the way Taco Express does business. We value the trust you have put into our company and will strive to earn that trust back by producing fresh, quality food and creating an atmosphere of transparency in our restaurants.