

# State of the Art: Crisis Management at the Speed of the Internet

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State of the Art

CSO  
Perspectives

# Crisis Management at the Speed of the Internet®



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BUSINESS RISK LEADERSHIP

**Trend  
Research:  
Crisis  
Management  
at the Speed  
of the  
Internet**

February 2010

Security Executive Council

**“It takes many  
good deeds to  
build a good  
reputation, and  
only one bad one  
to lose it”**

Benjamin Franklin



# 150 Ways to Lose (Gain) a Stakeholder?

[http://en.wikipedia.org/wiki/List\\_of\\_social\\_networking\\_websites](http://en.wikipedia.org/wiki/List_of_social_networking_websites)





Three workers at a Domino's restaurant in Conover, N.C., thought it would be funny to make a video of them clowning around while making food. The video included apparent food contamination by workers. Over one million early views. Brand, quality and “buzz” ratings were hit along with brand equity.

## Brand Equity at Risk

When musician Dave Carroll looked out the window of a United Airlines plane on the ground at O'Hare Airport in Chicago and saw a baggage handler toss his guitar onto the ramp, it was the beginning of one of the more convincing examples of the power of viral YouTube videos... 7.5 million views with coincidental 10% stock value plunge



UNITED

**Pepsi** realized that web 2.0 media have no international boundaries...an advertisement intended for the German market (in which a lonely calorie in Pepsi Max commits suicide),



- **Cisco**...monitoring the “Twittersphere”... replied to (an employee “hating her job”)... a media blitz followed including interest from MSNBC and from Oprah Winfrey.



- **Amazon.com**, Hundreds of gay and lesbian books lost their sales rankings and became harder to find. Amazon called the incident a “cataloging error,” Charges included the brand was trying to suppress gay books.

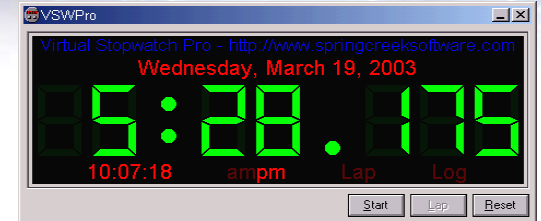


## Plan Security's role(s) To Mitigate a Crisis



- ✓ Introduce service level agreements
- ✓ Coordinate fact-finding
- ✓ Access and marshal internal and external resources
- ✓ Leverage existing cross-functional crisis response team Communications, IT, Legal, OPS, etc.
- ✓ Anticipate related risks (benchmark & draft)
- ✓ Exercise the plan...connect mission and values

# When Time Matters Most: Responding in Real Time



✓ Speed of response

“We have notified the appropriate agencies and assembled a team to investigate”

✓ Relevance

“The reported event, if true, is serious, disturbing, and subject to accountability”

✓ Closure and follow-through

Brief internal and external audience on compensatory plan – archive & update



# A Comprehensive Approach to Internal Communications:



- ✓ Policies and guidelines - “authorized use”
- ✓ Credibility - Tell the truth - authenticate
- ✓ Timeliness - monitor the landscape
- ✓ Education - brief leadership & stakeholders
- ✓ Rumor control - Site urban myths leverage your stakeholder audience, communication channels, Snopes.com etc.

# Starbucks Newsroom Myths and Facts



*We think it is important for you to have timely and accurate information about Starbucks and hear our side of the story of some common mis-perceptions*

Beirut demonstration: “allegations that Starbucks provides financial support to the Israeli government and/or the Israeli army in any way are completely false”

Support (lack of) of our troops: “the rumor is not and has never been true”

<http://news.starbucks.com/about+starbucks/myths+facts/>

March 3, 2010 Starbucks Position on open carry gun laws

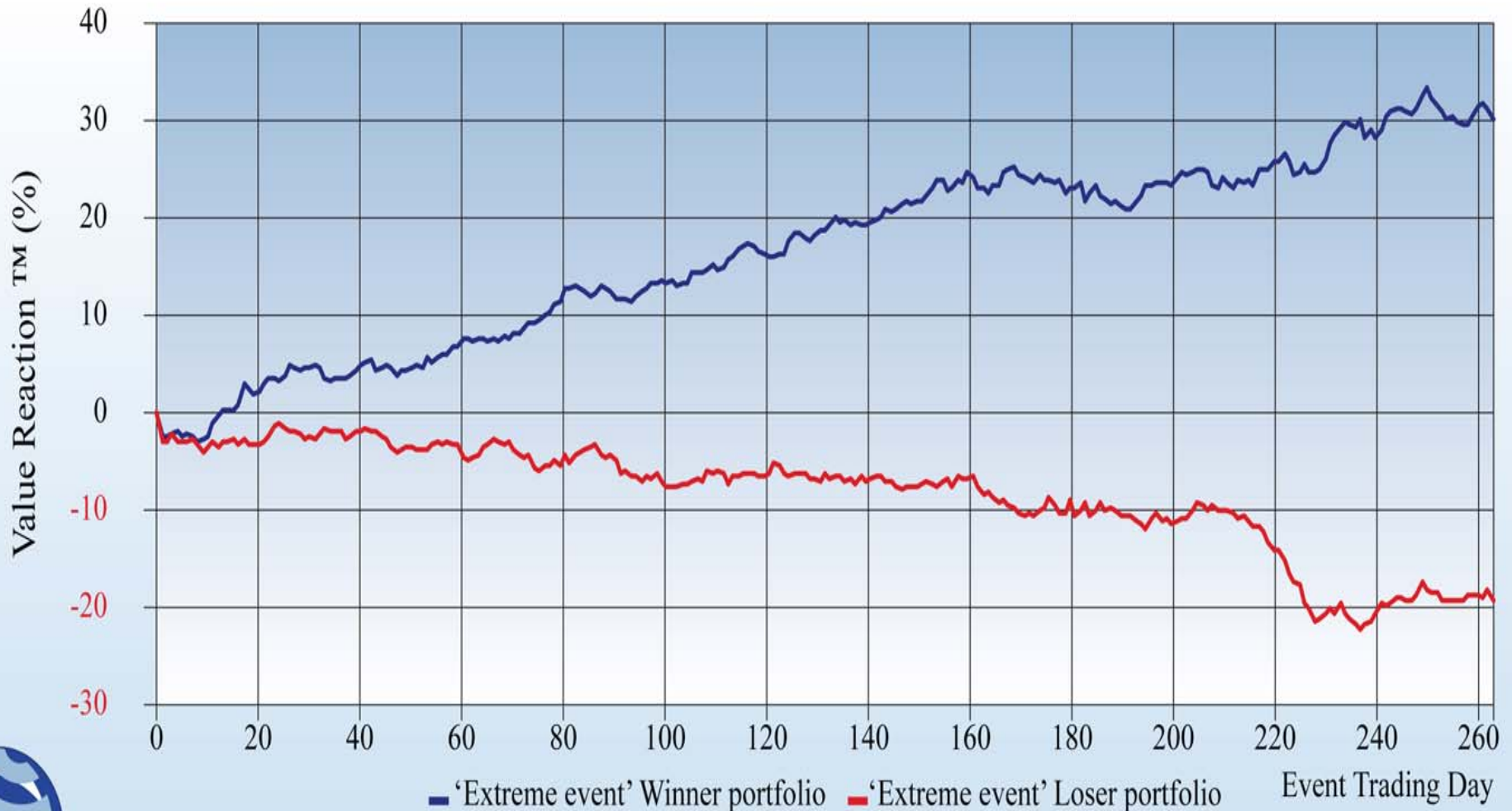
## Engagement for Brand Value & Protection?

### Why Starbucks Is the Top Brand on Facebook

- [Elaine Wong](#)

- *Starbucks has been racking up accolades in the digital and social media space. As of July 23, the coffee chain surpassed Coca-Cola as the most popular brand on Facebook, with more than 3.6 million fans, per InsideFacebook.com, an independent blog that tracks the social networking site's developments. It was also named the No. 1 "most engaged brand" in a report published by Altimeter Group last month.*

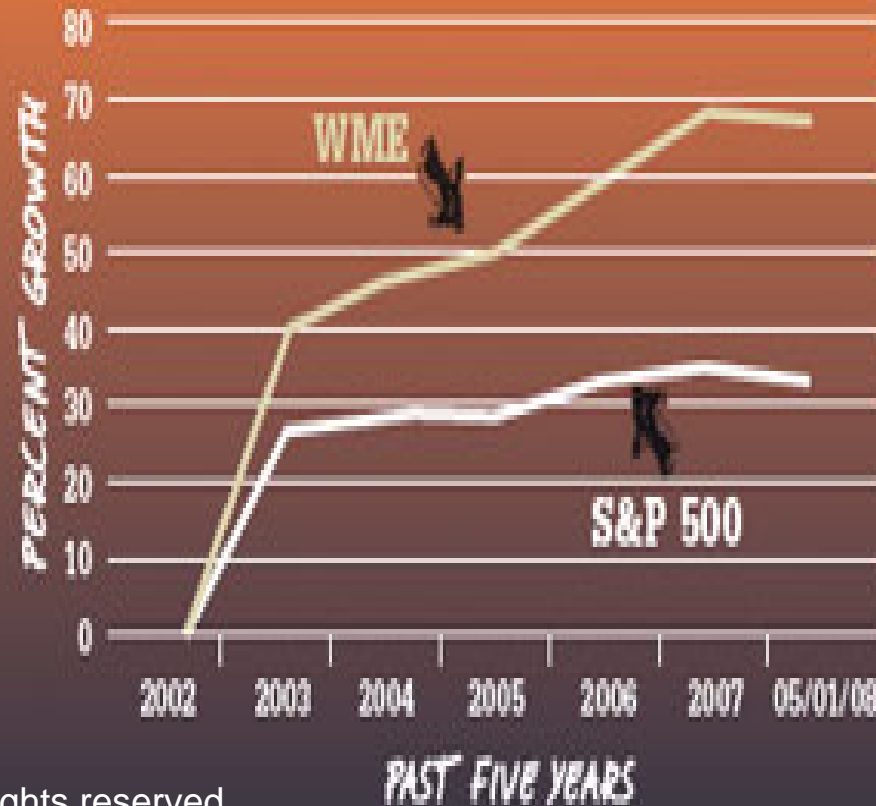
# Worse-case Communication Value?



# State of the Art

## Transparency Value?

NEED PROOF THAT IT  
PAYS TO BE ETHICAL?



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# Questions and Answers

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