

FIRESTORMS AND FORGIVENESS: ORGANIZATIONAL APOLOGIES IN THE AGE OF SOCIAL MEDIA

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ABSTRACT

Social media has created an avenue of communication that allows corporations to more fully develop their brands, increase direct interaction with customers, and communicate ideas quickly to stakeholders. Large organizations have navigated a learning curve in discovering the most effective strategies for maintaining a social media presence, as social media has caused changes in the way their customers expect to give and receive information. Online social communication has also enabled customers and other stakeholders to magnify corporate mistakes, both big and small, in a way that can reach the public in a few hours instead of a few days. The speed at which this information can travel and the magnitude of the audience that can be reached in a short time has sparked a need for companies to revise their crisis management plans in a way that will allow them to combat potential negative effects of taking ownership (or not taking ownership) for bad behavior. This paper presents a critical analysis of recent high-profile corporate apologies, as viewed through the lens of “The Apology Formula”, a framework created to guide the process of organizational apologies with the goal of minimizing damage for both the organization and its customers (Schweitzer et al., 2015). The conclusions of this analysis highlight the need for organizations to carefully consider who, where, when, what, and how to apologize in the age of social media.

INTRODUCTION

Consumer expectations for organizational social behaviors and communication have evolved over time. In recent decades, the introduction and eventual ubiquity of social media platforms has informed the perceived relationship between consumers and organizations. Social media provides a method for consumers to interact with organizations in a way that makes them feel more personally connected to and engaged with brands than ever before (Wang & Kim, 2017). While the social media presence of organizations can help spread good news and have a positive impact on authentic public relations, it can also function as a microscope to magnify bad behaviors, spreading negative publicity like wildfire with both user-generated content and responses from competitors intended to fan the flames and direct customer loyalty elsewhere (Grégoire et al., 2015). While all organizational external communication efforts are affected by the potential for “going viral”, organizational apologies are particularly affected by the potential for these so-called social media firestorms.

LITERATURE REVIEW

Though organizations have dealt with the need to issue public apologies for decades, they are now faced with making decisions for how to handle such matters at least partially based on the likelihood of a firestorm. Public relations practitioners and academicians alike have authored many works on best practices for both individuals and organizations to follow when the need to apologize arises. These works have been revised over the years as communication channels have evolved and been enhanced by technology, perhaps at an even more rapid pace since the advent of social media, though the focus of the frameworks vary in scope and points of guidance.

Schweitzer et al. (2015) crafted the “Apology Formula” which provides a framework for organizations to decide whether an apology is needed and provides direction on each of five key elements - who, what, where, when, and how – to offer an effective apology. Other frameworks and best practices tend to focus more on just one or two of these elements, and most tend to focus entirely on the content of the apology itself (the “what” element). Biesel and Messersmith (2012) recognized that much of the literature on how to determine whether an organization should apologize was varied and conflicting, and they acknowledged the nuance involved in assessing the severity of each situation. They designed a four-component apology framework (known informally as OOPS) that includes “a narrative account of the offense, voicing regret with an explicit apology-functioning speech act, promising forbearance, and offering reparations” (p. 430). All four of these components focus narrowly on the “what” element, or the content of the apology itself. Psychiatrist and expert on apologies, Aaron Lazare, also offered a framework for the “what” element of apologies, insisting that apologies are not complete unless they acknowledge the offense (and the organization’s role in the offense), show remorse, provide an explanation, and make an effort toward reparation (2004). Similarly, Lewicki et al. (2016) found that taking responsibility for the error was the most important component of a successful apology.

One study intended to provide guidance to public relations professionals emphasized the “what” element of an apology by focusing on active versus passive responsibility (Lee & Chung, 2012). These researchers found that consumers’ anger levels decreased significantly more when an organizational apology contained language directly taking responsibility for the offense than when apologies contained more passive language in which they simply offer concern about the situation. Similarly, Pace et al. (2010) found that directly accepting responsibility for the transgression within an apology helped to preserve organizational reputations and decrease anger amongst the offended parties. One public relations firm offers advice for organizations in crisis that advocates for quick dissemination of information (when) and taking responsibility when appropriate (what) as the most important elements (Weiner, 2006). The Institute for Public Relations emphasizes findings that show organizations recover more quickly from crises (both financially and in reputation) when they “communicate aggressively (frequently and through many channels) than when they communicate passively (release very little information)” (Coombs, 2014, p. 6). This advice broadly covers both the “when” and “where” elements. These

works all highlight the importance of crafting language that allows the organization to communicate an apology in a way that provides the best opportunity for eventual forgiveness.

However, some practices provide much more freedom for organizations to explore apology alternatives. Research from Coombs and Holladay (2008) concluded that in some situations, organizations benefit from relying on alternative crisis communication strategies instead of an apology, because apologies tend to make the organization vulnerable to costly lawsuits. The researchers reported, “Given the higher costs associated with apologies, crisis managers can confidently offer compensation and/or express sympathy in the lower to moderate responsibility crises rather than relying on apology as the default” (p. 256). These findings are consistent with the Situational Crisis Communication Theory (SCCT), which promotes a continuum of organizational responses that span from defensive responses (denying responsibility) to accommodative strategies (accepting responsibility), based on the level of offense to stakeholders (Coombs, 2007). SCCT advocates that organizations only admit guilt when they are undoubtedly at fault. This theory is applied in practice as one public relations firm offers the viewpoint that apologizing is not always the best strategy. Specifically, the firm recommends that organizations not apologize when it might be more appropriate to control the story with their version of the incident, especially when it can correct mis-information already reported by the media (Bullwinkle, 2017). This tactic can also set a precedent for showing unruly customers what types of behavior will not be tolerated and show employees that the organization is committed to their safety and well-being. These best practices suggest that organizations should put just as much effort into choosing whether to apologize as they do the language used in an apology.

Taking a different tack, Kampf (2009), studied public “non-apologies”, or instances in which leaders minimized their role in the incident, avoided words in which they took direct responsibility for wrongdoing, apologized for one (often peripheral) element of the offense instead of an outcome of the offense, or overtly denied responsibility for the incident. Kampf analyzed hundreds of apologies and organized them into categories of ways to express regret without taking direct responsibility. These insincere apologies were found to be generally effective and can even “allow public figures to appear as moral personas who conform to the moral discursive standard that is becoming customary in the age of apology” (p. 2269). It seems that direction on responsibility-taking is varied and somewhat inconsistent as researchers provide guidance for crafting the “what” element of apologies. This could be attributed to the nuance of individual offense, situations, and stakeholders. It is important to note that the effectiveness of organizational apologies are also mitigated by several seemingly unimportant factors, including characteristics of the spokesperson delivering the apology (the “who” element). Researchers have shown that outward features like attractiveness (Sandlin & Gracyalny, 2020) and gender (Cowen & Montgomery, 2019) can alter stakeholder reactions to apologies that otherwise follow a tested framework. Practitioners are cautioned not to forget that human behavior precludes guarantees for perfectly received apologies.

THE STUDY

In this article, the author critically examines examples of organizational apologies via the framework known as The Apology Formula, which was published in a modern issue of *Harvard Business Review* with the intention of helping organizations apologize efficiently and effectively (Schweitzer et al., 2015). This framework was selected because Schweitzer et al. created the formula based on research at the intersection of management (recognizing and supporting good business practices) and psychology (recognizing that people are hard-wired to delay apologizing because it is uncomfortable). A practical guide for leadership that touts a simplified “who, what, when, where, how” framework seems uncomplicated enough for leaders to work through quickly, and broad enough to apply to any industry or organizational context. These qualities of the framework make it particularly interesting to study in a retrospective way.

This article adds to the existing body of related literature by focusing on two primary research questions:

- (1) *How effective were three recent high-profile organizational apologies, as viewed through the lens of The Apology Formula?*
- (2) *What are the emerging opportunities and challenges that exist for organizations navigating the art of the public apology in the age of social media?*

The Apology Formula

Schweitzer et al. (2015) drew upon their own working knowledge and research when they formulated and published the “Apology Formula” in *Harvard Business Review*. The formula provides, “a diagnostic and practical guidance on the who, what, where, when, and how of an effective apology” (p. 2). The formula was created in consideration of several key elements that make organizational apologies different from individual apologies, including indecision about when an organization should feel responsible for the actions of one or a few individuals and concerns about admitting responsibility for mistakes in an increasingly litigious society. To first determine whether an apology is necessary, the authors contend that organizational leaders should determine whether there was a violation (whether real or perceived), determine whether the violation was central to the organization’s core business, consider how the public will react when they learn of the offense, and decide whether the company is willing and/or able to commit to a change. If it is determined that the organization does need to apologize, the Apology Formula provides a framework to help craft an apology that will help the organization overcome the negative situation rather than making it worse with a poorly-designed apology. The ideas that support each element of the framework for the Apology Formula are summarized below in Table 1.

Who	The apology should come from a senior leader within the organization and be issued to the person or people who were harmed.
What	The content of the apology should have three goals: candor (clearly acknowledging what happened, the harmful effects, and taking responsibility for the actions), remorse (use language that clearly expresses that you are sorry for what happened), and commitment to change (tell the audience what you plan to do – fire someone, revise policies, conduct investigations, etc.).
Where	Leaders can make a written statement, video statement, or on-site visit to issue an apology. While written statements allow for the author to maintain the most control, on-site visits or live press conferences can convey a more sincere sense of caring. Apologies given through any of these channels can spread very quickly and to a broad audience via social media.
When	Apologies should be offered as quickly as possible. In some cases, a “placeholder” apology might be appropriate as the organization continues to gather facts surrounding the incident.
How	The authors report that using informal language and personal communication can support a sense of authenticity when apologizing. Recorded spoken or video apologies can be a great opportunity to express a sincere “repentant tone”, but also open the door to mistakes that can invalidate the apology.

ANALYSIS OF CORPORATE APOLOGIES

In this paper, the theoretical framework provided in the Apology Formula is applied to real-world examples of organizational apologies from the recent past. The following section outlines three examples of modern organizational crises that were widely publicized and the subsequent apologies that were issued by each organization.

Starbucks

Founded in Seattle, Washington in 1971, Starbucks Corporation is an American coffee chain that sells coffee, tea, and food products in retail environments and operates more than 28,000 locations in 76 countries worldwide. Operating with the mission statement “to inspire and nurture the human spirit – one person, one cup, and one neighborhood at a time”, the corporation was been recognized as one of the world’s most ethical companies by the Ethisphere Institute for twelve consecutive years (Starbucks, 2019).

On Thursday, April 12, 2018 two African-American men were arrested at a Starbucks in downtown Philadelphia after they refused to leave when asked by an employee to do so. They had asked to use the restroom, but the employee declined their request since they had not made a purchase. Their refusal to leave prompted an employee to call the police. Shortly after the police responded, a Caucasian man arrived and argued that the two African-American men were not trespassing, but were there to meet him to discuss business activities. Another customer took a video of a short portion of the arrest, which was viewed more than eleven million times on Twitter alone in subsequent weeks (Stevens, 2018).

The company issued an apology via Twitter two days after the incident. The statement was issued as follows:

We apologize to the two individuals and our customers for what took place at our Philadelphia store on Thursday....and are disappointed this led to an arrest. We take these matters seriously and clearly have more work to do when it comes to how we handle incidents in our stores. We are reviewing our policies and will continue to engage with the community and the police department to try to ensure these types of situations never happen in any of our stores (Starbucks Corporation, 2018).

On the same day, the company provided a written press release from their Chief Executive Officer Kevin Johnson, and highlighted, “We regret that our practices and training led to the reprehensible outcome at our Philadelphia store. We’re taking immediate action to learn from this and be better” (Starbucks Corporation, 2018). Johnson also added that he would ensure that the proper steps were taken to prevent similar incidents from occurring in the future (Stevens, 2018).

The public highlighted the incident as an example of discrimination and racial profiling (Stevens, 2018). The company followed up by closing more than 8,000 of their locations six weeks after the incident to hold racial bias training. More than 175,000 employees were reported to have participated in the training (Gajanan, 2018). After the story and video of the incident went viral, the incident was trending on social media using the hashtag #BoycottStarbucks. The company settled with the two men who were arrested for an undisclosed amount of money and an offer of free college. The lawyer representing the young men also made a statement to announce that Starbucks CEO Kevin Johnson was so impressed with how they handled the aftermath of the situation, that he promised to personally mentor and maintain a relationship with them (Gajanan, 2018). The incident had no obvious effect on the company’s quarterly earnings, and CEO Johnson stated that it may even help them financially, since the racial-bias training they held in April “will pay long-term dividends to Starbucks” (Staley, 2018; Starbucks Investor Relations, 2019).

United Airlines

In pre-pandemic 2019, United Airlines was a major American airline offering approximately 4,800 flights a day to 353 airports across five continents. The company has publicized their purpose statement, “Every day, we help unite the world by connecting people to the moments that matter most” (United Airlines, 2019).

One Sunday April 9, 2017, a United Airlines flight from Chicago to Louisville was overbooked, and the airline needed to fly four crew members on the flight in order for them to be able to work on subsequent flights. Passengers were offered vouchers as incentives to volunteer to give up their seats to these flight attendants, but none came forward. After weighing factors such as connecting flight information and airport wait times, the airline selected four passengers to “involuntarily de-board” the flight. Three of these passengers complied with the request, but one, 69 year-old Dr. David Dao, refused. Following Department of Transportation protocol, the flight crew called local law enforcement to physically remove the passenger from the plane (Zdanowicz & Grinberg, 2018).

In response to Dr. Dao's refusal to de-board, the security officers from the Chicago Department of Aviation security dragged the man down the aisle of the plane by his arms and legs, bloodying his face in the process. Dr. Dao immediately ran back onto the plane after he was removed, reportedly with blood streaming down his face. The officers removed him once more, and the four flight crew members boarded the plane, only to be berated by the remaining passengers for the duration of the trip (Zdanowicz & Grinberg, 2018). Several passengers recorded Dr. Dao's removal on their mobile phones, and the footage went viral quickly, receiving over 24 million views on Twitter alone (Andrews, 2017).

United Airlines CEO Oscar Munoz released a statement the day after the incident in which he apologized for "having to re-accommodate these customers" and stated that the airline would reach out to the passenger to resolve the situation, though he did not comment on the treatment of Dr. Dao. He also issued a lengthy letter to his employees, in which he outlined the events that occurred, assured them that he supports them, and referred to Dr. Dao as "disruptive and belligerent". United faced immediate backlash, with viral social media posts calling for boycotts and accusing Munoz of victim-blaming. The following day (two days after the event), Munoz release another statement in which he expressed that the airline was taking full responsibility for the incident, admitted that the passenger was gravely mistreated, and ended by stating "I promise you we will do better". The following morning Munoz offered an additional apology on-camera on a national morning news show. The day after that, the airline released yet another statement to issue a public apology to Dr. Dao and committed to a review of policies to ensure similar incidents would not occur going forward (McCann, 2017).

After the story and video of the United Airlines incident went viral, the Chicago Department of Aviation fired two of the officers involved and suspended the third. The department released a statement admitting that the officers had given the passenger a concussion and a broken nose and knocked out two of his teeth during the incident, and at least one of the officers reported false information in the written report documenting the incident. They also labeled the security officers' behavior as "excessive force" and stated that the officers were fired for improper escalation of the incident. Dao reportedly received a settlement from the airline for an undisclosed amount of funds within a month of the incident (Andrews, 2017). Passengers on the flight were offered a full refund for the price of their airfare three days after the incident (McCann, 2017). In the aftermath of the negative publicity, United quickly announced that Munoz did not receive his planned promotion from Chief Executive Officer to Chairman (Meier, 2017). While United's stock price dipped more than six percentage points (an equivalent of \$1.4 billion) two days after the flight (Shen, 2017), the incident seemed to have had no obvious long-term financial impact. The company reported that second-quarter revenues in 2017 were up more than six percent over the same quarter in 2016, roughly flat in the third quarter, and back up more than four percent in the fourth quarter (United Airlines, 2018).

Uber

The ride-sharing giant Uber quickly became an international sensation after the smart phone application hit the market in 2009, then known as UberCab. Over the past decade, the on-demand transportation service has grown to include sidelines that deliver food (Uber Eats) and

connect trucking companies with drivers (Uber Freight), and has become available in more than 500 cities (Uber Company Info, 2019). The service has become increasingly popular with short-term travelers, those who wish to avoid driving and parking in congested urban areas, and those looking for a safe ride home.

In February 2017, a former employee of the company published a blog post that outlined instances of sexual harassment that occurred and were covered up by Uber's Human Resources department. She painted a clear picture for the public of "rampant misogyny at Uber and a culture hostile towards women". Then-CEO Travis Kalanick immediately released a statement vowing to have Human Resources conduct an "urgent investigation" and calling for any employees who are complicit to these actions to be fired. Subsequently, one senior executive was fired for failing to disclose an allegation of sexual harassment during his tenure at his former employer. The following month, Kalanick was caught on camera swearing and belittling his own Uber driver who complained to him about the company's treatment of their employees. Kalanick later apologized to his employees via email (Balachandran, 2017).

In June 2017, the company fired 20 employees after conducting a review of "claims of harassment, discrimination, bullying, and other employee concerns". Several senior executives were relieved of their duties based on alleged cover-ups of various crimes, overt misogynistic behaviors, and mishandling of complaints. After a brief leave of absence, Kalanick stepped down shortly after all of these issues gained national media attention, at the urging of at least five of Uber's top investors, though he remained on the board (Balachandran, 2017). Consumers threatened boycotts on social media at high rates, especially just prior to Kalanick's resignation as CEO. Dara Khosrowshahi, former CEO of Expedia, stepped in to take over for Kalanick in September 2017 with his mind on re-vamping the corporate culture as soon as possible (O'Brien, 2018).

As a means of communicating some of the initiatives that the company was taking to change the culture and improve service, Khosrowshahi released an "apology ad" nine months into his time at the helm of the company. The commercial directly addressed the issues of improving culture and service – both for customers and employees (O'Brein, 2018). The apology ad was released in roughly the same time frame as two other corporate giants – Facebook and Wells Fargo – apologized to their customer base via commercial as well. Uber's ad has been touted as much more effective than the other organizations, with the success largely attributed to the style of the commercial, during which new Khosrowshahi directly commits to upholding Uber's core value of "doing the right thing" and gives specific examples of how he plans to do that, such as hiring new leadership, enhancing background checks, and expanding customer service (Gourguechon, 2018). The financial impact of new leadership and the Khosrowshahi's appeal to stakeholders regarding the commitment to improving the company's culture are somewhat elusive due to the nature of the company's continuous spending, expansion into new lines, and sale of other lines that did not prove to be sustainable. Though Uber's growth slowed from 2017 to 2018, revenues still went up by an impressive 43 percent, and bookings were reported to have increased by 45 percent in 2018. The company's initial public offering occurred on May 9, 2019 (Feiner, 2019). Kalanick resigned from the board and sold all of the shares he owned in the company in December 2019. Khosrowshahi reported that Kalanick

was loyal to supporting Uber's mission and supportive of his leadership since he took over as CEO (Palmer, 2019).

DISCUSSION

Each of these scenarios shares similarities and holds differences with the others regarding their "fit" with the five elements of the Apology Formula. These points are summarized below.

Who

Per the Apology Formula, the apology should come from a senior leader within the organization and be issued to the person or people who were harmed. In all three incidents, the apology came from the CEO. However, the audience of the apology differed in each case. The Starbucks CEO apologized directly to the two individuals who were arrested as well as the customers. The United Airlines CEO started by issuing a statement of support for his employees and apologized for "having to re-accommodate" some customers. He initially characterized Dr. Dao as disruptive and belligerent. After receiving immediate backlash for his stance, he issued an apology the next day in which he stated that the victim was mistreated and the airline would take full responsibility for the incident. The new CEO for Uber provided his message directly to the customers and employees of the company.

What

The Apology Formula states that the content of the apology should have three goals: candor (clearly acknowledging what happened, the harmful effects, and taking responsibility for the actions), remorse (use language that clearly expresses that you are sorry for what happened), and commitment to change (tell the audience what you plan to do – fire someone, revise policies, conduct investigations, etc.). While all three cases mentioned here addressed these points thoroughly at some point in their stream of apologies, some achieved these three goals more quickly than others. Starbucks covered all of these points fairly quickly with their apology, while United Airlines waited until their stakeholders expressed their discontent with the first apology to issue one that addressed all of the relevant points. While Uber had to make serious changes, including a change of CEO, to begin righting their wrongs, their new CEO did cover all of these points in his apology advertisement.

Where

Per the Apology Formula, leaders should make a written statement, video statement, or on-site visit to issue an apology. While written statements allow for the author to maintain the most control, on-site visits or live press conferences can convey a more sincere sense of caring. Apologies given through any of these channels can spread very quickly and to a broad audience via social media. In these cases, outlets for apologies all started with an online statement, and some evolved from there. After Starbucks released several online statements, they followed up

by continuing to release statements regarding their progress on their commitment to change. United's CEO released several online statements that evolved in content and message, and eventually made an appearance on a national morning news show. Uber issued online statements for many of its transgressions, but the new CEO took a more creative, dramatic approach when he issued his televised apology advertisement.

When

The Apology Formula asserts that apologies should be offered as quickly as possible. In some cases, a "placeholder" apology might be appropriate as the organization continues to gather facts surrounding the incident. All three companies seemed to issue their apologies quickly, as the incidents occurred. The Starbucks CEO released a statement two days after the incident, while the United Airlines CEO released a statement the day after the incident. Uber's original CEO released several timely statements as the news of various scandals broke, while the current CEO release his apology advertisement nine months after he took the company over and had taken many steps to survey the situation, assess damages, and begin to make conscious efforts to make positive changes in the culture of the company.

How

The authors of the Apology Formula reported that using informal language and personal communication can support a sense of authenticity when apologizing. Recorded spoken or video apologies can be a great opportunity to express a sincere "repentant tone", but also open the door to mistakes that can invalidate the apology. The "how" of each apology is perhaps the most difficult to assess of any of the elements identified due to the complex factors that affect each incident. All three companies did make use of informal language in their apologies, and each of them (in some cases, eventually...) did make a specific "repentant" statement. While Starbucks released a written statement, both United Airlines and Uber released written statements and videos.

A summary of each company's actions as they relate to each element in the Apology Formula is found below in Table 2.

	Starbucks	United Airlines	Uber
Who	From: CEO To: Two individuals who were arrested and customers	From: CEO To: Evolved from blaming individual passenger and supporting employees to apologizing to victim and customers	From: CEO To: Customers and employees
What	Candor: Yes Remorse: Yes Commitment to Change: Settled with two individuals, closed stores for mandatory racial-bias training	Candor: Eventually, yes Remorse: Eventually, yes Commitment to Change: Airline settled with passenger, refunded passengers, committed to reviewing policies to prevent similar incidents	Candor: Yes Remorse: Yes Commitment to Change: Litigation, personnel shake-up, background checks, expanding customer service
Where	Series of online statements	Series of online statements; Appearance on national morning news show	Series of online statements; Televised apology advertisement
When	Two days after incident	One day after incident, and several days afterward	Various
How	Informal language, "We're taking immediate action to learn from this and be better"; written only	Informal language, "I promise you we will do better"; both written and video	Informal language, focused on upholding core value "doing the right thing"; both written and video

IMPLICATIONS

Considering the information provided, how effective were three recent high-profile organizational apologies, as viewed through the lens of The Apology Formula? Each of the companies appeared to adhere to the basic tenets of The Apology Formula, though while Starbucks seemed to power through the steps, United Airlines gave the impression of stumbling through them, and even starting them over in a second iteration at one point. Both of these companies apologized for an isolated incident in which their customers were mistreated, and both companies had their Chief Executive deliver an apology quickly. The main difference is that Starbucks was able to provide a consistent message of how the company would internalize the ordeal and turn it into an opportunity for improvement, while United Airlines started out blaming the passenger and had to change its message mid-stream after receiving backlash from the public. While Uber's case is a bit of an outlier since the company apologized for a series of offenses over time, all of these examples highlight the success of apologies that follow the formula. A particular strength of the formula identified via this analysis is an organization's ability to deftly start back at the beginning of the formula when a first attempt does not land well with stakeholders. As stated previously, the Apology Formula was selected for study in part due to the interdisciplinary nature of the research (in management and psychology) that supported the development of the framework. This comprehensive formula for organizational leaders that relies

on a simple, unpretentious “who, what, when, where, how” framework is broadly applicable to many industries. Public relations practitioners working with various types of organizations are likely to find these strengths to be beneficial in times of crisis.

While public apologies are quite commonplace in these times of near-instant communication, measuring their effects can be quite complex. Unrelated variables cannot be controlled, and no two organizations share exactly the same business model, stakeholder groups, product categories, seasonal factors, etc. One method of measuring the impact of a public relations crisis is noting dips in financial performance. Many large organizations may expect a temporary dip in sales or stock prices after an incident necessitates a public apology, with the hopes that the news will blow over quickly and business will not be affected irreparably. In the cases analyzed above, none of the companies seemed to have experienced a permanent decline in revenue, with only United Airlines suffering a dip that seemed noticeable to market-watchers. Starbucks’ CEO even made an announcement that their sales were not affected, noting that the company realized a slightly increased sales figure during the quarter in which the customers were arrested (Taylor, 2018). While Uber’s financials are more complex as they continue to shed and acquire lines of business, their bookings rose 45 percent in the year after the new CEO took the helm (Bosa & Zaveri, 2019).

Another method of measuring the impact of a public relations crisis involves measuring the general damage to an organization’s reputation – the impact of which can be assessed by a combination of metrics including stakeholder levels of anger, negative word-of-mouth chatter, and decline in traffic/sales (Coombs, 2007; Pace et al, 2010). Specifically, organizations must assess (and, if needed, temper) any social media firestorms that arise as a result of the transgression that warranted the apology, as they can fan the flame of perceived crisis and stakeholder outrage. Researchers stress that becoming well-prepared to handle a firestorm should be a priority long before it happens, and that organizations can often ward off the (potentially long-term) negative effects by attracting a diverse followership online from the start. They concluded that organizations need to “...create fan networks, identify trusted information brokers to spread news about their company, and develop contingency plans for organizing a collective social information response before they are needed in order to control the overall information picture” (Pfeffer et al., 2014). Researchers have also developed a social norm theory on online firestorms, positing that the “stunning waves of aggression typical for online firestorms can be explained by the characteristic features of social media that ideally contribute to the solution of the second-order public good dilemma of norm enforcement” (Rost et al., 2016). This theory supports the idea that consumers often feel the need to join a firestorm conversation due to a desire to agree with what they believe to be a positive social norm or to voice their concern over an action that violates a social norm. These researchers also highlighted that online anonymity does not increase online aggression during firestorms supporting social norms, because consumers often want their names associated with promoting positive social norms. Similarly, other researchers concluded that a desire for social recognition is the strongest factor in consumers’ likelihood of participating in an online firestorm. The perceived social support that they receive from like-minded individuals expressing similar opinions validates their feelings and further encourages them to join the conversation (Johnen et al., 2017). Organizations must

remain vigilant in the aftermath of a perceived transgression (especially when a firestorm occurs), assess reputational damage frequently, and work to repair damage quickly.

Considering the many aforementioned variables at play in regards to the delivery and effectiveness of organizational apologies, the effectiveness of a singular framework (in this case, the Apology Framework) can be difficult to compare to other frameworks. However, the structure of the framework lends itself to analysis of each individual element. Interested parties can retrospectively study examples of organizations that missed the mark on a single (or multiple) elements of the formula to assess the value of the action(s). For example, Equifax arguably botched their apology for a massive data breach of 143 million individuals in the ‘who’ and ‘when’ categories. CEO Richard Smith took six weeks to address the issue publicly and offer an apology, and later it was disclosed that three other executive-level employees sold their shares and retired in the meantime. Smith stepped down just a few weeks later as stock prices plummeted and consumer confidence evaporated in the wake of so much legal action (Kador, 2017). The at-home exercise equipment brand Peleton faced backlash after airing a holiday advertisement showing a man gifting the popular exercise bike to his wife, implying that she needed to lose weight. While consumers perceived the commercial as sexist and demeaning, a company spokesperson issued a statement, “While we’re disappointed in how some have misinterpreted this commercial, we are encouraged by — and grateful for — the outpouring of support we’ve received from those who understand what we were trying to communicate.” This statement missed the ‘what’ category of the Apology Formula, as it effectively blamed the offended parties by telling them that they simply did not understand the advertisement’s intention rather than offering remorse or a commitment to change. The company experienced as much as a 10% drop in stock price, but bounced back as the COVID-19 pandemic spurred many consumers to purchase the product as gyms started to close nationwide (Stump, 2019; Valinsky, 2020).

Other examples of negative consequences exacerbated by bungled apologies include instances of making mistakes in both the ‘when’ and ‘how’ elements of the formula. Wayfair made headlines as the home goods company reportedly made a sale of more than \$200,000 to government contractors ordering beds and other items to be used in the camp for migrant children being detained in Texas in 2019. The action resulted in organized employee walk-outs and hundreds of orders cancelled in protest of the situation. Weeks later, the co-founders of the company announced to employees that Wayfair was donating \$100,000 to the Red Cross in hopes of offsetting some of the damage, though some employees found this message to be “too little, too late” considering the timing and lack of alignment in supporting the Red Cross rather than a more direct relief effort for the detained refugees (Manley, 2020; Wu, 2019). Ellen DeGeneres, beloved comedian and host of *The Ellen DeGeneres Show*, who famously signed off from each show with her tagline “Be kind to one another” faced much criticism after being accused of creating and perpetuating a toxic work environment for much of her staff. Allegations of racism and cruelty posed by her current and former staff circulated via social media all summer, but the host chose to wait to address the comments to her viewers until the first episode of the show’s final season in September. In an ill-advised stand-up comedy-esque statement, DeGeneres joked around and sarcastically acted as if she were the victim to the situation, and

told viewers that while she was generally cheerful, it was difficult to be the “Be Kind lady” all the time. The show has experienced a significant loss of viewership (more than 43%) following the missed opportunity for showing remorse and committing to change (Manley, 2020; Koblin, 2021).

The implications mentioned here open the door to another question: What are the emerging opportunities and challenges that exist for organizations navigating the art of the public apology in the age of social media? Recall that in all three incidents, the story was quickly trending on social media, all with hashtags calling for boycotts on the companies. So, what became of these intentions to boycott – were they just short-lived outbursts that were quickly overshadowed by other news and shopping habits that were already solidified based on convenience and price? Perhaps consumer decisions and purchases were influenced positively by the brands’ commitment to change following their offensive behaviors. Starbucks followed through on their promises by closing stores for employee racial-bias training, United Airlines followed through with promises of policy review and revisions to prevent similar happenings in the future, and Uber followed through implementing specific actions they took to improve their services and culture. Looking at the lack of financial repercussions for each organization, it seems in all three cases that customers were either experiencing only temporary vehemence to the companies or that they considered their efforts toward remediation to be “enough” to earn their forgiveness, and therefore their business.

It seems that the rise of social media has only served to exacerbate the claim made by the authors of The Apology Formula, “for core violations, the ‘what’ has to show a tremendous commitment to change, the ‘who’ has to be senior leaders, the ‘when’ has to be fast, the ‘where’ has to be high profile, and the ‘how’ must be deeply sincere and demonstrate empathy,” (Schweitzer et al., 2015, p.12). When a company misses the mark on any of these steps outlined in the formula, perhaps the first step toward earning their stakeholders’ forgiveness is to determine what the public reaction is via social media and be ready to change directions and start the process over if they miss the mark on the first try. As many social media users utilize these platforms as a place to “be heard”, perhaps they are equally satisfied to support an organization that learns from its mistakes as they are to publicly shame one that has participated in bad behavior.

FUTURE RESEARCH

Future researchers might find value in further exploring some topics related to implications in this paper. This study could be replicated to analyze additional organizational apologies, and those reports could be compared and contrasted based on the industry or type of service that the organization provides. Incidents could also be grouped into those that the public perceives to be a mistreatment of customers versus a mistreatment of funds or other stakeholder groups. A critical analysis could also be provided for the same situations using a framework that differs from The Apology Formula. Researchers might also be interested in analyzing more cases in which an organization issued an apology that was not initially well-received by stakeholders and changed direction based on the public’s reaction via social media.

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