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Say cheese! Examining a communication crisis through advertising semiotics: a qualitative case analysis of Parmigiano Reggiano

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INTRODUCTION

“It takes 20 years to build a reputation and five minutes to ruin it.” - Warren Buffett

Brand reputation is extremely fragile, it's difficult to build but easy to destroy. It is a delicate asset that demands consumer's trust and a constant unwavering effort. When the scandal hits the ground, it hits hard. What the brand might have considered a smart and funny commercial, proved instead to be controversial and offensive content. When this happens, the impact will be immediate and a “tactless” advert can instantaneously tarnish a brand's image and reputation - an image and reputation that might have taken 20 years to construct, just as Mr Buffett said. Adding to the fact that we now find ourselves in a digital age where the rapid dissemination of information on social media amplifies the speed at which scandals travel. Charles Fombrun, a famous scholar who founded what was called the Reputation Institute in the late 90s, explained corporate reputation as “the collective perception of the organization's past actions and expectations regarding its future” (1996, p. 165). When a brand produces an advert that does not go in line with the collective perception, and instead puts the brand in crisis, it requires some deeper insight into what went wrong. Advertising is not just a mere tool for promoting products and services, advertising can also reflect and reinforce cultural and social values in society. However, when this is done in an insufficient way, the advertising usually sparks controversy that can lead to a discussion about values, ethics, and norms in society. This is exactly what happened when the Parmigiano Reggiano Consortium published an ad that, according to many, encouraged and glorified labour exploitation.

To understand why the advert became a subject of controversy, this study will examine and explore the role of advertising semiotics in relation to brand crisis by trying to understand the roles that narrative choices play in the aftermath of an advertising scandal.

More specifically, this paper is divided into four main parts. The first chapter introduces the reader to the theoretical constructs that make up a brand and how they relate to consumers and stakeholders by following a somewhat chronological order of a brand undergoing a crisis. Starting with the building block of a brand, its reputation, and then the consequences that may infer when they hit the ground and then what can be done to get up again. If the first chapter laid the more general foundation, the second chapter goes into detail by narrowing down the

research applying the previous examined matters onto the advertising industry with case examples and ethical dilemmas that are connected to the phenomena. The third chapter revolves entirely around the semiotic and content analysis of the Parmigiano Reggiano advert Gli Amigos. The first phase of the semiotic analysis starts with segmenting the audio-visual text into sequences to break down the surface-level attributes. Following this, the narrative level will be exposed to then dive even deeper into the axiological level where the underlying meaning is uncovered. Later, the second analysis uncovers the consumer point of the problem by analysis the sentiment found in comments posted under the video on YouTube, utilising the software NVivo. By doing so, the perceived values and opinions will be brought to the surface. In order to enhance the findings, another case, namely that of Dolce & Gabbana, will be employed to highlight similarities and differences. Lastly, the fourth chapter highlights the results derived from the study and discusses the impact of them by presenting the theoretical and managerial implications. Additionally, the limitations and future research opportunities are addressed to conclude the whole paper.

CHAPTER 1

Brand reputation and crisis, taking it online

1.1 Brand Reputation

At one point in time, brand category leaders are sure to experience turbulence that puts the brand's reputation on the line. This turbulence creates a stressful and challenging task for any brand and requires fast and effective actions in order to manage and minimise the consequences guaranteed from the situation at hand. Brands finding themselves in misconduct will suffer reputational damage in one way or another. However, in order to define brand reputation, one must first define brand identity and brand equity. Brand reputation is a complex construct that has been interpreted in many different ways over the course of many years. Consisting of several different components, authors have at long last agreed on its multidimensional character. A recurring discussion is that of brand reputation, brand identity, and brand equity, either described as equivalences or as separate entities but at the very least, related constructs. Thus, it is crucial to first clarify the principles of brand identity and brand equity in order to completely comprehend the concept of a brand crisis and the reputational damage that follows.

1.1.1 Brand Identity

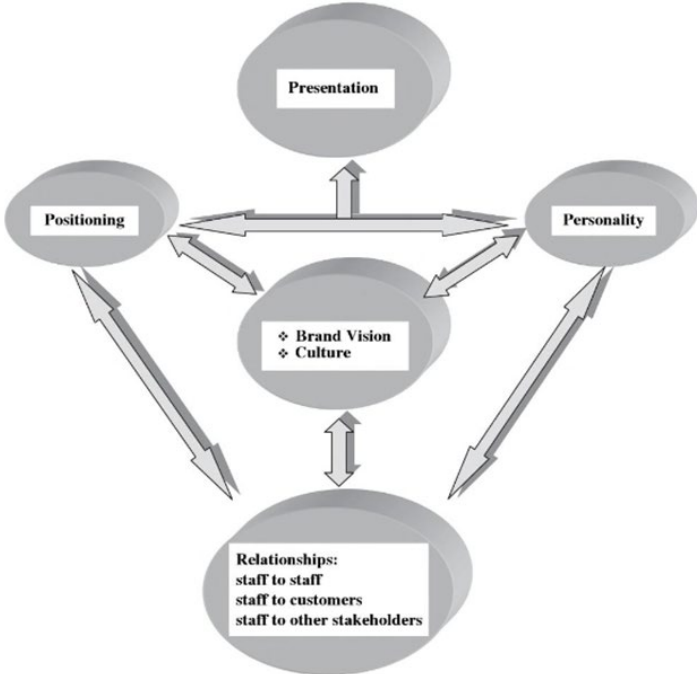
In today's society, most companies build and manage identity to ensure that the brand identity expresses an exact set of values, capabilities, and a unique selling proposition. Aaker (1996) is widely considered a pioneer in defining brand equity and identity and would come to define brand identity as *“a unique set of brand associations that the brand strategist aspires to create or maintain. These associations represent what the brand stands for and imply a promise to customers from the organization members”* (1996, p. 68) and also as the first step toward building a strong brand. In this view, brand identity is the total of the brand identities expressed as a product, an organisation, a person, or a symbol (Roy & Banereej, 2007; Aaker, 1996). These four brand identity perspectives function as a tool to help the strategist when attempting to enrich and differentiate a brand identity by considering different patterns and brand elements. From a consumer point of view, brand identity is crucial because of the

oversaturated market we find ourselves in and because without a strong brand identity, it would become impossible to distinguish between brands and competitors. Hence, having a strong brand identity provides a shortcut for consumer choice as they don't have to sort through seemingly identical options.

However, this definition predominantly describes brand identity as the physical and proprietary representation of the brand and the sensory information etched in consumer memory. Whilst brand identity encompasses visual cues, it also includes the deeper values of the brand itself such as the symbolic, experiential, and emotional dimensions associated with the brand.

According to de Chernatony (2006) brand identity is “the distinctive or central idea of a brand and how the brand communicates this idea to its stakeholders” (2006, p. 53). To complement this definition, de Chernatony provided a model of the components of brand identity.

Figure 1: de Chernatony’s brand identity model



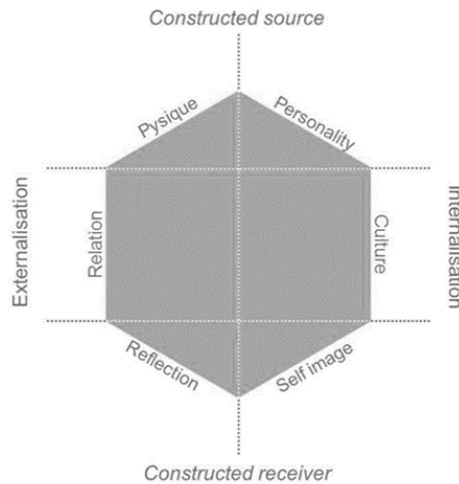
Source: de Chernatony, 2006

The *brand vision* is positioned as the central aspect which indicates how the brand can elevate its status quo in the future. However, the condition upon this happening is the *culture* within the organisation, all of whom belonging to it must support the aforementioned vision. In order to bring about the vision, the brand must implement a *positioning* strategy that embodies the brand's functional values and a *personality* that materialises the brand's emotional values. However, in order to represent the brand values there must be a clear *understanding* among all stakeholders surrounding the brand.

Thus, brand identity is what the company wants its stakeholder to interpret the brand as, its central idea and the dream they want to sell (de Chernatony, 2006). The author also highlights the fact that the identity of a brand is something forged from within the organisation, not something derived from outside sources. However crafted from within, the brand is still assessed through the eyes of the consumer meaning that the brand identity is both something desired and perceived and ultimately, a matter that has to be coherent and aligned (de Chernatony, 2001; Robichaud, Richelieu & Kozak, 2012).

Similarly, Kapferer (1986) defined brand identity as something that includes everything that a company wants for the meaningful and unique interpretation of the brand. He also proposed the brand be viewed through the *brand identity prism* (2001) which includes the desired brand identity produced by the brand itself (sender) and the perceived brand identity by the consumer (receiver). Thereby allowing a co-construction of brand identity.

Figure 2: Kapferer's brand identity prism



Source: Kapferer, 1986

The prism's six facets represent elements of a brand's identity: physique, personality, relationship, culture, reflection, and self-image, distinguishing between externalisation and internalisation.

The **physical aspects** represent external characteristics of a brand such as a logo, colour, and shape. An example of this would be the world's leading athleisure and sportswear company Nike's swoosh, a physical aspect that is recognised immediately by customers.

The **personality aspect** characterises the way in which the brand communicates to the world, the tone, characteristics, and persona. The energy drink company Red Bull embodies personality traits such as being courageous, adventurous, and exciting, for example.

The **relationship dimension** represents a human relationship orchestrated by the brand and what the consumer can expect besides the actual product or service. For example, the iconic denim brand Levi's wants to establish an adventurous and emotional relationship with its customers while they are wearing their jeans.

The **cultural aspects** intend the values and principles the brand implements and relies on. Italian pasta brand Rummo conveys its culture through the core values of family and artisanal high quality.

The fifth facet *reflection* represents the ideal or the stereotypical consumer of the brand, their aspirations, and how they are identified by others. More easily described as “*what others say about or think about my choice of brand*” (Urde, 2013, p. 745). Multinational tech company Apple is for example focusing its messages on reflecting its ideal consumer who is someone creative and not afraid to break free from the norm.

The last facet of the hexagon comprises the *self-image* consumers have while using the brand and how they imagine themselves being portrayed in that instant. More easily described as “*what I say to myself through my choice of brand*” (Urde, 2013:745). To illustrate, customers of the French luxury fashion house Coco Chanel think of themselves as classy and elegant people face to face with a brand like Versace whose customers are more flamboyant and vulgar. In order for a brand to resonate with its customer they therefore have to create a message in which the customer can find evidence of their ideal self.

The two last facets are through which we construct our own identity. The consumer reflection and the self-image; the prior constituting the outside world and the latter confirming our own concept of self. Both provide brand identity with emotional depth (Kapferer, 2001).

Brand identity can therefore be understood and to be considered as the associations, attributes, and objective and subjective values that a brand possesses. It is created by the brand itself, but it can also be defined and redefined by consumers over time. Therefore, identity elements and associations need to be uniquely associated with a brand in consumer memory in order for a brand to become successful identifiers (Keller, 1993; Aaker, 2001).

1.1.2 Brand Equity

The term *brand equity* became fashionable during the late 1980s and even though there isn't a common understanding of how to define brand equity, many practitioners and academics alike have agreed on Farquhar's (1989) definition that states that brand equity signifies “*the added value with which a given brand endows a product*” (1989, p. 24). Consumers will develop emotional bonds and associations with brands when they experience an *added value* which is why it becomes of great importance to conceptualise, measure and manage brand equity since it provides brands with a great competitive advantage in the marketplace (Baalbaki & Guzmán, 2016). Having strong brand equity means that a brand can stay resilient during competitors attempts to exceed them.

The concept of brand equity is threefold as there are three perspectives that could be taken into consideration. First of which is the cognitive psychology perspective in which the equity or the added value derives from how consumer responses differentiate when exposed to a brand's marketing mix given how consumers perceive a brand and what they associate it with (Baalbaki & Guzmán, 2016; Baalbaki & Guzmán, 2016b). It is in simpler terms related to the interaction between the brand and the customer. The second of which is the information economics perspective, which refers to the increased utility that a brand name gives to a product or service. The third of which is the financial market perspective which is connected to the brand's performance and success as a financial measure. It entails the firm's market value minus its tangible asset value. A fourth perspective called employee-based brand equity was proposed in the prior decade and King and Grace (2009) defined it as "*the differential effect that brand knowledge has on an employee's response to their work environment*" (2009, p. 130). Today, value is not extracted from a single source, it is co-created by different stakeholders, which is why all different perspectives are relevant and complementary to each other.

The two most widely accepted and influential models of brand equity in the realm of customer-based brand equity, are those of Aaker (1991) and Keller (1993). Aaker (1991) defined brand equity as "*a set of brand assets and liabilities linked to a brand, its name, and symbol that add to or subtract from the value provided by a product or service to a firm and/or to that firm's customers*" (1991, p. 15). According to Aaker, said assets can be conceptualized into five dimensions: brand awareness, brand loyalty, perceived quality, brand associations and other proprietary assets (e.g., patent, trademarks, IP).

Brand awareness is the first step when building brand equity and occurs when a potential customer has the ability to recognize or recall a brand being part of a specific product category.

Brand loyalty occurs when a customer has the intention to repurchase a specific brand in the future, regardless of outside influences or competitors' marketing efforts. This asset holds great value for any brand since a long-lasting loyal group of customers is more likely to become advocates and refrain from buying from competitors.

The perceived quality of the brand relates to the public's judgment and understanding of overall superiority. A brand being regarded as a high-quality brand can lead to a reputation of being reliable and may also help differentiate itself from competitors.

Brand associations are the cognitive reaction consumer have when exposed to a brand and the connections they have to it. Aaker explained it as "*anything linked in memory to a brand*" (1991, p. 109). Anytime a consumer comes into contact with a brand, their associations can create, change or reinforce positive or negative associations with that brand.

Other proprietary assets are intangible assets or distinctive features characterising the brand such as patents, copyrights, trademarks, or intellectual property rights. Even though no monetary value is attached to these features, they can still improve a brand's reputation and provide an advantage over competitors lacking the same features.

Customers' reactions and associations to a brand can be either favourable or unfavourable depending on how management utilises these five assets. It is therefore of utmost importance to make sure that the emotional part of the customer's brain that makes the split decision on what brand to buy has positive and advantageous associations with the brand.

Aaker's definition of brand equity can be considered as a somewhat elementary approach as it is it to some degree solely in reference to recognition and in order for a brand to be successful it needs to drive recognition. However, Keller's interpretation of brand equity relies on emotions. Keller (1993) defined brand equity as "*the differential effect of brand knowledge on consumer response to the marketing of the brand*" (1993, p. 2). According to Keller (1993), the power of a brand lies in the mind of the consumer and of what they have experienced, felt, thought, and heard about the brand over time, and not just simply about facts about the brand. In order to better understand brand equity, the professor proposed the Customer Based Brand Equity model (CBBE) which explains how a brand can build and reinforce value.

Figure 3: Keller's (1993) Customer Based Brand Equity model



Source: Keller, 1993

The model is illustrated as a pyramid and is based on four steps that embody four rudimental questions that customers habitually always implicitly ask about brands.

The base of the pyramid corresponds to the *salience* step where customers might ask “who are you?”. *Salience* measures brand awareness and recall and what the brand can provide to its customers. In other words, the brand's identity.

The second step is where customers ask “what are you?” and entails *performance* and *imagery*. This can also be considered as *brand meaning* as this step communicates what the brand means to their customer and what it stands for. Keller suggested that there are five types of attributes that underline brand performance:

1. Primary ingredients and supplementary features
2. Product reliability, durability, and serviceability
3. Service effectiveness, efficiency, and empathy
4. Style and design
5. Price

Brand performance indicates how well a product or service of a brand can satisfy a customer's need but it also includes the dimensions that distinguish the brand. The interactions customers have with a brand are a direct result of the performance of the product or service, which is why for a brand to have loyal customers, the product or service must meet, if not exceed, their expectations.

Imagery, on the other hand, is regarded as something of a more abstract character. It concerns the intangible aspects of a brand and how well it can meet the customer's psychological and social needs. Meeting these needs becomes possible through either direct and actual experiences with the brand, through indirect marketing efforts or from other information sources, for instance word of mouth. Keller suggested that there are four main intangibles that underline brand imagery:

1. User profiles
2. Purchase and usage situations
3. Personality and values
4. History, heritage, and experiences

At the core of brand equity lies the product itself since it has the biggest impact on how consumers interact with brands, what they learn about brands from others and what firms may say about brands in their communications. Successful marketing requires a product that can satisfy customer needs completely, be that may psychologically needs or tangible needs, regardless the type of product or service (Keller, 1993).

The third step corresponds to *judgment* and *feelings*, and is where customers ask "What about you? What do I think or feel about you?". This step can also be understood as the *brand responses* and are customers' feelings and thoughts towards and about a brand. These sentiments can be separated into two groups as previously stated; brand judgement and brand feelings and are distinguishable as either coming from the "head" or from the "heart". By putting together imagery and performance associations, customers create brand judgments composed of personal opinions and evaluations. Brand judgments are usually centred around four categories: quality, credibility, consideration, and superiority. Brand feelings are instead the emotional reactions and responses consumers have towards the brand itself and also towards the consumer himself. What kind of emotions can the brand provoke in terms of how the consumer feels about himself and their relationship with others and are they positive or

negative, strong or weak? According to Keller's CBBE model, there are six important and positive types of brand-building feelings customers can experience when using a brand: warmth, fun, excitement, security, social approval, and self-respect.

As described, there can be a variety of brand responses coming from different places and with different magnitudes, but what is important is how positive and favourable they are in order for them to ultimately affect consumer behaviour in a profitable manner.

Resonance stands at the top of the pyramid and is where customers start questioning the brand relationship and ask "what about you and me? What kind of association and how much of a connection would I like to have with you?". The top position unmistakably conveys its importance. Brand resonance is the most challenging but also the most desirable level brands want to reach as that is where customers feel as if they have a strong and deep psychological bond with the brand. Keller divides brand resonance into four categories: behavioural loyalty, attitudinal attachment, sense of community and active engagement. Behavioural loyalty can be measured in terms of regular and repeat purchases and attitudinal attachment in how much a customer sees buying from a brand as something special. This goes beyond positive feelings but instead accelerates towards attachment and love. A sense of community occurs when a customer can identify and feel an affiliation with other people associated with the brand while active engagement is to be considered the strongest example of loyalty. At this point, customers are prepared to spend time, effort and money on a brand excluding what is already being spent during the purchase or consumption of the brand, such as joining a club dedicated to the brand or following them on social media.

The goal of obtaining brand resonance among customers is that they not only repeatedly purchase from the brand, but that they also advocate for them, becoming fiercely loyal. Therefore, building and maintaining strong brand equity is key for brands wanting to increase their return of investment without working harder. Having a loyal customer base has a greater value than recruiting a new one and the return on investment is higher since it is faster and cheaper to earn revenue from them (Fornell & Wernfeldt, 1987, p. 337). This is because in order to recruit a new customer you must invest a lot of time and effort to reach them and to gain their trust. A loyal customer, on the other hand, doesn't require any of these steps since they have already chosen the brand.

1.1.3 Reputational Assets

Fombrun and van Riel wrote early on that *“although corporate reputations are ubiquitous, they remain relatively understudied. In part, it is surely because reputations are seldom noticed until they are threatened. In part, however, it is also a problem of definition”* (1997, p. 5). The former statement is sure to be outdated, but the latter is still true to this day. As has been seen with numerous academical concepts, corporate reputation is presented with no less uncertainty and disagreement among scholars. Though many have taken a great interest in the topic during the last couple of years with the internet facilitating and accelerating alteration of a brand's reputation, it still does not have a precise universal agreed upon definition. However, corporate image, corporate identity and corporate personality were the starting point for early research on corporate reputation and were described as related concepts. According to Wartick (1992), a reputation is an evaluation stakeholders make about a brand in connection to how well a brand corresponds to the stakeholder's assumptions based on its past behaviours. These aforementioned stakeholders are any group that has the power to impact or to be impacted by the behaviour of a brand (Agle et al., 1999; Bryson, 2004). Similarly, Fombrun, who founded the Reputation Institute (today known as RepTrak) in 1999 together with van Riel, defined corporate reputation as *“the collective perception of the organization's past actions and expectations regarding its future actions, in view of its efficiency in relation to the main competitors”* (1996, p. 165). In a research paper together with Rindova, they almost indistinguishably defined it as a collective representation of a brand's past actions and results that describes the brand's ability to deliver valued outcomes to multiple stakeholders (Fombrun & Rindova, 1996). Reputations can either be favourable or unfavourable and have as an intangible asset a significant impact on any organisation. Henceforth, positive interactions between brands and stakeholders build favourable reputations while negative interactions build unfavourable reputations. Reputations are created and developed through these interactions but also through brand information gathered by stakeholders. Information is sourced from media or from second-hand sources, such as word of mouth. This means that reputations are not necessarily based solely on objective information, but most times, also on subjective evaluations. In fact, a lot of the information that stakeholders collect comes from media coverage which can easily be skewed to fit the agenda and therefore become subjective (Carroll and McCombs, 2003; Meijer, 2004). As previously understood, corporate reputation cuts both ways. It can provide brands with tremendous benefits, but it can also put them at risk, should the reputation be unfavourable.

Brands consequently accumulate what is called *reputational capital* over time, such that they keep a reservoir of perceptual and social assets. This capital entails the quality of the relationship a brand has with its stakeholder and the regard in which the brand is held (Coombs, 2007; Fombrun & van Riel, 2004). Coombs and Holladay described it in easier terms: “*positive interactions with stakeholders build reputation capital. Negative interactions represent withdraws from the account*” (2006, p. 24). Favourable reputational capital can create a competitive advantage, attract customers and improve overall financial performance and also act as a buffer against reputational capital lost during an eventual crisis. A brand that has a lot of favourable reputational capital stored in its saving account will maintain a stronger post-crisis reputation since it has more assets to spend, compared to brands with neutral or unfavourable prior reputations (Coombs, 2007). A positive reputation is therefore a very important resource during a crisis but also something that must be handled with care, as reputations are fragile and hard to repair. (Alsop, 2004; Davies et al., 2003; Dowling, 2002; Fombrun and van Riel, 2003; Omar & Williams, 2006).

Fombrun (1996) argues the importance of building and maintaining a favourable reputation as it will generate great economic returns. The author suggests two practices as a means to do so: (1) shape a unique identity and (2) project a coherent and consistent set of images to the public.

1.1.4 Shaping a unique identity

Abratt (1989) defined corporate identity as “*an assembly of visual cues—physical and behavioural by which an audience can recognise the company and distinguish it from others and which can be used to represent or symbolise the company*” (1989, p. 68). Gray and Balmer (1998) built off the foundations set by Abratt nine years later by incorporating corporate identity elements defined by the professor in their definition. They described it as the unique characteristics of an organisation and as a reflection of “*what the company is*” (Gray & Balmer, 1998; Balmer, 1995). Practitioners and academics alike have agreed on the latter description of corporate identity but some argued that the visual representation limited the concept and therefore preferred the idea of corporate image (Bick, Jacobson & Abratt, 2003). In following years, Abratt, together with Kleyn (2012) came to redefine corporate identity in more general terms as “*an organisation’s strategic choices and its expression thereof*” (2012, p. 6). The aspect of visual cues was still maintained in this new definition but

now intertwined it in the aspect of corporate expression, something Abratt and Kleyn considered being the second part of corporate identity. Similarly, Aaker defined brand identity in 1996 by writing that it is “*a unique set of brand associations that the brand strategist aspires to create or maintain. These associations represent what the brand stands for and imply a promise to customers from the organization members*” (1996, p. 68). Maintaining a unique corporate identity aids in creating differentiation among brand competitors as it makes the brand stand out with a unique position on the market. Similarly, it also helps create a unique position in the minds of the consumers when the brand communicates its desired values, missions, and visual cues. Having a unique and strong corporate identity can ultimately increase competitiveness, brand value, and brand awareness. Contrary, if a brand does not possess a unique corporate identity, they are sure to experience confusion among consumers but also within the internal company as employees might start to become unsure of the brand’s values. This could consequently affect employee engagement and the quality output of their work.

The subject of corporate identity and brand identity have long been closely intertwined in academic literature and have at times mutually influenced each other. Distinguishing between the two becomes important as one cannot otherwise effectively align the desired brand perception with the visual representation of the organisation in the marketplace. As understood by the definitions provided, the corporate identity builds on the tangible aspects and centralises on the organisation itself by reflecting its values, mission, and internal culture with the help of the visual and verbal cues that embodies the organisation. Brand identity, on the other hand, extends beyond the organisation. Similarly, it too encompasses visual and verbal cues, but it also includes the associations held by other stakeholders outside the organisation and the symbolic and emotional dimensions associated with it. Brand identity is equivalently the overall associations and perceptions about the brand, held in the minds of the target audiences. Corporate identity is internal and lays the foundation for the brand identity which is external and later on culminates in the brand’s image.

1.1.5 Projecting a coherent and consistent set of images

In order to successfully communicate a corporate identity where the corporate image reflects the reality of the brand it has to have consistency and congruency. As argued by Abratt (1989), the components making up the identity (e.g., visual cues - physical and

behavioural) should have the capacity for instantaneous recognition, but recognition can only be guaranteed when the cues are consistent and congruent. Customers being able to recall a brand is arguably the most important response to seek as familiarity breeds favourability (Abratt, 1989; Bernstein, 1984). In order to obtain security and maintain public trust, one must manage the corporate image (Gray, 1986). The corporate image entails consumers' and various stakeholders' impressions of the organisation and the favourable or unfavourable perceptions held in association with their attitudes, feelings, and experiences of the organisation's products, services or performances (Aaker, 1996; Nandan, 2005; Walters, 1978). Gray and Smeltzer defined it as "*the impressions of the overall corporation held by (its) various publics*" (1985, p. 73). The corporate image can be shaped by leadership, performance, corporate social responsibility, public relations efforts, and the history of the organisation for example. However shaped, it cannot be controlled by the organisation since external forces such as media coverage, industry dynamics, and governmental regulations also have the power to alter the impressions of the corporation. The corporate image is a key intangible asset to any company, but it requires long-term management and maintenance (Aaker, 1996; Kotler, 2003). Having a solid and favourable image could contribute to added investments, reducing the risk of uncertainty, increase and build consumer trust, satisfaction, loyalty, and purchase intentions, which ultimately would increase profit and sales (Bataineh, 2015; Cretu & Brodie, 2007; Martinez & Pina, 2005; Ryu, Lee & Kim, 2012). What would further enhance the success and performance of a brand is if its external and internal perspective of the corporate brand aligns with each other. Closing the gap is considered one of the key factors of organisational success as it allows brands to emit unified messages to multiple stakeholders (Hatch & Schultz, 2003). The synchronisation between organisational identity and image is believed to be a prerequisite of "superior corporate brand performance" (Anisimova, 2010, p. 489) and the consequential coherent positioning could create credibility and trustworthiness in the eyes of key stakeholders. The alignment would further clarify the brand's values and who and what they actually are among all relevant stakeholders, enhancing brand attractiveness and reputation (Hatch & Schultz, 2003). If the opposite were to take place however, that is, a misfit of stakeholder perspectives, the brand would have to mitigate several consequences. If stakeholders were to perceive discrepancies or contradictions between the corporate image and the actual identity of the brand, it could erode the trustworthiness of the brand and make them start doubting the brand as to what they stand for and what values they represent. If stakeholders believe that the brand is not living up to the claims made, it can damage the relationship and the company's reputation, creating negative

publicity and public scrutiny. Ultimately, this would convert into a disloyal customer base who start seeking other brands that will keep what they promise.

1.2 Brand Crisis

At times, brands find themselves implicated in misconduct. A corporate crisis is an unexpected and sudden event that puts the brand's reputation, operations, and financial assets on the line (Guèvremont & Grohmann, 2018; Coombs, 2007; Huber et al., 2010). Defined by Pearson and Clair as “*a low-probability, high-impact event that threatens the viability of the organization and is characterized by ambiguity of cause, effect, and means of resolution, as well as by a belief that decisions must be made swiftly*” (1998, p. 60). It can disappoint consumers and “*threaten a brand’s perceived ability to deliver expected benefits*” (Dutta & Pullig, 2011, p. 1281). A crisis can also be indicative of the brand’s “bad character” and tarnish its reputation (Singh, Crisafulli & Xue, 2020; Barton, 2001; Davies et al., 2003). Subsequently, brands might experience lower purchase intentions, revenue losses, negative brand perceptions, and a decline in brand equity, brand value, and brand trust (Guèvremont & Grohmann, 2018). Because of the inherent negative nature of the event, a crisis can also decrease the effectiveness of post-marketing activities due to the breach of brand trust (Van Heerde et al., 2007). At this moment in time, competitors might swoop in to exploit the marketing opportunities and target the pain point of the scandal by answering to the needs not being met by the brand in crisis.

The reputation shift in the face of a crisis has an effect on stakeholders' behaviours as it changes how they interact with the brand. Stakeholders will in the worst-case scenario sever ties with the brand or spread negative word of mouth (Coombs, 2007). They are often reached by the bad publicity from news media, and some from online social media. The negative news triggered by the crisis is at most times broadcasted by news media and not by the actual brand itself. Audiences are also more likely to believe information coming from news media than information coming from the brand since it's less prone to be biased (Wang, 2006; Cleeren, Van Heerde & Dekimpe, 2013).

1.2.1 Image Restoration theory

Closely aligned with the concept of crisis communication is the notion of image repair, famously argued by William Benoit (1997). The scholar introduced the image restoration theory which contains strategies useful to restore one's image in the case of reputational damage. The theory has been immensely important for studies in the realm of crisis communication as it offers a framework to better understand and analyse how brands and organisations can restore and repair their reputations post-crisis. Benoit built his theory on the basis of the work done by Ware and Linkugel in 1973 when they formulated a discourse known as Apologia or "the speech of self-defense". Apologia originated from the rhetorical genre of "apologetic discourse" and is based on the idea that people are concerned with "face" and image. The Apologia discourse is not in the business of forgiveness, instead, it seeks the know-how of avoiding punishment and protecting one's reputation. Ware and Linkugel (1973) proposed three ways of doing so: (1) present a story that competes with the attack, (2) make a statement in which you show remorse by admitting minimal accountability in order to reduce hostility but that at the same time does not take the full blame and (3) separate yourself from the attack, dissociate from it. Benoit (1997) argues that in order to understand the basic concept of the image restoration theory, it is important to consider "*the nature of attacks or complaints that prompt such responses or instigate a corporate crisis*" (1997, p. 178). Said attack or complaint has two main components (1) the accused is held responsible for an action and (2) that the act is considered offensive. If the brand is responsible or not, or if the act is objectively offensive or not, is irrelevant. What is relevant, however, is the perception of the audience. If relevant audiences believe that the brand was responsible and if they believe that the act was offensive, the brand will suffer consequences, whether the statements are to be true or not. In spite of what preceded, brands held responsible for an act they did not commit can later use this fact in their defence attempting to repair their reputation. Brands and corporations are not "one size fits all" as they often address a variety of different stakeholders. This implies that each different stakeholder or audience have different concerns, objectives, and interests which also means that they have to be categorised in terms of importance when the brand is trying to repair the image. Benoit presented five strategies that corporations can utilise when coming face to face to a crisis and a table with illustrative examples and key characteristics of the five strategies.

Figure 4: Benoit's Image Restoration Strategies (1997)

Image Restoration Strategies		
<i>Strategy</i>	<i>Key Characteristic</i>	<i>Illustration</i>
<i>Denial</i>		
Simple Denial	Did Not Perform Act	Coke Does Not Charge McDonald's Less
Shift the Blame	Act Performed by Another	Exxon: Alaska and Caused Delay
<i>Evasion of Responsibility</i>		
Provocation	Responded to Act of Another	Firm Moved Because of New State Laws
Defeasibility	Lack of Information or Ability	Executive Not Told Meeting Changed
Accident	Act Was a Mishap	Sears' Unneeded Repairs Inadvertent
Good Intentions	Meant Well in Act	Sears: No Willful Over-Charges
<i>Reducing Offensiveness of Event</i>		
Bolstering	Stress Good Traits	Exxon's Swift and Competent Action
Minimization	Act Not Serious	Exxon: Few Animals Killed
Differentiation	Act Less Offensive	Sears: Preventative Maintenance
Transcendence	More Important Considerations	Helping Humans Justifies Tests
Attack Accuser	Reduce Credibility of Accuser	Pepsi: Coke Charges McDonald's Less
Compensation	Reimburse Victim	Disabled Movie-Goers Given Free Passes
<i>Corrective Action</i>	Plan to Solve or Prevent Problem	AT&T Promised to Improve Service
<i>Mortification</i>	Apologize for Act	AT&T Apologized

Source: Benoit, 1997

Denial: A brand can simply deny responsibility for the actions they are being accused of and state that it simply did not happen or place the blame on someone else in order to repair their image. This method is however best served when there is no corroborating evidence pointing towards a brand.

Evasion of responsibility; this method has several versions which could be of use for a brand in crisis. One response can be that of *provocation*, which means that the brand was faced with an offensive situation that "required" a response or reaction. Another response can be that of *defeasibility* in which the brand proclaims it lacked information or control and therefore could not make a sensible decision. A third response might be to say that it all was an *accident*, and if believable, the brand should face less damage and accountability. A fourth and last response may be to say that the perceived offense was done with *good intentions* and that the brand meant well with its actions however the outcome seemed to be portrayed.

Reducing offensiveness of event; another way to help brands maintain a positive reputation can be through this method which includes six specific techniques. Benoit (1997) explained that companies can “*bolster or mitigate the negative effects on the actor by strengthening the audiences positive effect on the rehor*” (1997, p. 77) or to “*minimise the amount of negative effects associated with the offensive act*” (1997, p. 78). One can also differentiate oneself from comparable, but in the eyes of stakeholders, more offensive acts. This way, they understand that what took place was objectionable but at the very least not as offensive as the other action. A fourth option is transcendence where one paints the act in a good light by putting it in an advantageous context. Lastly, a brand can reduce offensiveness by either attacking the accuser or compensate for their wrongful actions. The key point of this method is that an organisation should acknowledge the incident, but avoid taking full responsibility for it (Cheng, 2018).

Corrective action; a brand can try to take action to correct the damage caused by the incident by either providing compensation or solutions as to how to prevent or resolve the issue. Benoit articulated it as “*mend one’s ways*” (1997, p. 79).

Mortification; the last method for image repair includes an organisation showing remorse and asking for forgiveness while also taking full responsibility at the same time. This can prove effective if it is perceived as sincere and authentic by outside stakeholders.

1.2.2 Situational Crisis Communication theory

Also closely aligned with the concept of crisis communication is the notion of Situational Crisis Communication theory (SCCT) famously argued and developed by Timothy Coombs in 1995 by drawing upon Benoit's Image Repair theory and Attribution theory. This revised theory seeks understanding of how to “*maximise the reputational protection afforded by post-crisis communication*” (Coombs, 2007, p. 163) by predicting the imminent reputational threat level. Coombs argued that implicated stakeholders would attribute the level of crisis responsibility (minimum, low, or high) an organisation owed depending on the situational crisis (victim, accident, or preventable crisis) and then deploy a compatible crisis communication strategy (Cheng, 2018). Coombs (1995) defined the threat as the amount of damage a company would experience if no preventative measures were taken and presented three factors that influence the reputational threat: (1) *initial crisis responsibility* which lies on

the basis of how the crisis is being framed by the stakeholders. The responsibility attributed depends on cues that convey the cause of the crisis, such as if it was external forces, accidental mistakes, intentional actions by organisational members, or human or technical errors. The level that stakeholder attribute responsibility for the crisis to the organisation will depend on how the crisis is framed. A company's (2) *crisis history* may also influence the reputational threat as having an extensive history of going through similar crises could indicate ongoing problems that should and must be managed. The (3) *prior relational reputation* refers to how faulty or fittingly a brand has attended to stakeholders in different contexts. By having an unfavourable prior relational reputation an organisation signals poor consideration for other context-irrelevant stakeholders who, however, will become relevant since it indicates a negative pattern. A brand with a history of crisis and an unfavourable prior relational reputation are sure to experience direct and indirect effects on the reputation threat as possession of those two qualities will increase the attributed responsibility of a crisis.

The theories earlier presented are yet relevant in the society we find ourselves in today, but they have both failed to take the impact of social media into consideration. Social media is and has changed the field of crisis communication as it allows for dynamic interaction between stakeholders and brands. With social media comes a change of power dynamics when consumers can create instantaneous responses and sway the public opinion in a much more time-efficient way than the traditional media ever could. A plethora of authors highlight the power of news media and advertising in reputation development and just lightly touch upon the power of other second-hand information sources such as word of mouth (see Fombrun & van Riel, 2004; Carroll & McCombs, 2003; Meijer, 2004), reasons may being the publication date as social media did not have the same hold on society 20 years ago as it does today. Neglecting the saturated force social media holds on a brand's reputations becomes problematic since it accounts for so many of the crises experienced by brands just in the last couple of 5 years.

1.2.3 Organizational Media Reputation: A Revised Approach

Etter, Ravasi, and Colleoni published a paper in 2019 that offered an alternative framework when researching the traditional assumptions that lay the foundation of media reputation. They proposed that the changing media landscape and the changing consumer behaviour that

follows must be taken into consideration when evaluating the formation of organizational reputations. Indeed, previous studies have commonly based their findings and conclusions on a pre-social media era in which news dissemination was in the hands of a limited number of authoritative sources, e.g., news media and their employed journalists who acted as gatekeepers. More specifically “news media direct public attention to the organizations they cover, and they influence stakeholders’ evaluations of organizations by selectively presenting and framing information about them” (Etter, Ravasi & Colleoni, 2019, p. 7). The pre-social media studies acknowledge that even though news media does not have total power over what influences audiences to form their reputational judgments, they can still act as a strong source of influence when no other direct exposure to product or services are at their disposal (Carroll, 2010). If their judgments contrast with the ones the news media presents, they might forego their own media accounts and be willing to jump ships since news media are seen as authoritative evaluators with valid assessments (Bitektine & Haack, 2015). The main change that challenges traditional media reputation theory according to Etter, Ravasi, and Colleoni (2019) is the idea of the shift in the media landscape. The way in which the evaluations about organizations are distributed and accessed has changed drastically with the growth of social media as it opens the doors to multiple and frequently subversive judgments. Individual evaluations can gain unconditional support while disregarding the source of information and whether or not the source holds any authority. This consequently discredits the gatekeeping role that traditional media formerly held. Social media opens a venue for interaction and sharing, thereby opposing the assumption that the collective judgment and the content of news media are coherent. Instead, the collective opinion about organizations has become fragmented and fluid. Furthermore, the previous notion that emotions didn't play a part in organizational reputation formation is challenged by the fact that today, emotional sharing is notably prevalent on social media in regard to organizational judgment. Journalists of traditional media are expected to provide their audience with accurate and unbiased information not only about organizations, but about the information they broadcast as a whole. Because of this, they are seen as reliable sources to provide important information, and people as a result confide their trust in them. However, the way judgments about organizations are disseminated has become emotional and less unbiased as a consequence. Users of social media oftentimes share their feelings of joy, anger, or surprise when conversing about organizations or what they have done. Hence, emotional sharing compromises a large part of how judgment about organizations is spread on social media and the reputation that it creates.

An added presence brought by social media is the spread of a new format in which consumers share and spread their evaluations about organisations in a humorous way. What is best known as *memes* has become entrenched in the everyday lives of millennials and gen-zs and are now also used as an instrument to express creative opinions about brands (Jackson, 2009; Jenkins, 2006; Etter, et al., 2019). This kind of original and creative content gains higher attention and engagement on social media (Jenkins, Ford & Green, 2013) which thereby contributes to the widespread influence and dissemination of social media content even when it is less balanced and accurate, in contrast to traditional media where neutrality and factuality was essential. A simplistic Internet-meme has as such the power to steer the organizational media reputation in whatever way it pleases.

On account of the new media landscape, the changing consumer habits, and new formats that allow for alternative formation of reputations, the authors propose that the current methodological conventions need to be reevaluated and that new tools instead need to be taken into consideration. Tools that are more suited to capture “the increased fragmentation, dynamism, and multimodality that characterizes the formation of reputation(s) on social media” (Etter et al., 2019, p. 6). Consequently, the authors suggest a mixed methodology method in order to capture the dynamism and diffusion of evaluations brought by social media, combined with traditional methods used to analyse news media in order to explore organizational reputational dynamics and formations.

1.3 Social media’s impact on crisis and reputation

As previously explained, reputations are notorious for being hard to manage since they are intangible aspects of a brand, and applying these intangible variables online only saturates them even further. Social media opens the door to a higher level of scrutiny given that everyone has access to every piece of information that can put a brand at risk. Events, even if seemingly innocent, can unleash firestorms and spread negativity that grips a hold of the public opinion in a matter of minutes. Previously stated monologues turned into dialogues when consumers started conversing directly under brands' own profiles and spreading damaging electronic of mouth. In recent years, the term “cancel culture” was coined and it portrays to when a brand, organisation, or public person diverges from social values which consequently prompts a sort of social media activism resulting in a boycott. This very much

aligns with what previously has been written about reputations as stakeholders compare their knowledge of a brand to some kind of standard in order to decide whether or not said brand lives up to their expectation of what they think is the norm behaviour (Coombs, 2004) resulting in either a favourable or unfavourable reputation. Cancel culture can have a devastating impact on brand's reputations much like what is called firestorms. Unlike cancel culture, firestorms have been more widely studied as a phenomenon and can be defined as *“the sudden discharge of large quantities of messages containing negative WOM and complaint behavior against a person, company, or group in social media networks”* (Pfeffer, Zorbach & Carley, 2014, p. 118). The authors write that what distinguishes online firestorms is the aggression involved and subjectivity found in the messages spread around by customers. What might start as legitimate criticisms, usually transition into something offensive and unconfirmed, and lack reasoning in subsequent stages. The negative electronic word of mouth causing the online firestorm is therefore largely based on opinions and the emotions experienced by the customers which incite engagement and a bigger participation. As the name suggests, and just like an actual firestorm, anything can ignition the spark that starts the flame of an online firestorm, may that be disappointing marketing initiatives, unethical communication strategies, or an irrelevant action (Pace, Balboni & Gistri, 2017). The affective, and often biased opinions circulating in a firestorm becomes *“reinforced by an echo chamber effect where opinions are constantly reinforced and confirmed by others, to get a final stable affirmation”* (Pace et al., 2017, p. 138). Online firestorms are by nature instantaneous and unpredictable and can cause havoc for brands and organisations by tarnishing their image, which would also consequently lead to loss of money. According to Pace et al. (2017), the difference between a firestorm and a brand crisis can be found in the evident fact that a firestorm derives solely from the social media domain while a general brand crisis can be derived from anywhere in the media landscape. A brand crisis is often brought on by a corporate misdeed, whether that misdeed is legitimised or true or not is however irrelevant, while a firestorm is often brought on by *“social media users independently from any company misdeed”* (Pace et al., 2017, p. 138).

1.3.1 Word of mouth, the underlying substance

As described, negative word of mouth is the main driver of social media firestorms, but the act of sharing information socially is not as new or as young as the platform they thrive on. Word of mouth is a tale old as time, but the application of the digital sphere has made it more

relevant than ever for scholars and for society in all. The speed at which information is spread among consumers has escalated exceedingly and so has consumer behaviour. Negative or positive word of mouth can dictate what consumer buy, where they travel to, whom they vote for, and what series they decide to watch (see Chevalier & Mayzlin, 2006; Chen & Lurie, 2013; Liu, 2006; Bond et al., 2012). Keeping within consumer consumption behaviour, Westbrook defined word of mouth in a post-purchase state as consisting of “*informal communications directed at other consumers about the ownership, usage, or characteristics of particular goods and services and/or their seller*” (1987, p. 261). Thus consisting of, for example, recommendations, reviews, debates, discussions, mentions, opinions, or complaints that consumers express to their social ties. This informal and interpersonal communication exchange has been shown to increase product awareness and stand as “the primary factor behind 20 to 50% of all purchasing decisions (...) and generates more than twice the sales of paid advertising” (Bughin, Doogan & Vetvik, 2010, p. 8; Berger, 2014). Evidently, word of mouth is an extremely effective and frequent marketing strategy but what is less evident is why consumers chose to share their word of mouth. In an attempt to find an answer to this question, Berger (2014) suggested five behavioural drivers that could serve the word-of-mouth transmitter: impression management, emotional regulation, information acquisition, social bonding, and persuasion. The author found that these drivers are most commonly self-serving and at times done unconsciously.

1. *Impression management* means to change or to shape the trajectory of the impressions a consumer has of oneself, or others have of them. Consumers are often deliberate in the way they present themselves in order to achieve a desired identity or to avoid an undesirable one. Sharing word of mouth is in this sense comparable to consumers communicating who they want to be or who they don't want to be.
2. *Emotional regulation* intends how word of mouth can help regulate consumers emotions. By spreading word of mouth, consumers can be aided by venting their feelings when something has upset them and thereby granting social support, making things comprehensible, take vengeance when for example a brand does not live up to their standard of corporate responsibility or to relive and re-access previous positive emotional experiences.
3. *Information acquisition* refers to when consumers use word of mouth in order to get information about products or services or brands of their interest. By sharing and

communicating about these things they can get advice from other consumers and solve problems they've encountered.

4. *Social bonding* is the result of word of mouth when it is done with the intent of connecting people with each other. Sharing and communicating facilitates social bonding among consumers as it can reinforce shared views and opinions and reduce loneliness and social exclusion.
5. *Persuasion* is most often recognized in a sales context, but it is also used in interpersonal situations. People commonly use persuasion in interpersonal contexts when they want to influence others to align with their desirable outcome.

However, it should be noted that there is a difference between motivation and conscious awareness. Berger (2014) means that word of mouth can fulfil a series of different functions which drives the consumer to share, but it cannot be known if those functions are known to the consumer. It may be that the consumer does indeed actively choose which topic to share to achieve a set of goals, but it may also be an unconscious process that the consumer is unaware of, with no particular goal in mind. At the same time, even if consciously or unconsciously done, word of mouth is still persuasive in nature as the sender holds credibility that the brand cannot hold, as it would be biased. Adding to the fact that it is also precisely targeted since word of mouth is often spread to an audience in the known and that is open to perceive and favour a certain kind of consumer behaviour. Because of this, word of mouth which relies on indirect and interpersonal information and communication about a brand, is much more powerful than the direct interactions happening between the brand and the consumer. Word of mouth creates a set of shared beliefs regarding how the brand is performing and the values they hold, which is much more complicated to break as it is outside the control of the brand.

1.3.2 Electronic word of mouth

Applying this to the internet environment, electronic word of mouth (eWOM) can be defined as “any positive or negative statement made by potential, actual, or former customers about a product or company which is made available to a multitude of the people and institutes via the Internet” (Hennig-Thurau, Gwinner, Walsh & Gremler, 2004, p. 39). The term was first introduced alongside the growing habit of seeking information, shopping online, and the general use of social media that was enabled thanks to internet technologies. If the sellers were to insert themselves in the conversation it would just reduce the credibility due to the

self-interest, but as electronic word of mouth is exchanged on a consumer-to-consumer or many-to-many basis it becomes much more potent and impactful. Indeed “eWOM has become ubiquitous and accessible, turning consumer into “web-fortified” decision-makers (Babić Rosario, Sotgiu, Valck & Bijmolt, 2016, p. 297). Electronic word of mouth, compared to the traditional offline one might seem to be less personal however, it reaches a significantly higher amount of people in a short amount of time and is readily and publicly available to everyone. Offline word of mouth is commonly bounded geographically and temporally as it happens between a smaller personal network. The online one involves a much larger audience with more contributors that can join in the conversation. However, electronic word of mouth is characterised by the anonymity that follows online practices. On the contrary, offline word of mouth is most commonly done face-to-face where the communication is naturally more of a private character as the conversations that takes place are often between the consumer’s inner circle, also defined as “strong ties” (King, Racherla & Bush, 2014). Electronic word of mouth on the other hand, plays out in a computer-mediated context where information is distributed among different kind of platforms such as social media, forums, blogs, review platforms, private messaging applications, online communities, etc. Because of the nature of social networks and as can be concluded by the name, they are inherently social, meaning that the sender and receiver will be multiple. The information shared online will also be shared with strangers, also defined as “weak ties” (King et al, 2014). However, it is important to notice that while eWOM indeed has the possibility to reach a bigger audience, it is never guaranteed that said audience will absorb and use the information that is being shared. The messages will dilute as they are numerous, rapid, and less precise amongst the information overload we are already exposed to (Berger, 2014).

Electronic word of mouth intel two main macro-categories which are feedback systems and online reviews and electronic discussion boards, social networks and online communities. Feedback systems and online reviews are used in order to share judgements about services or products to others looking for information. Some companies have created a business out of this practice, for example Trip Advisor and The Fork where consumers can leave reviews so other potential consumers can get a better picture of what it is they are about to pay for. This also commonly happens in the after-sales stage on many retailers’ websites, such as on Amazon or on clothing brands sites which allows others to understand if, for example, a clothing piece is true to size or not. Electronic discussion boards and online communities bridge the gap between users so they can more easily carry out a discussion. Social networks

address the user registered on the platform and encourage interactions, connections, and relationships between them. The setting allows for a more informal and emotional electronic word of mouth to flow, take for example Instagram or Facebook as an example.

CHAPTER 2

The advertising industry's ethical dilemmas

2.1 Understanding the advertising industry

Advertising is one of the most pervasive and influential means of communication for any brand (Rose, 1993). Instead of providing the audience with pure information, advertising uses semiotics and becomes an inherently persuasive form of communication, regardless of if the purpose is to sell a product or a service or not. Advertising will influence the environment in which the brand operates in and promote visibility and increase profit if done in a correct way (Fox, 1986). Furthermore, it will also influence the way in which stakeholders and consumers perceive the brand, as mentioned before. Semiotics and advertising as a promotional tool have undoubtedly been studied countless times before. The same could be said for corporate reputation and brand crisis as notions. There has been some research exploring the bridging of these concepts. For example, Ho, Shin & Pang (2017) studied how advertising can be used in a corporate crisis by examining the effect of advertising on improving an organisation's prior reputation and how post-crisis advertising can be examined, rooted in crisis theory. In 2013, Kim (2013) submitted a conceptual framework drawing on the Inoculation Theory which portrays to how people will prepare their minds to resist changes in their opinions or beliefs, in other words, building up a defence system for your thoughts. The author used this theory to research stakeholder's evaluation of pre-crisis advertising. Rose (1993) published a paper that examined how governments use persuasive advertising disguised as informational advertising as a political advertising strategy during the government crisis in Quebec, Canada in the 80s. A lot of research has been done on advertising and product-harm crises. For instance, Cleeren, Van Heerde & Dekimpe (2013) assessed the effect of postcrisis advertising and price adjustments on consumer brand preference and category purchases. They also further examined if the negativity surrounding the event or the fact that a brand has to publicly acknowledge blame moderated the effects. Wu and Overton (2021) took another approach by including Corporate Social Responsibility (CSR) in their paper researching how crisis type and ad identification influence the effectiveness of native CSR advertising with the intent of being a post-crisis strategy.

In order to understand what is considered the ethical standard or the norms in the advertising industry, one must look at the discussions that are taking place around the industry issues. Doing so becomes salient especially after something significant has happened. When a “critical incident” has taken place people from both inside and outside the industry start talking about their practices and about the industry in general (Thomas, Tandoc, Westlund & Jenkins, 2020). This phenomenon can be described as an “interpretive community” which translates to a group that shares a similar view of reality (Hymes, 1980). However, the advertising industry is not alone in this as most industries work this way, with rules and beliefs being formed through dialogue among people in and around the industry. This would mean that industries' ethical norms are only a fragment of the officially set rules while the majority of the meanings are socially constructed through discursive conversations (Ferrucci & Canella, 2021; Vos & Singer, 2016). In effect, there are many industries that lack clear and defined rules, thus one can best study and understand such an industry by observing how it talks about itself and its problems in order to understand how they justify their practices. The advertising industry, like any other system, has its own rules and norms, but those are determined and redetermined over the course of time through contentious informal communication (Gieryn, 1983). For example, one important source of said informal communication is that of trade magazines as that is where they define the industry and those within it (Ferrucci & Schauster, 2022). Certainly, there are official laws regulating all industries and specific regulations in place for the advertising industry, but the profession does likewise follow the unpublished and unsaid informal standards that have been established by information communication. These norms and practices exist unofficially across the industry and help shape the social reality of the institution (Sparrow, 2006). However, they do not exist in a vacuum, they are instead allusively communicated, shaped, and legitimised within the industry. What is called *Discursive Institutionalism* is often used to comprehend how norms and ethical guidelines emerge and this framework considers institutions as a whole to have the possibility to provide actors with “meaning systems” that can then be put into practice (Schmidt, 2010; Ferrucci & Schauster, 2022). The advertising press has done this effectively by examining how the industry answers to ethical breaches surrounding controversial adverts such as one of the arguably biggest advertising campaign fails in recent years, the Pepsi ad featuring Kendall Jenner on the 4th of April 2017, by pinpointing the informal communication taking place.

2.1.1 Case example: Pepsi and Kendall Jenner

In the spring of 2017, the global beverage brand Pepsi released an advertisement called “Live for Now” that quickly gathered backlash for being tone-deaf. The intention was to produce a “*global message of unity, peace and understanding*” and “*to make a global ad that reflects people from different walks of life coming together in a spirit of harmony, and we think that’s an important message to convey*” (Pepsico, 2017) with the help of reality television star Kendall Jenner, which needless to say, did not shine through. The ad was created by six people, reportedly all white, and production was credited to PepsiCo’s in-house content team called Creators League Studio.

The spot, filmed in Bangkok, Thailand, starts by depicting a large group of young diverse protesters in the streets, holding up signs saying “peace”, “love” and “join the conversation”, all while being watched by rigid police officers. As the ad goes on, you can see the protesters marching past a photo shoot in which Jenner is partaking. Jenner notices the group and decides to join them by wiping away her lipstick and ripping off her blonde wig, giving it to the photography assistant when one of the protesters subtly asks her to join. The ad climaxes when she walks up to one of the police officers, handing him a Pepsi can, and then rejoins the group of protesters, cheering on widely while the officer drinks the Pepsi. The issue seems to have been solved. The last frame is a clear reference to the iconic gesture Ieshia Evans made in 2016 when she took a stand in front of armoured riot policemen during a Black Lives Matter protest (Hassan & Yazdanifard, 2019).

Figure 5 – *Taking a Stand in Baton Rouge* of Ieshia Evans by Jonathan Bachman for Reuters



Source: Churchill, 2017

The description under the video read “A short film about the moments when we decide to let go, choose to act, follow our passion and nothing hold us back”. The commercial was not received as Pepsi intended as it instead created outrage, firestorms online, and withstood global ridicule (Ferrucci & Schauster, 2022). The response was immediate and entirely negative, mainly because of the way they tried to capitalize on the social justice movement Black Lives Matter and insert themselves into the conversation by trivializing the actual problem, as the criticism stated (Ferrucci & Schauster, 2022; Handley, 2017). What effectively happened was that Pepsi failed to encode the message of youth and unity to the key target groups that were to decode it as they anticipated, a more “correct” reading. In effect, the target group did not understand the message that Pepsi though was communicated quite clearly, and thereby according to Pepsi, incorrectly encoded the message. The backlash the ad gathered on social media was viscous and on a big scale with public figures weighing in with their opinions. Comedian and screenwriter Judd Apatow wrote on what was before named Twitter that he “Could spend the rest of my life trying and not even come close to making something as funny as this Pepsi ad” (Taylor, 2017). The daughter of activist and leader of the civil rights movement Dr. Martin Luther King Jr wrote on the same platform “If only Daddy would have known about the power of #Pepsi” (Smith, 2017).

Figure 6 – Tweets exposing the Pepsi ad as trivialising racism and capitalising on BLM



Source: HuffPost, 2017, written by @charles207 and @Phil_Lewis_ on X (Twitter)

The commercial was doomed as a “disaster” by the press after gaining overwhelmingly negative reactions on social media. However, contradictory to what social media was portraying, a survey that was carried out after the fact showed that the public response was indeed not as negative as one was made to believe. 44% of the consumers in the survey reported that they still had a favourable view of the company after viewing the ad while 25% had an unfavorable view and 31% retained an unchanged view (Taylor, 2017). The negative impact was in reality not as negative as first believed. In effect, this phenomenon illustrates how electronic word-of-mouth (eWOM) works and the power it possesses. A selective but more vocal group of social media users take hold of the public opinion online and influence the general idea perception of the reactions. Pepsi pulled the advertisement within a day and released a statement saying “*Pepsi was trying to project a global message of unity, peace and understanding. Clearly, we missed the mark, and we apologize. We did not intend to make light of any serious issue. We are removing the content and halting any further rollout. We also apologize for putting Kendall Jenner in this position*” (Handly, 2017). Pepsi are effectively asking for forgiveness and showing remorse for their actions by issuing an apology

and taking a corrective action to withdraw the ad from showing but they are de facto not admitting what it was that was problematic with the commercial, only that they failed to understand the social tension they were projecting. As per Benoit's Image Restoration strategies (1997), mortification will only be deemed effective if the apology is perceived as sincere and authentic by outside stakeholders, but without admitting what your wrongdoing actually was, accepting the apology becomes more challenging.

Ferrucci & Schauster (2022) conducted a study that seeks to examine the advertising industry's reaction to the infamous Pepsi commercial with the use of paradigm repair theory. This theory provides scholars with a toolset to identify what kind of norms and standards have been violated and why they were violated (Hidman & Tomas, 2013). Their research recognised three paradigms that were violated: coopted a social issue, cultural appropriation, and brand activism.

Pepsi coopted a social issue by depicting factual imagery that represents something serious for commercial gain and by making light of a serious situation that is race relations in America, which to this day stays a relevant issue in society. The authors found that writers of mainstream and industry press made a comparison between the Pepsi ad and the celebrated Coca-Cola commercial in the 70s named "Hilltop" as they wrote "the company [Pepsi] seemed to want to emulate the iconic Coca-Cola 'Hilltop' ad from 1971. (...) But the 'Hilltop' advertisement depicted something completely fictional, while the Pepsi ad borrowed imagery of something important" (Ferrucci & Schauster, 2022, p. 10). As the iconic Coca-Cola commercial imagery was fictitious, it was perceived as something genuine. In contrast, the Pepsi commercial was perceived as insensitive for using actual imagery from real life. The authors additionally argued that a brand must not give their take on current issues as it will cause offense to both sides. They further supported this by arguing that advertising that comments on social issues only receives negative feedback as commercials for brands are made to convince people to buy their products, which is why "it then feels callous when a brand tries to commodify an issue" (Ferrucci & Schauster, 2022, p. 10). The purpose is not to actually discuss the issue but to acquire consumers. However, Holt (2004) provides a different view on the matter. According to Holt, brands commenting on social issues is not something that should be looked down upon but is instead essential for brands to become icons. For a brand to become iconic they need to embody a myth that "attempt to resolve acute tensions people feel between their own lives and society's prevailing ideology" (Holt, 2003). Although, not everyone in society has the same perspective of these tensions nor do they

have the same vision or moral rules but Holt does not consider this a factor that should scare brands off. Instead, *“myths lead culture rather than mimic it, so they necessarily take a provocative stand against conventional ideas. If the advertising doesn’t alienate people who are resolutely tied to a competing ideology, then the political vibrations running through the ads are probably not sufficiently compelling to build an icon.”* (Holt, 2004, p. 122).

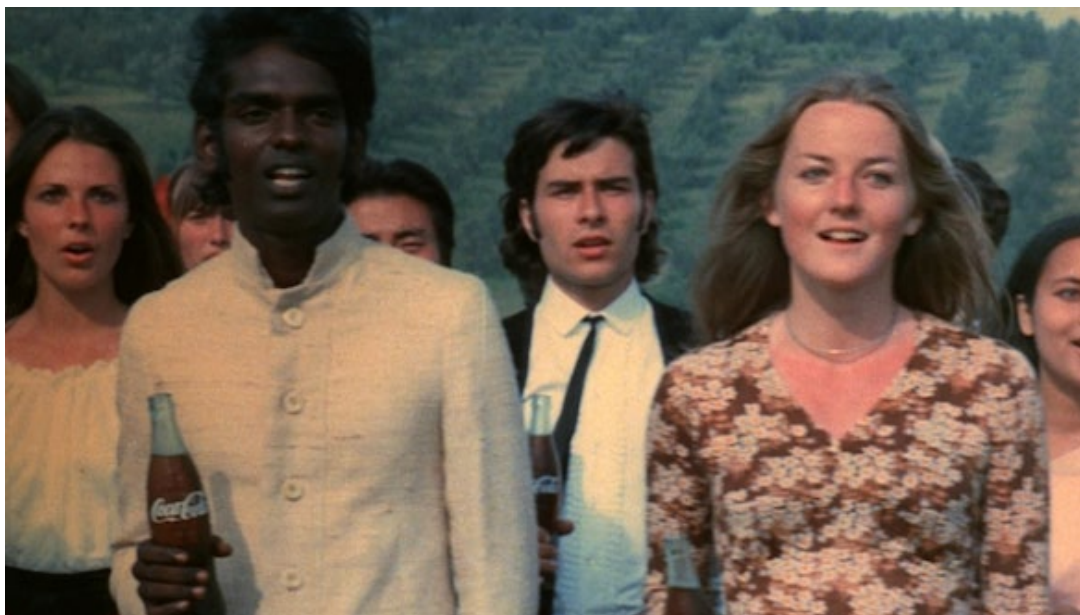
The second advertising paradigm that was violated concerned cultural appropriation according to the research. The main protagonists in the spot were all white, yet the topic of interest was the injustice that non-white citizens have to live through. Instead, the people of colour who were present in the ad were perceived as extras in the background, supporting the leading lady [Kendall Jenner]. The choice to cast the reality television star was also considered something controversial as she is a part of the Kardashian family who famously use and enact black culture in order to sell their own products, thereby profiting off a culture they do not belong to.

Pepsi lastly violated a brand activism paradigm as according to the advertising industry *“brands should avoid activism for a cause unless that cause connects to the brand’s image”* (Ferrucci & Schauster, 2022, p. 11). Arguing this would mean that a brand can only truly become an activist when there is an organic link between the social cause and the brand’s DNA. As such, Pepsi sells a soda that can quench thirst, not a soda that can end racial inequality. However, them assuming that they can indeed bring about social change, they in consequence exude a certain presumptuousness or omnipotence that consumers can detect from miles away. As a result, consumers will instead think of the brand as out of touch and disconnected from reality.

In contrast, another brand that in actuality did gain authority to deal with socio-cultural-political issues and at the same time quenches thirst is the very competitor of Pepsi, Coca-Cola. The brand has maintained a strong relationship with its customers and packed all its branding with emotional appeals to further strengthen the bond. Indeed, Coca-Cola is a prime example of what is called Emotional Branding that builds on the Mind-Share model, that is, *“a brand consists of a set of abstractions that should be maintained consistently in all brand activities over time (...) but as the name suggests, emotional branding emphasizes how this brand essence should be communicated: Managers should build emotional appeals into their branding efforts”* (Holt, 2004, p. 21). Applying emotional appeals can build intimate connections by giving the brand a personality and allowing for a sensory experience. The previously mentioned Hilltop advertisement redirected the brand into something bigger. The

ad showcased a group of people with different backgrounds at an Italian hillside singing the song “I’d Like to Buy the World a Coke” with lyrics including “I’d like to buy the world a home, and furnish it with love...I’d like to buy the world a Coke, and keep it company”. The advertising promoted a message of peace and unity and suggested that people, even with entirely different backgrounds, can find common ground through a shared experience. Holt (2004) wrote in his published work how Coca-Cola spun a new myth by airing this ad, a myth that Americans could use as a symbolic resource for them to establish their roles as citizens. As such, the ad was especially relevant and resonated with the audience at the time as it was a period characterized by the Counter-Cultural Movement and the Peace Movement. The message of harmony and solidarity was consistent with the longing for peace that was prevalent during the 70s. Thereby, drinking a Coke with a friend equalled ending inequality, symbolically at the very least.

Figure 7 – Coca-Cola’s celebrated *Hilltop* commercial

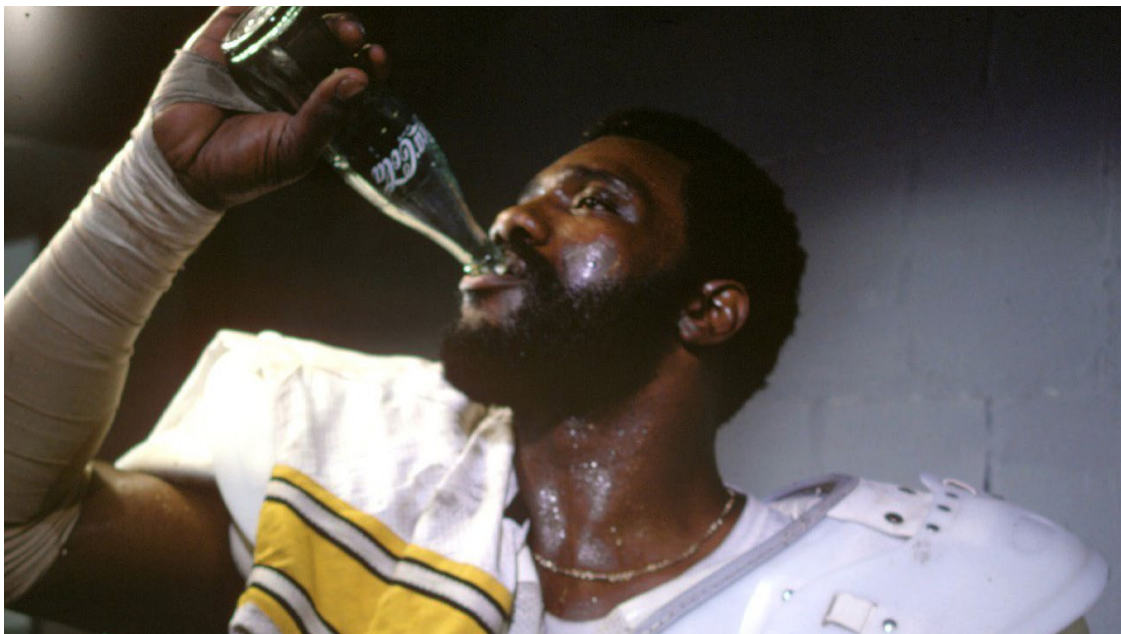


Source: The Coca-Cola Company, n.d.

Following the success of Hilltop came “Mean Joe Greene”, almost 10 years later. Holt (2004) writes that the advertisement features a young boy and “Mean” Joe Greene, a former professional NFL player for the Pittsburgh Steeler, notorious for being the most feared player to set foot in (and on) the field. In the ad, Mean Joe Green can be seen in conversation with the young boy, exchanging pleasantries, which is not what the audience would expect from

whom they perceived to be a frightening man. Greene is offered a Coke by the young boy and throws the jersey used during the game in return, the young boy replies “Wow, thanks, Mean Joe”. The advertisement concluded with Greene smiling and the copy “Have a Coke and smile”. Even though the 70s was seen as a more reflective and introspective period, the racial tension just kept increasing in the US. African Americans living in segregated areas were the first ones to lose their jobs when American industries started job cuts in the same period. Because of this, the segregated suburbs became increasingly more violent and aggressive, and without a workplace to go to, a new underground economy built on gang culture substituted the previous one. The so-called ghettos became an urgent social problem and further segregated people which also painted a prejudiced picture of the average African American as being dangerous. The Mean Joe Greene advertisement provided a utopia that could bridge the racial divide, showing that African American Mean Joe Greene, actually wasn’t that mean at all. Coca-Cola managed to play off cultural myths in society and derive value from how well those myths responded to the tension present in the nation throughout the 70s. They gained the authority to discuss social issues by imbuing the brand with an identity myth which also connected the audience on an emotional level. However, the same cannot be said for the present day as they have now lost that authority based on the succeeding advertisement.

Figure 8 – Coca-Cola’s celebrated “*Mean*” Joe Greene commercial



Source: The Coca-Cola Company, n.d.b

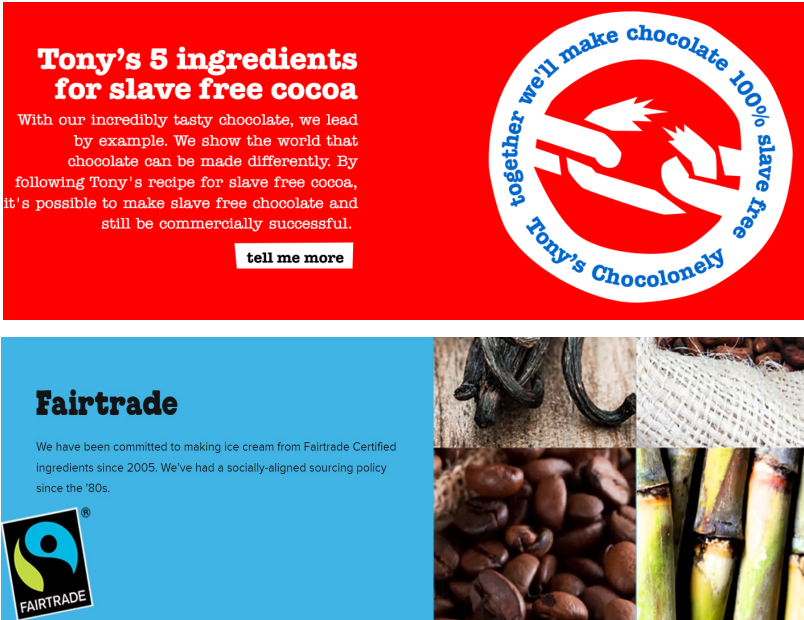
Reverting to the advertisement of 2017, Pepsi adopted an alternative strategy for the subsequent advertising that was released after the infamous Live for Now commercial. Just a few days after the removal, Pepsi aired “Messi Joins the Fun - #FORTHELOVEOFIT” on the 9th of April 2017 which evidently featured the renowned professional football superstar Lionel Messi as the protagonist. Messi can be seen depicted having a humorous interaction with a fan, highlighting the fun and excitement that a sip of Pepsi soda can bring. This ad had a more light-hearted and relatable approach, completely omitting any politically charged content. The aim was to create something more entertaining and to distance themselves from the earlier controversy by diverting attention and with the hope of restoring a part of the brand image.

2.2 Ethical Dilemmas: ethical identity

In 2001, Gray and Balmer introduced what they called “Ethical Identity” which builds on corporate identity, business ethics, and corporate social responsibility (CSR). This phrase has gained attention within the field of identity management in recent years as environmental and societal dilemmas have grown more salient and as research has shown that engaging in CSR activities results in a positive effect on global brand equity (Torres, Bijmolt, Tribó & Verhoef, 2012). Ethical identity must not be simplistically defined as brands stating or following through with their ethical values or codes of ethics, instead, it requires a deeper comprehension as something that is formed and defined in relation to other entities. More specifically, it is formed externally between different parties such as the brand itself, its stakeholders, and the community that it interacts with (Fukukawa, Balmer & Gray, 2007). Brands that boast about their mission and value statements with ethical precepts do therefore not necessarily possess an ethical identity. A brand’s ethical identity will instead be defined and redefined by internal and external people’s critical thoughts about what the brand actually represents. However, alignment matters, and said critical thoughts must be coherent with the brand’s actual behavior such as their communication and brand positioning (Balmer, Powell & Greyser, 2011). Brands that lead with their ethical identity are not among the majority, but they can often be found represented in the food and drink sector which often puts emphasis on the quality and the origin of their products. The Dutch confectionary company Tony’s Chocolonely produces 100% exploitation-free chocolate with the intent to remedy the poverty trap that causes illegal child labor and modern-day slavery in the chocolate supply chain

(Tony Chocolonley, n.d.). The American ice cream manufacturer Ben & Jerry’s was the first ice cream maker to utilise Fairtrade-certified ingredients which is a worldwide recognised sustainability label that offers better trading conditions and guarantees rights for marginalised producers and farmers (Ben & Jerry’s, n.d.). Thereby essentially unifying ethics and corporate practices.

Figure 9 – Tony’s Chocolonely and Ben & Jerry’s value and mission statements



Source: Tony’s Chocolonely, n.d. and Ben & Jerry’s, n.d.

What brands like these have in common is that they operate all their business practices with their social and environmental interest taken into account and position themselves in the marketplace accordingly as such. The market has in the last years experienced an increased tendency of companies acquiring other brands with distinctive ethical identities. For example, cosmetic incumbent L’Oréal acquired the Body Shop which is famous for its ethical stance but decided to keep them as two standalone entities (Fukukawa, Balmer & Gray, 2007). This might suggest that brands are becoming more conscious and mindful of the consequences that

could occur when blending ethical identities without paying attention to meaningful and bilateral alignments.

2.2.1 Ethical Dilemmas: corporate social responsibility

Corporate social responsibility, also known as CSR, has as well gained attention in the last decade, not only in advertising and marketing, but also in other disciplines such as management, strategy, and business ethics. The term can broadly be defined as “the company’s status and activities with respect to its perceived societal obligations” (Brown & Dacin, 1997, p. 68). But CSR is not just broad in its definition, but also in its initiatives that are relevant for several stakeholders such as for example employee support, community support, and diversity (Klein & Dawar, 2004). It stays an applicable subject both as an academic construct and as a pressing corporate agenda item (Colvin, 2001; Klein & Dawar, 2004). Another definition provided is that CSR refers to “the voluntary philanthropic activities undertaken by companies towards society or the environment as a responsibility to stakeholders” (Wu & Overton, 2022, p. 354; Chandler & Werther 2014; Coombs & Holladay 2012). Brands partake in socially responsible behaviours and activities to oblige external duties like stakeholder requirements and regulatory compliances, but also to fulfil their own self-interest as engaging in CSR can improve customer loyalty, competitiveness and stock market performance and create a trusting relationship between the brand and its stakeholders (Waddock & Graves, 1997; McWilliams & Siegel, 2001; Klein & Dawar, 2004). Research that has been conducted in relation to CSR’s impact on marketing showed economic benefits attributed to positive brand and product evaluation, brand recommendations, brand choice, and brand equity (see Brown & Dacin, 1997; Drumwright, 1994; Handelman & Arnold, 1999; Osterhus, 1997; Sen & Bhattacharya, 2001; Torres, Bijmolt, Tribó & Verhoef, 2012). This means that CSR has a kind of spillover effect, also called the halo effect, meaning that conducting CSR activities or implementing CSR policies can generate positive outcomes in other unrelated departments. However, it’s not the same for all brands. Big global brands may find it more difficult to create or maintain a good CSR reputation as they not only have to demonstrate social responsibility on a global scale but also create a good CSR reputation on a local scale with the help of local relationships (Polonsky & Jevons, 2009). At a global scale, a brand’s social and environmental efforts and the treatment of employees are deemed extremely important sources of trust issues and must be taken into consideration (Edelman,

2008). Global brands also run the risk of being perceived as acting in self-interest when implementing CSR practices. Consumers may sense that the brand is just conducting window-dressing activities as they may seem that they are socially responsible or ethical but without necessarily fully embodying those values just to gain approval from others. If consumers perceive the brand as such, it may reduce the effectiveness of brand equity (e.g., Prout, 2006; Yoon, Gürhan-Canli, & Schwarz, 2006). It has also been argued that global brands who try to implement CSR policies post-crisis or after an irresponsible action has taken place will withstand negative reactions from consumers since they will view it as reactive CSR and not genuine CSR (Wagner, Lutz & Weitz, 2009).

The market has become more saturated and competition more intense which is why CSR has grown in importance in the advertising industry. Showcasing CSR activities in advertising can contribute to brand differentiation and make a brand a more attractive choice for consumers who also have developed some evolving expectations. Indeed, the 21st-century consumer has evolved its preferences and priorities, now being concerned about a brand's impact on society and the planet, not just the product or service itself. Aligning advertising with consumer expectations and demonstrating a genuine commitment to ethical practices can help earn the trust of consumers and stakeholders which will as a consequence contribute to a positive reputation and image. Indeed, through proper communication management, brands can achieve and maintain a favourable reputation and image. Be that through the annual corporate report, events, and activities, or advertising campaigns that highlight a trustworthy ethical identity.

2.2.2 Using CSR as a post-crisis advertising response strategy

Corporate social responsibility has also rubbed off on crisis management strategies as brands instinctually expect the positive impact of implementing CSR communication to mitigate the negative impact of a crisis. However, using CSR as a post-crisis strategy may not always work nor live up to the expectations because of the reactionary nature of it. Indeed, predicting consumer response becomes much more complex because of this and other factors (see Ham & Kim 2019; Kim & Choi 2018; Vanhamme and Grobбен 2009). What is called Native Advertising has gained a lot of attraction with many scholars in recent years and some brands have started implementing this form of advertising to present their CSR communication.

Native advertising can be defined as “any paid advertising that takes the specific form and appearance of editorial content from the publisher itself” (Wojdyski & Evans, 2016, p. 157) thus, compared to traditional CSR communication, native CSR advertising will obscure the commercial message and instead camouflage it as an unpaid message. What further distinguishes native CSR advertising from other native advertising is evidently the highlighting of a brand’s socially responsible activities rather than its product or service promotion (Wu & Overton, 2021). What has further been discussed amongst scholars is the appropriateness of applying native advertising to CSR communications as it blurs the lines of being in fact paid advertisement while disguising itself as being a non-commercial message. Oh, Chen and Hung-Baesecke (2017) stressed the importance of using straightforward and proactive communication during a brand crisis, which is why using native CSR communication can fall flat since consumers may identify its persuasive purpose.

In fact, the effectiveness of using native CSR communication in a post-crisis situation will depend on how and to what extent the consumers attribute crisis responsibility and if they can correctly identify the advertisement. Wu and Overton (2021) wrote in their paper that the attribution process may be dependent on whether consumers have the ability to recognize the persuasive and commercial purpose or not. The authors referred to two theoretical theories that could explain such a statement. The Discounting Principle was argued by Harold Kelley in 1972 and is a part of the professor’s Covariation Model of attribution theory which seeks to understand how people determine the causes of certain events or behaviours. This principle states that when one finds oneself in a situation where a variety of different things could be causing a certain outcome, one tends to choose the cause that is most salient and ignore the other potential causes. In essence, this means that one would consider only the saliently perceived cause and exclude other factors that instead in reality could be contributing to the event. Applying this to the theme discussed, if consumers identify the persuasion purpose in native CSR advertising, they will perceive that as the salient cause which would consequently diminish the effects of crisis type. The second theory that the authors referred to is called the Assimilation-contrast theory which argues that when people find themselves in a situation where they have to make a judgment or decision, they make those judgments in relation to a reference point or a sort of standard they use to measure (Biernat, 2005). The existing reference point can be influenced by the context or situation they are in, which means that the judgments are shaped by how they relate to the reference point (Janssen, Sen & Bhattacharya, 2015; Wu & Overton, 2021). People could experience things similar to the reference point

(assimilation) or dissimilar to the reference point (contrast). Thereby, our judgments aren't absolute but can instead be influenced by the situation we find ourselves in. Hence, aligning the theme discussed to this theory "reading a post-crisis native CSR advertisement creates the context of decision-making and ad identification is part of that context. Although consumers apply their knowledge of the crisis to make sense of the CSR purpose, their final judgments are more or less influenced by the experience of reading the native CSR advertisement" (Wu & Overton, 2021, pp. 359-360). However, what also affects the effectiveness of using CSR communication in a post-crisis situation is the crisis type.

Coombs discusses three types of crisis clusters that SCCT research has previously identified in his paper Attribution Theory as a guide for post-crisis communication research (2007). A crisis type is defined as how the crisis is being framed and said frames are used as cues and hints that stakeholders can apply in order to interpret the crisis. Each of the three types induces predictable and specific levels of crisis responsibility which also will imply the initial reputational threat.

1. Victim cluster: in this type of crisis the brand will be perceived as a victim of the event that took place, for example, a natural disaster, rumours, product tampering, etc. A brand being subjected to a victim cluster will experience minimal attributions of crisis responsibility.
2. Accidental cluster: in this cluster, the brand is seen to have no control of the event that occurred, it could for example have been a technical-error accident or product harm. Because of this, low attributions of crisis responsibility are inferred.
3. Intentional cluster: in this cluster of crisis, the event is perceived as done purposefully by the brand, for example, a human-error accident or an organizational misdeed. The brand will be prescribed with strong attributions of crisis responsibility.

The authors concluded that native CSR advertising has the possibility to be an effective response in some crisis situations, but not in all. In effect, brands would be smarter to refrain from using it when they find themselves faced as a victim of the crisis and rather use it when faced with an accidental or event intentional crisis since participants' responses did not vary based on the ad identification in these two clusters.

2.3 Research Question

Having established relevant previous literature and the growing relevance of brands coming under fire for actions they have committed, one can conclude that there is still research lacking in regards to incorporating advertising semiotics as a concept. As such, this research aims to contribute to the understanding of how a brand's employed semiotic style strategies change after having experienced a communication crisis, through advertising. Therefore, this research will attempt to provide an answer to the following research question: “**How does semiotic style in advertising change post-brand-communication-crisis?**”. In order to answer the proposed research question, the paper will analyse the case of Parmigiano Reggiano, who went through an advertising mishap that affected its reputation and image in the fall of 2021 and its subsequent ad released in order to recover from the crisis.

CHAPTER 3

Empirical Research

3.1 Research method

In order to answer the proposed research question *How does semiotic style in advertising change post-brand-communication-crisis?*, this study will carry out a qualitative and exploitative analysis of a highly criticized advertising by Parmigiano Reggiano, aired in 2021, and analyse it in contrast with the subsequent advertising released by the same brand. Two different studies will be conducted in order to provide an all-in-all comprehensive perspective.

As such, the first step in the research was to conduct a primary exploratory research to identify relevant material that best represented a brand communication crisis. The Parmigiano Reggiano advertising was chosen as it is a historical brand that holds a monopolistic position in its brand category and thus has a great impact. It further created a big firestorm online after airing the advert and many news outlets picked up on the story. For this reason, it represents an ideal case example of an advertising crisis.

The first study to be carried out is a semiotic analysis that would account for the brand's point of view. The choice of using this methodology is motivated by the fact that semiotics analysis is the most efficient way to understand how brands create meaning in their communication and it can effectively map out the contradictive tensions existing within "texts" (Oswald, 2015). Furthermore, it provides deeper insight into the complexity of myth- and meaning-making. First, the audio-visual texts will be segmented into sequences following the theoretical framework proposed by Peverini (2012) and Greimas's Generative trajectory of meaning (Bianchi, 2011). Second, the narrative level will be explored by using the Actantial model and the Canonical narrative scheme proposed by Greimas. Third, an analysis on the axiological level will be conducted to dive deeper into the meaning, utilizing Floch's Square of Valorisations.

The second study carried out is a content analysis that would account for the consumer's point of view. More specifically, it will be conducted by de-coding comments posted on YouTube under the advertising I selected, using the software NVivo. The software allows direct import of data files that will then be automatically coded into relevant sentiment categories. The choice of method is motivated by the fact that a content analysis can organize and elicit meaning from the collected dataset (Bengtsson, 2016). Downe-Wamboldt (1992) stated "*Content analysis is*

a research method that provides a systematic and objective means to make valid inferences from verbal, visual, or written data in order to describe and quantify specific phenomena” (p. 314). The perceived values and opinions will be brought to the surface by analysing the comments.

3.2 Semiotic analysis

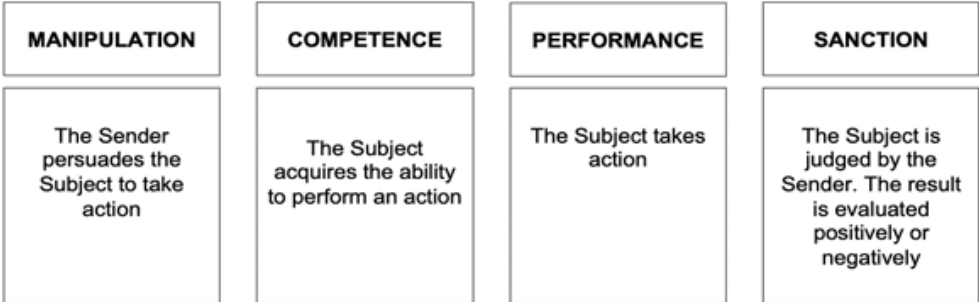
Semiotics is the study of signs and symbols and the deeper meanings of text and stories. The word *semiotics* comes from the Greek word *semeiotikos* which translates to sign (Oswald, 2012). Studying semiotics can facilitate the understanding of how brands build relationships with their customers and how they construct meaning in all their communication efforts. Roland Barthes, one of the most prominent scholar in field , analysed connotation, code denotation and the notions of signs in print advertising in his published work in 1964 (Barthes, 1964). He was also the first scholar to apply connotation to advertising which is something that can be understood as a mechanism that portrays a hidden meaning or feeling that goes beyond and further than the basic and obvious meaning of a sign (Bianchi, 2011; Barthes, 1977). The application consequently demonstrated how brands used persuasive language (rhetorics) in advertising to give signs a deeper and more complex value, surpassing the primary denotative meaning. Advertising thereby has the ability to convey messages that g below the surface. Indeed, “in advertising the signification of the image is undoubtedly intentional; the signified of the advertising message are formed *a priori* by certain attributes of the product and these signifiers have to be transmitted as clearly as possible” (Barthes, 1977, p. 33). As such proven, humans in general prefer stories rather than utilitarian information when exposed to advertising since we need stories in order to make sense of the world around us (Escalas, 2007). As argued by Peverini (2012) and Bianchi (2011), historically, audiovisual advertising can provide a more effective platform for conveying compelling stories in comparison to print advertising as it provides the viewer with both visual and auditory elements that take the viewer on an immersive journey, unfolding the story as it goes. The added audio, such as music and dialogues, may also elicit a stronger emotional impact on the viewer, connecting them to the brand and enhancing the memorability of the message encoded in the advert. By activating more of the senses, other than just sight, audiovisual advertising can valorise products/services more sufficiently and as such create and nourish a trustful long-term relationship with the viewer. This will also be facilitated by the dynamic interplay of aesthetics, values, and characters portrayed in

audiovisual advertisements (Vincent, 2002). Therefore, rhetorics, semiotics, and narrativity play vital roles in the construction of compelling stories and the enhancement of efficiently conveying a brand's core values (Oswald, 2015). A useful tool to analyse audiovisual advertisement is the so-called "Generative trajectory of meaning" developed by Greimas in the 70s as it provides a gradual process with frameworks that start off by examining a text's surface-level attributes visible to the addressee and then narrow down the analysis into the immanent level - "a model of analysis that proceeds from the manifested surface of the text to its deeper organizational forms, from the particular to the general, from concrete to abstract" (Bianchi, 2011, p. 255). Bianchi (2011) continues explaining in her published work that the initial stage comprises a sequence-by-sequence *decoupage*, most commonly used in film analysis. Here, each narrative sequence will be segmented based on situations and actions or "self-contained stories" that encompass a single topic, or more simply put, elements that connect to the same narrative. After having established the sequences present, a somewhat deeper level analysis that accounts for the complexity embedded can take place. The first basic level can be analysed with the semiotic square of values that are used to comprehend the relationships between related values or concepts. The main conflict of ideals will become clear when establishing the main opposition, implication, and contradictions that are present in the narrative. However, the values identified will change and transform in what may seem like an arbitrary way, but there is a logical connection between them as the different values interact and influence each other. The semiotic square highlights the contradictory values that facilitate comprehension of meaning.

Figure 10 – Greimas' Semiotic Square of values

which all the actants interact with the goal of resolving the initial conflict. In the first phase Manipulation, the sender highlights an urgency of reaching a specific goal or value to the subject who in the next phase, Competence, now becomes the receiver facing the task to acquire the necessary skill set to perform the action. In the next phase, called Performance, introduces some theatrics as a helper and opponent comes onto the stage, either supporting or hindering the receiver in carrying out the task. In the last and final act, Sanction, the completed action will be recognised as indeed being completed by the Sender who grants a sanction, positive or negative.

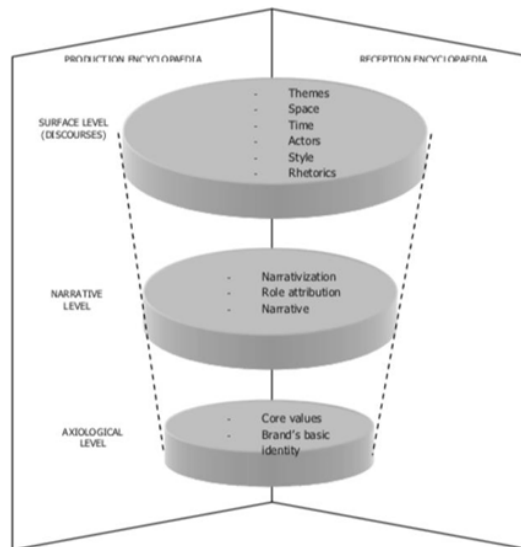
Figure 12 – Canonical Narrative Scheme by Greimas



Source: Collantes & Oliva, 2015

The model consequently presumes that every narrative is made up of four phases, not necessarily organised in chronological order, but in a logical one as each phase builds off the previous one (Mercé, 2014). However, narrativity as an organising principle should not be compared to how we usually think of stories as when a protagonist executes actions in a certain order with a clear beginning and end. Instead, it should be thought of as a way of organising information that confers structural coherence to discourse, or in simpler terms, the underlying structure that explains information in a sensible way (Mercé, 2014). In 1992, Semprini advanced the work carried out by Greimas and developed the Brand Identity System, which similarly consisted of three narrative layers, starting from the surface level to the deeper axiological level.

Figure 13 – Brand Identity System by Semprini

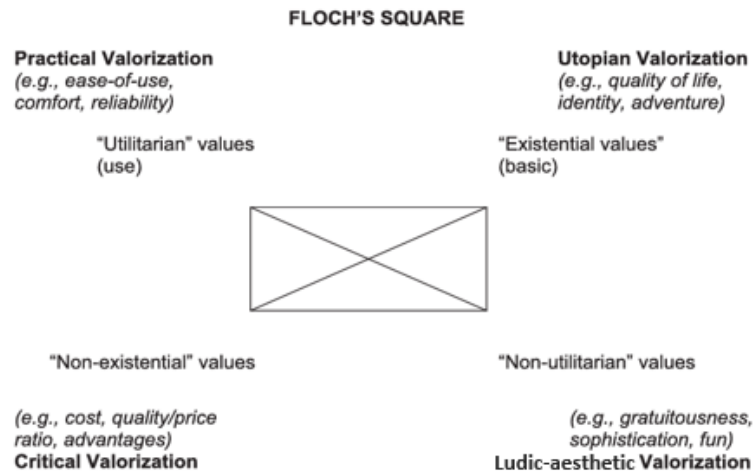


Source: Collantes & Oliva, 2015

Using this Greimasian approach, Semprini suggested that the identity of a brand is built step by step, from the discursive level to the narrative level and to the axiological level. This system allows marketers to more easily understand the underlying core values, or the deeper meanings embedded in brands as they are constructed through generative narrative frameworks from which they can generate new stories (Pinson, 1998; Mercé, 2014).

As earlier discussed, brands strive to establish a brand identity that is based on their values, and they need to communicate these values in a proper way in order for consumers to make sense of them. Similarly, *Valorisation* is about using stories and narratives to show how a brand's products or services are relevant and valuable to consumers' lives, which in turn helps in defining the brand's identity. Mangano and Marrone (2015) similarly but more specifically defined valorisation as “*stories whereby values are first introduced in consumers' lives, then associated with products and subsequently leveraged for realizing identities.*” (p. 54). The authors further argued that it is in advertising stories that brand discourse first appears, and consumers valorise objects and establish relationships with them through narrations. Drawing upon the Semiotic Square of Values in which spaces and the relevant codes in product categories are identified, Floch (1990) presented a typology called the Square of consumer values with four main advertising strategies that represent various valorisations contingent upon what brands want to communicate and advertise.

Figure 14 – Square of consumer values (after Floch 2001)



Source: Bianchi, 2011

As written by Bianchi (2011), practical valorisation centres on the product and its performance and the object as an instrument. Here advertising might highlight the utilitarian values such as how easy it is to use or how you will practically benefit from using it. Utopian valorisation is instead about building an ideal world, a way of being, and a way for consumers to identify with the brand. Critical valorisation often stresses the economic aspect by for example emphasizing the balance between cost and benefit. The Ludic-aesthetic valorisation highlights the physical qualities as design, and beauty, thus the value derived is the sole fact of being in possession of such object. In brief, critical and practical valorisation features address material values or ordinary life while utopian and ludic-aesthetic valorisation features address more existential aspects (Lee & Lee, 2013). However, it should be noted that in recent times a more fluid advertising landscape and post-modern brands have emerged which have made it more complicated for brands to fit into one of these traditional valorisation categories. Not uncommonly, today's diverse and more hybrid adverts could be categorized into more than just one.

3.3 Case study: Parmigiano Reggiano

Not only is the taste of Parmigiano Reggiano rich, but so is its history. According to the legend, Parmigiano Reggiano cheese has been produced since the Middle Age in Italy and then exported to other European countries such as France, Germany, and Spain during the Renaissance. According to Parmigiano Reggiano Consortium (n.d.) it is exclusively produced in monitored breeding farms in the Italian provinces of Parma, Reggio Emilia, Modena, and Bologna to the left of the river Reno and in Mantua to the right of the river Po, if it is not, it cannot be considered Parmigiano Reggiano. Every wheel of cheese requires a minimum maturation time of 12 months and can continue maturing for more than 40 months. The quality inspection can only take place after those minimum 12 months have passed and if up to standard, they will be marked with a casein plate that can trace the whole production process and data of when and where it was made. If, however, the specific wheel does not meet the requirements of PDO, all marks and signs that can be associated with Parmigiano Reggiano will be removed. PDO (Protected Designation of Origin), or DOP (Denominazione d'Origine Protetta) as it is called in Italian, is a way to protect and preserve *“agricultural products and foodstuffs which are produced, processed and prepared in a defined geographical area, a specific place or a country, which quality or characteristics are essentially or exclusively due to a particular geographical environment with its inherent natural and human factors”* (Likoudis, Sdrali, Costarelli & Apostolopoulos, 2016). A PDO product can be recognised when marked with the logo seen in figure 15. Indeed, the regulation came into force in 1992 and Parmigiano Reggiano was approved in 1996, thereupon officially recognized as a European PDO. This would come to help as Parmigiano Reggiano is one of the most counterfeited and imitated cheeses in the world. Therefore, the use of the name can solely be referred to as Parmigiano Reggiano cheese when it is produced in the limited northern Italy area. The same can be said for the name “Parmesan” which can only refer to the real Parmigiano Reggiano itself and not to imitation Parmesan as it became a certified name in 2008, ordered by the European court. The protection and regulation of the name “parmesan” is however only in force within the European Union.

Figure 15 – The DOP/DPO stamp



Source: Parmigiano Terre Alte, n.d.

Parmigiano Reggiano is the epitome of *Made in Italy*. The two concepts of harmony and variety that the country represents are the building blocks of Made in Italy and Parmigiano Reggiano perfectly embodies the superior characteristics that the mark Made in Italy symbolises (Corbellini, Saviolo & Della Valle, 2004). The brand holds great value and monopolizes the space of hard cheeses in the world, however, this doesn't mean that they never commit mistakes.

3.3.1 The advertising scandal

An advertising aired in September 2021 was commissioned by the Parmigiano Reggiano Consortium. The commercial was shown on TV and conveyed through the digital channels. It was a 30-second ad extracted from a wider campaign directed by the famous Italian film director Paolo Genovese and the production was credited to Akita Film. Genovese is best known for directing *La banda dei Babbi Natale* (2010), *Immaturo* (2011), *Tutta colpa di Freud* (2014) and the award-winning movie *Perfetti sconosciuti* (2016), but he also has a record of directing advertising. He is for example credited for advertising for McDonalds, TIM, Findus and Algida, to mention a few. The complete campaign called “Gli Amigos” lasts for 25 minutes and was then divided into a series of shorter commercials. The commercial follows five young aspiring chefs on the quest to win a cooking competition led by the famous Italian chef Massimo Bottura with the only prerequisite of incorporating Parmigiano Reggiano into the dish. The specific advert of 30' seconds that received a lot of backlash shows the time leading up to the

competition where the five friends can be seen guided by another protagonist played by the award-winning actor Stefano Fresi who is one of Italy’s most well-known actors. Together they visit a Parmigiano Reggiano facility where they meet an employee called Renatino. The five friends are amazed when hearing that Renatino works 365 days a year and when asked if he is happy doing so, Renatino answer “yes”. A more detailed description of the 30-second advert will be provided further into the reading.

As can be understood, this was not a cheap production. Appointing famous actors, directors, and an airtime of 4 months across TV and digital platforms accumulated a total investment of over 4 million euros (Il Sole 24 ore, 2021). But the advertising was not received the way they hoped. A storm struck on social media as soon as the advertising hit the ground. News articles came out with headlines such as “Social storm over Parmigiano Reggiano ad, it’s labour exploitation” and “Parmigiano Reggiano commercial questioned for labour exploitation” (Il Sole 24 ore, 2021; Today, 2021). Users on social media felt pity for Renatino and laughed at the notion of him working 365 days a year while being happy to do it.

Figure 16 – Renatino in “Gli Amigos”



Source: L’Unione Sarda, 2021

The main theme was undeniably that of celebrating exploitation and how embarrassing it was that, according to Parmigiano Reggiano, working 365 days a year should be a source of gratification and satisfaction. The list of insults and rebukes included “shame”, “workaholic

and classist message”, “glorification of exploitation”, “schiavismo in salsa emiliana” and even a hashtag trended reading #freeRenatino.

This was not the first time that Parmigiano Reggiano found themselves in the middle of the crossfire. In fact, Parmigiano Reggiano was engulfed in another controversy the same year . According to an article published by GreenMe (2021), this time it was about a slogan employed in advertisements: “In our stables, you don’t need a veterinarian”, referring to the welfare of the cows producing the milk to create the cheese on the farm. The message was not well received by the National Association of Italian Veterinary Doctors (ANMVI) and the president of the organisation Marco Melosi released a press response saying, “*As veterinary doctors, we do not accept a slogan that says you can do without us, simply because it is not true*”. They also recalled the fact that, since April of the same year, European regulations on animal health care require veterinary visits to farms so the advertisement is factually incorrect. ANMVI demanded a correction of the misleading statements used to advertise the product and indeed, a correction they got. The Parmigiano Reggiano Consortium immediately removed the incorrect slogan from their website and following this ANMVI published another press release reading “*The application of compulsory regulations on veterinary treatment and animal welfare depends on veterinary doctors. No product of animal origin can exclude itself from the approach implemented for animal health followed by the European Union and our country*” (ANMVI, 2021). Parmigiano Reggiano didn’t comment further on the issue, as understood, they never commented on the issue from the beginning, instead, they just removed the slogan without communicating a response, whether that would have been a defence or apology.

3.3.2 Public response

Countless news articles, debates on social media, and memes created in honour of Renatino, the advertising picked up fire quite quickly, and on social media it became a discussion about classism and the unintended glorification of a dangerous message. One user expressed his thoughts under a commentary video about the Parmigiano Reggiano advert created by Italian Youtuber Giovanni Pizzigoni. The user compares the scene to five bourgeoisies going on a school trip to watch an animal (Renatino) in the zoo, captivated by Parmigiano Reggiano with the sole purpose of serving them in a cage for the rest of its life. Another user commented on the conscious choice of using the name Renatino instead of Renato in order for him to appear

smaller, and lesser. The user wrote from Parmigiano Reggiano’s point of view: “*This is our Renatino, not the independent Renato*”. Yet another user gave a similar take on the issue by writing “*They could have approached it in 50 different ways, there was no need to construct the situation in that manner: ‘Renato (not Renatino, he’s not a dog or a puppet or a caricature) has been working here for ten years, and so did his father and his grandfather before him. Three generations of passion. What a dedication Renato! And are you happy? Yes.’ It doesn’t seem like an arduous effort to me either*”. Also noticeable is that many viewers paid attention to what they consider to be a forced response by Renatino when asked if he is indeed happy. Many picked up on his tone of voice and his facial expression told another story than what his mouth did. One viewer commented:

“Renatino's face is priceless when, in response to the question "Are you happy?", he feels compelled to answer with a forced smile while clearly crying inside. Please, take a closer look at his expression multiple times. Anyone who has worked as a waiter, a salesperson, or any other "humble" job can relate to it. It doesn't matter how exploited you are, but in front of the customer, even the biggest imbecile (as in this case), you always try to smile. Not out of courtesy towards the (imbecilic) customer, but more to conceal your pain, to preserve your dignity in the eyes of others. It's a scene worthy of applause, something that not even Visconti or Rossellini could create. And what drives me crazy is that the emotion in this scene was absolutely unintended. The only thing that turned out well in this pathetic, shitty commercial wasn't even intentional”.

The advertising also generated a large number of ironic posts and memes on social media.

Figure 17 – User-generated memes about Renatino





Lercio.it
@lercionotizie

...

#ultimora Renatino prende un giorno di ferie: fallito il
Consortio del Parmigiano Reggiano"
[lercio.it/renatino-prend...](https://www.lercio.it/renatino-prend...)



Source: Twitter, 2021

Christan Raimo, Italian author and translator became a big voice in the aftermath of the release of the advertising. He wrote several posts on his Facebook page, one of them reading:

"This is not just a matter of having misunderstood a scene that is unwatchable and intolerable from every point of view: it is - on closer inspection - about the whole storytelling that is constructed by the campaign, which never puts labor and workers at the center, and in one of the very few scenes in which it does, leaves them mute to glorify a condition of self-exploitation. The protection of workers' rights is a trivially necessary measure; their voice must be equally so if the culture of work is to be told and not just an ideal glorification of the product."
(Christian Raimo's personal page, Facebook, 2021).

3.3.3 Parmigiano Reggiano's answer to the backfire

As it was impossible to not ignore the attention and reactions created by the advertising, Parmigiano Reggiano was forced to backtrack. Carlo Mangini, the director of communication, marketing, and commercial development at the Consortium came out with the following statement :

"In recent days, one of the commercials of the new Parmigiano Reggiano Consortium campaign has been at the center of a heated discussion that has not left us indifferent. We are sorry if the desire to emphasize the passion of our cheesemakers has been read with a different

message, which we did not have the sensitivity to detect and which, thanks to the debate that has flared up online, we pick up with great respect. This is the reason that leads us to slightly modify the planning of the campaign, being able to intervene on the fourth spot by making some changes that will accommodate what emerged.”.

Adding to that, he said, “Every day, 365 days a year, we transform our milk into the most appreciated cheese in the world and we will continue to do so with ever greater sensitivity towards those who consume it in the world”.

This statement relates to the fact that Parmigiano Reggiano is really processed every day to follow the production cycle that sets it apart, thus the advert is hyperbolic and Renatino is just a cinematic metaphor (Il Sole 24 ore, 2021). However, Parmigiano offers an apology, though not very heartfelt, to the viewers who interpreted it in, what they considered to be the wrong way. However, the red thread in all their responses seems to be justification as they highlight their good intentions and their products, which they are very proud of.

Author and translator Christian Raimo published the response he got from one of the administrators of Parmigiano Reggiano on his Facebook page when commenting about the upsetting and provocative advertising on one of their posts on the same platform.

Figure 18 – Christian Raimo Facebook post



Source: Christian Raimo, 2021

Here Parmigiano Reggiano emphasizes the fact that as it was filmed and directed by Genovese, they are using a cinematographic language that amplifies the message in another way than what a regular advertising would and that their workers are treated with utmost care as it is them who produces their cheese with such passion. Much like the previous statement they put out, they are trying to justify their actions, push away responsibility, and instead put it on the viewers who misinterpreted their message. Indeed, the only time they use the words “we are sorry” they relate it to the fact that they are sorry that you, the viewer, misinterpreted their message, but they are not sorry that they produced an advert that seemingly encourages and glorifies exploitation of labour. The post generated a lot of engagement with 500 likes/reactions and over

250 comments, all almost in favour of Raimo's sentiments. What is furthermore interesting is the fact that Parmigiano Reggiano blocked Raimo from answering any further.

In December, 3 months after the advertising aired, the star actor Stefano Fresi couldn't avoid the critics and took to Instagram to defend himself against "the number of messages and insults" he received because of his participation in the commercial. In two videos posted on his page, says:

"It is an advertisement, a work of fiction. And when Renatino, who is not called that in life, says that he is happy not going to Paris and never seeing the sea because he works 365 days a year at Parmigiano Reggiano, it's something the screenwriters need to magnify the product. So why react this way to a work of fiction? You can say that it's ugly, that it's beautiful, but don't make it about class struggle, politics, labour laws, or worker exploitation, because it's not a documentary, it's fiction. It's an advertisement that has to sell a product, that's all. I don't think any wrong has been done to the workers by the making of this commercial" (Today, 2021; L'Unione Sarda, 2021).

In the second video, he also counters those who accused him of "making advertising because he is either penniless or shameless" by saying:

"We are actors. One day we're making movies on TV, one day in the cinema, another day we work on the radio, advertising also happens. So we can support our families and live. Ernesto Calindri, Nino Manfredi, George Clooney, Charlize Theron, Gigi Proietti: all great actors who did commercials. And I don't think they were shameless. I don't see anything wrong with that" (Today, 2021; L'Unione Sarda, 2021).

Figure 19 – Stefano Fresi defends himself on Instagram



Source: Stefano Fresi, 2021

Much in line with the response of Parmigiano Reggiano, Stefano Fresi refused to take accountability and instead defended his participation in the advertising. He highlights the fact that according to him, the commercial should be judged for what it is, a commercial, and viewers shouldn't put unrelated labels on it. The videos together gathered over 200,000 views and 2000 likes and many comments were in support of the actor, saying that he “shouldn't even need to defend himself”. Some comments against his participation were also submitted, though not as many in quantity. This might be because the people who saw and commented on his post were already followers of his, and consequently liked him as a person and thus feel less incentivized to hold him accountable for actions others deem improper.

3.4 The model employee: the passion of Renatino

Parmigiano Reggiano Gli Amigos advertising (2021)

The original spot has a total duration of 0.30 seconds, however, the actual spot is not present on any official Parmigiano Reggiano channels thus, for the sake of this research, the ad has been retrieved from external channels, however, the whole video of 25 minutes (where the 30-second spot is included) is currently present on their official YouTube channel. The spot was

on air in September 2021 and generated 207,000 YouTube views, and 488 likes, while dislikes are currently not viewable, and comments are turned off. Famous actor Stefano Fresi is acting in the spot. Lines from the advertising presented below have been translated from Italian to English.

A- Surface level: sequence by sequence segmentation.

Sequence 1: 0.00-0.06 sec. The spot opens with a full figure shot, slowly zooming into the scene where all the characters are visually introduced. They are standing in what can best be described as a Parmigiano Reggiano factory or facility. A mellow instrumental track can be heard in the background. The actor Stefano Fresi catches the eyes first as he's wearing a clear blue shirt that contrasts the otherwise quite neutral and light surroundings. The lighting is fitting as it characterises the sterile environment that is required for safe food production. Fresi plays the role of a mentor and guide to the five friends, and he opens the ad with the words "In Parmigiano Reggiano there is only milk, salt and rennet. Nothing else. In the whey there are lactic bacteria." Present in the scene are also two Parmigiano Reggiano employees who can be distinguished by their apron and caps reading Parmigiano Reggiano. In the meantime, while the friends are occupied by listening to Fresi, the two employees can be seen pouring in said lactic acid bacteria into the whey which the camera catches as it closes the sequence by framing the action.

Sequence 2: 0.06-0.13 sec. The second sequence introduces the viewer to Renatino, one of the employees who, according to Fresi is "the only additive" added to the cheese as he has worked there "since he was 18 years old, every day, 365 days a year". The camera closes up on the guide and the friends looking at Renatino with big eyes while he himself keeps working without meeting their eyes. A timid but forced smile can be seen on the face of Renatino, who as of yet has not said a word.

Sequence 3: 0.13-0.23 sec. Still standing in the same spot, the camera zooms in, framing the friends with one of them complementing Renatino, saying "Can I tell you something Renatino? You're great". Another one in the group joins in and adds "The best". Just after, another girl in the group asks Renatino with a quizzical face and the hands on her hips "But do you really work 365 days a year?". The camera pans over to Renatino who nods his head as an answer. In reaction, another guy in the group leans forward and asks in a lower voice "And you're happy?". The other members of the group gaze at Renatino with fascination and slight shock in their

eyes, waiting for a response. Without changing the camera angle, Renatino answers “yes” in a monotone voice, still nodding his head, with the profile of his face and body facing the camera. Fresi and two friends smile at Renatino, with a look of admiration and sympathy.

Sequence 4: 0.23-0.30 sec. Cutting to new surroundings, the group can be found sitting outside a campervan, in the backdrop of what seems to be the Parmigiano Reggiano facility. The sun is setting, the grass is vibrantly green, and their faces are softly illuminated by a gentle light coming from said sunset. They’re sitting in the same way one would sit when gathered around a campfire, but instead of finding a bonfire in the centre, a board of Parmigiano Reggiano cheese is placed on a makeshift table with a checkered tablecloth on top. Every character can be found with a chunk of Parmigiano Reggiano in their hands, snacking on it while one of the female friends exclaims “Can you smell this aroma? This is the love that Renatino puts into it.” Another one of the guy friends, leaning on the campervan, jokingly asks “And my love, who can taste it?”. The advertising concludes with a wide shot of the group and Fresi smiling and giggling while eating the cheese as the logo appears with the tagline below reading “The real one is only one”.

In regards to the structural composition of the advertising, the camera shots alternate mainly between full-figure, mid-plane, and close-ups. This firstly emphasizes place and location which allows the viewer to understand what is about to happen, but it also allows the viewer to follow the conversation that takes place by closing up on each character. However, what is interesting is the fact that Renatino, whose story plays a big part in the advertising, is never really shown in a closed-up frontal, instead, he is mainly shown in profile, with minimal lines. The same can be said for what is supposed to be the main protagonist, Parmigiano Reggiano. It is the topic of conversation at almost all times but visually it is barely there. The allotted screen time is by the end of the commercial where the group holds a piece each and it’s placed in the centre of the table. However, the camera never frames it and it is unfocused in most of the shots. The advert is shot from a viewer's point of view and the soft instrumental music that plays in the background adds a lightness and does not disturb the story but the presence of it seems somewhat insignificant at the same time.

B- Narrative level: enunciation, actants, canonical phases of the story.

Sender: the sender is Stefano Fresi who portrays the guide and mentor of the five friends. He carries the story forward and approves of Renatino's work ethic.

Receiver: the receiver is represented by the five friends visiting the cheese farm.

Subject: this role is represented by the five friends who acknowledge the work put in by Renatino in order to produce a superior product.

Object: the object is the notion that having passion and working nonstop is something to admire and that in order to produce Parmigiano Reggiano cheese, one has to feel an immeasurable love for it (aka working overtime but enjoying it).

Helper: the helper is Parmigiano Reggiano who allows Renatino to work and to pursue his passion and dreams.

Opponent: the role of the opponent is represented by the notion of not working, taking days off and not feeling passionate about the work you do.

Manipulation: Fresi sets the scene in the first sequences as he presents the ingredients that go into making Parmigiano Reggiano. By then stating in the second sequence that Renatino is the only additive in the cheese, referring to the fact that he puts his soul into the work, and as such he is prompting Renatino to share his devoted and profound love for the company.

Competence: in this phase the five friends acquire information on the ingredients of a unique product: Parmigiano Reggiano.

not explicitly present in the advertising, as Renatino has worked at the company since he was 18 years old and felt the love for his work already by then. However, by agreeing with the statements uttered by Fresi, Renatino is allowed a scene to showcase his abilities and devotion.

Performance: the five friends meet Renatino appreciating his work and asking if he really works 365 days a year. Renatino answers (even if not at all times audibly) all the questions and accepts all the praise given by the five friends. He reaches the pinnacle of his performance when he admits that he's happy working every day, 365 days a year. His performance can be further

explained when Renatino is shown working in the facility, though with the help of the other employee. Displaying Renatino and the other employee working with their bare hands without the support of machines portrays a perfect image of Made In Italy, and a line of traditional work that requires passion, love, and dedication which Renatino evidently puts it.

Sanction: the sender – Fresi smiles approvingly, and with satisfaction when Renatino answers that he is content working without any days off. The result is further evaluated in the fourth and last sequence when he is sitting with the five friends outside the campervan, snacking on a piece of Parmigiano Reggiano, joining in when the group appraises Renatino’s love that went into the making of the cheese they’re eating.

Worth mentioning are some of the lines that were cut from the 30-second advert but that remained in the uncut 25-minute version. In the same scene when the friends are visiting Renatino in the Parmigiano Reggiano facility, they can be heard asking him if he “ever saw the sea?”, “saw Paris?” or “went skiing?”, to which Renatino answers no for every question. These lines gathered attention in media too, as viewers dug deeper in the quest of finding out more about the advertising. Journalists picked up on this as many included these lines in news articles regarding the 30-second advert.

C- Axiological level:

On an axiological level, the main opposition of values lies in passion and dedication, against indifference and inertia. The passion is what Renatino supposedly feels within himself and being dedicated to his work requires him to make an active choice, one he has to make every day, 365 days a year. In contrast to feeling indifferent towards something and, as such, feeling no love within. Whereas inertia is, in contrast to dedication, not making an active choice and not having a say in what you do because you haven’t decided to actually put any effort into it. Hence, the underlying key message is that in order to experience or create greatness (Parmigiano Reggiano cheese), you need to put passion into what you do and sacrifice moments of time to pursue things of greater value. A product of such calibre can only be obtained when it is nourished by people who feel a great sense of purpose and passion for what they do. Without them, products like Parmigiano Reggiano wouldn’t exist. Despite this being the intended message, the public perceived it as something else. By judging the average viewer’s reaction to the advertising, the key message would be something in accordance with “To lead

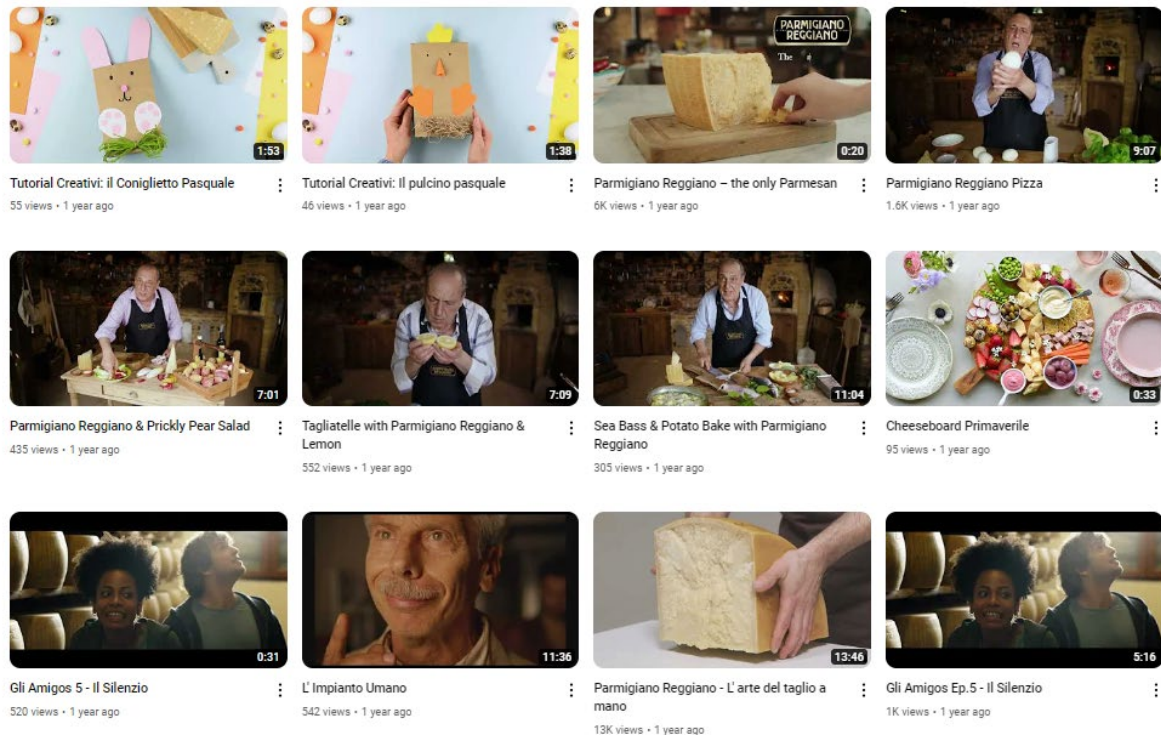
a normal and comfortable life, one must sacrifice significant time and personal effort, but one won't be rewarded or compensated for the energy invested”.

The spot utilises a cinematographic narration style as it is indeed directed by filmmaker Genovese. In fact, the advert is hyperbolic and incorporates cinematic elements borrowing visual and narrative aspects often used in movie storytelling. The story is still narrated in an emotional and light way, but it does not marry with the perceived message. The valorisation of the advertising can best be described as utopian as “the advertising story does not focus on the object as such but on the Subject, who will achieve deep inner fulfilment through union with his or her Object of Value” (Bianchi, 2011, pp. 261-262). In this instance, the advert tells a story of how the cheese is made with the help of Renatino who has dedicated his whole life and all his free time towards the making of it and he is achieving said deep fulfilment through his work at Parmigiano Reggiano. The practical values of the product are therefore not in focus, instead, the ad goes beyond and focuses on the utopian values brought to life during the creation and shows how the viewers' lives could be enriched by tasting a product that has been crafted with such an extensive amount of love. As previously mentioned, rhetorical figures are represented by a narration all embedded in a hyperbole. Renatino represents the work that goes into crafting the esteemed Parmigiano Reggiano cheese and he represents the plurality of employees appointed, not the singular. However, this is the notion that was communicated inefficiently and thus the point did not come across.

3.4.1 Subsequent videos of Parmigiano Reggiano

Twelve clips related to the “Gli Amigos” campaign were uploaded in total on the Parmigiano Reggiano YouTube page. The videos that were published subsequent to this contained material related to how to use Parmigiano Reggiano as a product. Gennaro Contaldo, a famous Italian TV chef, based in the UK, starred in multiple of the subsequent videos.

Figure 20 – Subsequent videos released on Parmigiano Reggiano’s YouTube page



Source: Parmigiano Reggiano, n.d.b

In these, he presents recipes utilizing the cheese in the dish. Three other clips were also published closely after the last “Gli Amigos” video was uploaded, centred on how to present the cheese or how to package it nicely. These videos stay clear of any controversies as the sole purpose lies in the product and not how it’s made or the history surrounding it. It seems that Parmigiano Reggiano chose the safer route in the aftermath of the scandal and opted for videos containing low-risk content, trying to divert attention from the previous Gli Amigos backlash. Indeed, as previous examples have demonstrated, airing more light-hearted videos to distance oneself from earlier controversies is commonly done by other brands. Moving from the previous utopian valorisation present in the Gli Amigos advert, the subsequent commercials embody a practical valorisation instead. In these, Parmigiano Reggiano is used as an instrument to enhance the dish that they are cooking and hence highlights the objective features and how you as a cook can benefit from it.

3.5 Content analysis

Following the semiotic analysis of the Parmigiano Reggiano advertising, this section will present the content analysis carried out for the purpose of completing the research, giving it a broader outline by gathering the viewer's reactions. This has been done by using the coding platform NVivo which is a computer assisted qualitative data analysis software that helps users gain deeper insight from their qualitative and mixed methods research. In this research, it makes up a qualitative process using comments posted by users under the advert video posted on the YouTube platform. In doing so, the research will factor in both a brand point of view and a consumer point of view. , However, the original 25-minutes video that does exist on the official page has turned off the possibility for users to comment which makes it an inadequate source to use. Because of these facts, visualizations, and reactions (likes/comments) are not reliably represented as they underestimate the actual reach., tThe dataset that has been used is that one of one of Italy's largest newspapers Corriere Della Sera. They uploaded the 30-second ad on their YouTube page corresponding to one of their online articles written about the scandal. The source was selected as it was uploaded by a reputable newspaper which should be expected to result in a less biased audience, at least when compared to content uploaded by an average independent user. It also carries a bigger reach as they have more users subscribed to their page (329.000 subscribers) and around 10 million readings every month (Brandnews, 2023). However, despite what YouTube channel distributed the advert, the audiovisual content stays the same and does not change depending on the source and as such, does pose an issue for the content analysis. What can be proved initially is that the commercial received a majority of the unfavourable reactions. This insight finds evidence in the top comments presented directly under the video which are all negative and have gathered the support of other users. The most popular comment has 1400 likes and 74 comments answering it and another one has 2000 likes with 12 comments answering it, both against the Consortium. In general, the overall reactions are negative, and many users use sarcasm to express their distaste, this fact will be further explored and presented in the sentiment analysis. The video currently has 866 comments submitted and around 75% of these were considered relevant for the analysis and thereby taken into consideration for the textual dataset.

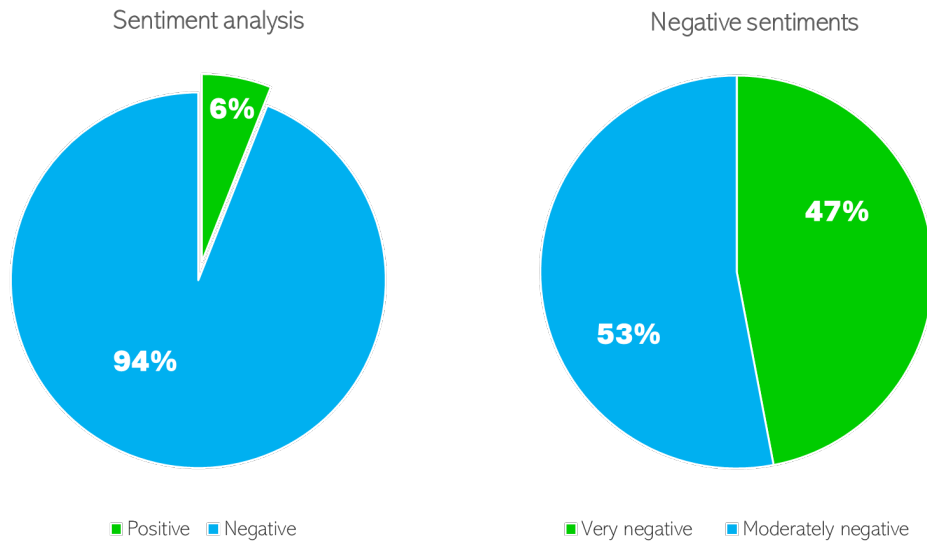
3.5.1 Content analysis: Sentiment analysis

Comments from the chosen YouTube video were automatically translated using the Google Translate extension to allow NVivo to successfully work on a dataset in Italian for the sake of this research work. After having deemed the translation adequately accurate, the comments were then manually transferred into a file, ready to be imported.

The program ran through an automatic sentiment-coding analysis in order to categorize the opinions and attitudes of the users by identifying the emotional tone behind a body of text. However, NVivo does not have the ability to pick up on sarcasm, slang, double negations etc. and consider sentiment in terms of the word in isolation, not in the context of other matters. Because of this, there was still a large amount of manual work required to categorize each comment into the correct sentiment category.. The two top-level codes automatically generated by NVivo read “Positive” with two sub-codes reading “Very positive” and “Moderately positive”, and then “Negative” with the two sub-codes “Moderately negative” and “Very negative”. The sentiment analysis generates a visualization of the relevance of each sentiment and, adding to this, NVivo creates word clouds that represent a word frequency query. The word clouds identify the top recurrent words used by the users which facilitates the understanding of the main themes and topics present.

The result of the sentiment analysis based on the 634 relevant comments under the “Gli Amigos” advertisement is presented below.

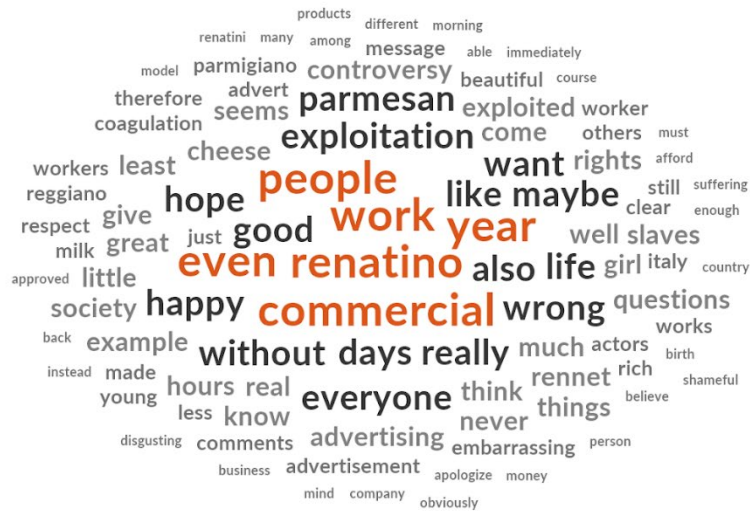
Figure 21 - Percentages of sentiments



As could be seen, an overwhelming majority of the comments were negatively-toned, and only 6% of the comments were positive. This gives us insightful information on the overall feelings and reactions generated by the ad. Furthermore, inside that 6% of positive sentiment, none were considered “very positive”, instead they were all categorized as “moderately positive”, which once again, gives us important insight into the overall feelings of the users. There was however another narrative in the unparalleled top-category “Negative”. The negative sentiments were evenly distributed between the two sub-categories with 53% belonging to the “moderately negative” sentiment and 47% to the “very negative” sentiment.

The word cloud reports the 1000 most frequent words with a minimum length of 4 letters. Presented below is the word cloud generated from the sub-category “Moderately negative”.

Figure 23 – Word cloud of Very negative comments



However, also here can words like “controversy”, “exploitation”, “slaves” and “embarrassing” be distinguished, which also speaks to the work put in by Renatino. The word “happy”, which in itself is a positive word, can be found in bold black but it refers to the line asked in conjunction to Renatino working 365 days a year “and you are happy?”.

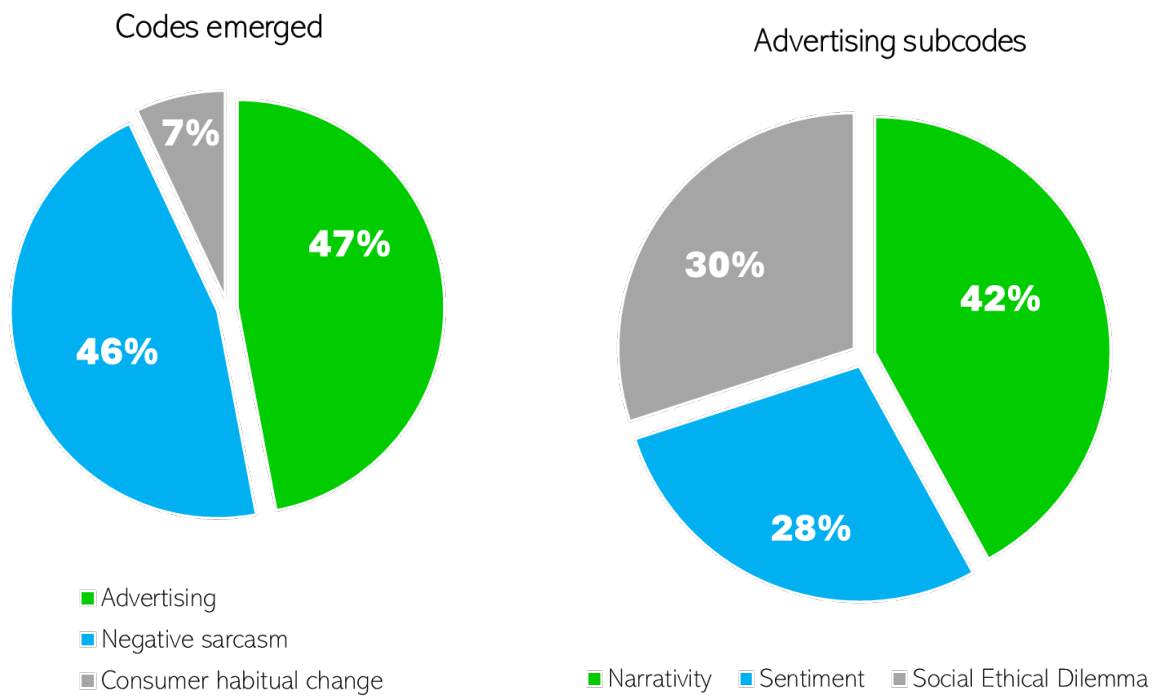
The same theme could be found in the word cloud of the moderately positive comments. None of the most frequently recurring word hold any meaning as they are not inherently related to positive sentiments nor any positive theme or matter. Noted, however, was the fact that a majority of the positive comments pertained to the notion of that the advertising wasn’t as distasteful as the public reactions might have suggested. Implying that it was still not of good quality, but not as bad as it was widely perceived.

3.5.2 Content analysis: code definition

A process of defining present codes in the data set was conducted following the sentiment analysis. This type of analysis is used to understand if there are any main topics that emerged from the dataset and in this case, it was deemed relevant to see if the large amount of negative comments are related to a specific topic. NVivo has the possibility to execute an automatic coding process, however it was not very accurately done, as previously explained, NVivo can’t comprehend sarcasm, and as a large amount of the comments were of sarcastic nature, the results from the automatic coding were not sufficient enough to be presented in the research. Because of this, the coding process was manually conducted. When systematically reviewing

the dataset, three top-level codes could be identified: “Advertising”, “Negative sarcasm” and “Consumer habitual change”.

Figure 24 – Percentages of codes and subcodes



The top-level code “Advertising” concerns the advertising itself, as in any comment that concerned itself with whether the quality of the advertising, the storyline, the actors, their opinions about the spot, or the greater problems created by the advert. As it contained a lot of different kind of matters, it was divided into three subcodes: “Narrativity”, “Sentiment” and “Social-ethical dilemmas”. The subcode Narrativity is about the story, the actors, the brand creating such an ad etc. Textual evidence is found in comments such as “*While he was saying yes, Renatino had a gun pointed behind his back.*”, “*I still can't understand how someone got paid to write this screenplay...*” and “*This commercial was made for sabotage, it cannot be explained otherwise*”. The second subcode Sentiment constitutes explicit opinions about the advertising. Comments like “*Everything is wrong with this commercial*”, “*Hahahaha supercringe, incredible*”, and “*What a shitty commercial... and it takes a lot to create one of these levels.*” paint the picture. The third and last subcode Social Ethical Dilemma contains comments that included discussions about bigger social issues that the advert initiated. Indeed, the video sparked a discussion about general working conditions in Italy among some of the

users. This is evident in some textual contents like *“Italian hypocrisy, we needed the commercial to understand that there is a problem”, “But do you know how many Renatinos there are in Italy? If it weren't the reality of so many workers it would hurt less”* and *“This advertisement is simply shameful, it conveys a despicable message of exploitation! Unfortunately it is the mirror of society where, for too long now, precariousness, slavery and the total commodification of work without basic rights and without protection have triumphed unchallenged, in the indifference, or even worse, in the unawareness, of many armchair privileged people who do not want or can't afford not to realize it!”*. As such, the commercial is very disruptive as it to some degree represents society in the eyes of some viewers and users.

Following, the second top-level code regards all negative sarcastic comments submitted. They often made fun of the storyline, the actors or the notion of working 365 days a year and be happy about it. Textual evidence of this could be found in comments like *“Then you discover that Renatino has been spitting into the cauldron 365 days a year since he was 18 years old.”*, *“This man [Renatino] lives in symbiosis with the dairy and was probably conceived there.”* and *“Do you smell slavery, Renatino?”*.

The last top-level code Consumer habitual change regards textual data that expressed a desire to change consumption habits after having watched the advertising. The message that was emitted from the spot was so distasteful that they felt needed a change of shopping habits. This is evident in comments like *“From today, only Grana Padano”*, *“The EXPLOITERS of the Parmigiano Reggiano Consortium should be ashamed of having produced such an advert. I will no longer buy Parmigiano Reggiano, I will choose Grana Padano, which costs less, is just as good and does not involve the exploitation of workers.”* and *“I'm going back to buy Cheddar”*.

3.6 A comparison: Dolce & Gabbana and the scandal in China

To broaden the analysis, this work will implement the case of Dolce & Gabbana in order to explore the potential semiotic changes seen in advertising after a reputation crisis. More precisely, a series of adverts issued by the fashion house in 2018 will act as the case study as it gained widespread negative attention and boycotts. Just like Parmigiano Reggiano, Italian brand D&G exudes “Made in Italy” and is famous for its baroque Italian style but they committed a great mistake that gravely affected their reputation as a brand.

Italian luxury fashion house Dolce & Gabbana was founded in 1985 by the two designers Domenico Dolce and Stefano Gabbana. Their first store in China opened in 2005 and as the brand continued to grow and as it gained a stronger global following, that number grew to 58 in 2018. China was one of the brand's largest markets as the Chinese's luxury spending kept increasing. According to McKinsey (2019), the spending will almost double between the years of 2019 and 2025. This is mainly explained by the fact that there has been an explosion of upper-middle-class households that continues to consume from luxury categories. Needless to say, China is a great source of revenue for brands like Dolce & Gabbana. However, in mid-November 2018 the fashion house released a series of promotional videos on their social media platforms and on Weibo, which is one of the most popular social media platforms in China, comparable to a mix of Twitter and Facebook. The three short ads were distributed with the intent of raising awareness of their forthcoming fashion show called "The Great Show" which was scheduled to take place at the Shanghai Expo Centre later the same month (Atwal, Bryson & Kaiser, 2022). D&G described the ads as a "tribute to China" (CNN, 2019).

Figure 25 – Chinese model Zuo Ye in the D&G advert



Source: CNN, 2019

Shot in Milan, the three 40-second videos featured Chinese model Zuo Ye dressed in a red Dolce & Gabbana attire attempting to eat pizza, spaghetti, and large cannoli with chopsticks. Traditional Chinese folk music can be heard in the background while a male Mandarin-speaking voiceover says, “Welcome to the first episode of ‘Eating with Chopsticks’ by Dolce & Gabbana”, purposefully mispronouncing the name of the brand to emulate a kind of mockery of Chinese speech. The whole set is beaming with a low red light, colouring the whole frame and the background is decorated with stereotypical Chinese props portraying a Chinese takeaway shop with a red lantern. The patronizing voiceover continues to instruct the model how to “properly” eat the Italian food with the cutlery originating from China “Let’s use these small sick-like things to eat our great pizza Margherita”. In the third video the model can be seen struggling and giggling behind her hand while the male voice proceeds to say, “Is it too big for you?” referring to an abnormally large cannoli that is supposed to be eaten with chopsticks. All the three ads follow the same script, presenting the model with an Italian dish that can’t be eaten with chopsticks while a degrading voice instructs her how to manage. The videos are concluded by cutting to a black screen that presents information written in yellow in regard to The Great Show.

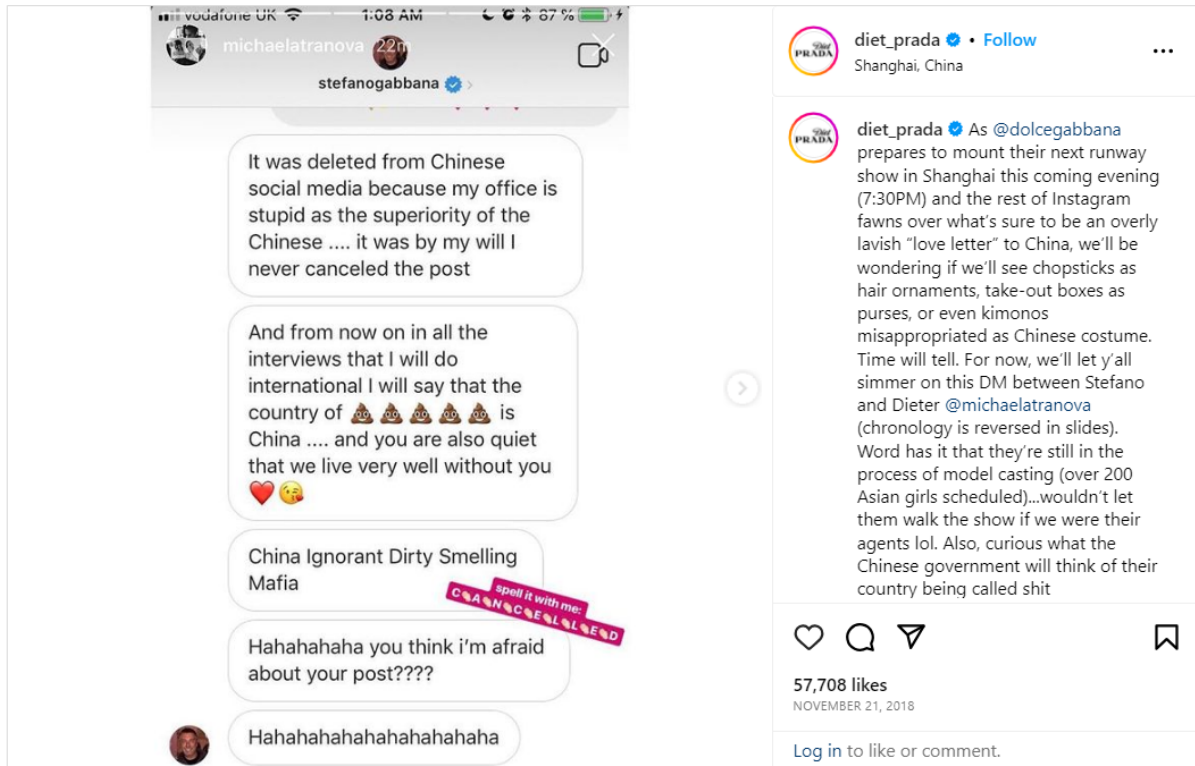
The ads best emulate a mix of Ludic-aesthetic valorisation and Utopian valorisation, as many luxury designer brands do in their advertising. They are not showcasing their products in a utilitarian way, but instead, they are depicting their brand as a feeling. The product, which in this case is the dress and the accessories, are present but are not really the main focus of the ads. It is, quite frankly, rather difficult to interpret what the main focus is, as the dress is not shown in its full, the brand is not painted in a good light and the purpose of promoting The Great Show is not evident (excluding the last call to action text presented by the end). From the perspective that, if they wanted to promote a show for their Chinese customers, perhaps they ought not to air an advertising campaign that offend the same customers.

3.6.1 Public response

The three spots were received with great rage but also with confusion. As many users commented under the YouTube videos, noodles that are commonly eaten in China using chopsticks are the same shape as spaghetti so there shouldn't be any logistical problem eating them. The ads were also labelled as racist, offensive, and reinforcing negative cultural stereotypes. One YouTube user wrote: *“The narrator was full of racial superiority crap. He was ridiculing the woman with chopsticks whilst claiming how superior Italian things were. That's why it's offensive. It's a cheap way to associate the brand with its Italian heritage, which is probably the principal objective of this ad. Perhaps the marketing team though exhibiting and making fun of people who never seen cheese, pizza, or spaghetti before would make its targeted customers feel superior, as its targeted luxury consumers, unlike most Chinese people, have far higher disposable income and are probably far more exposed to spaghetti. In this scenario the motive is even ruder”*. Another user on Weibo commented *“That's explicit racism, D&G stereotyping China. It only shows the brand's outdated view about China”* (NPR, 2018). As could be understood, the ads provoked great and immediate backlash and encouraged a boycott among Chinese customers with the hashtag #BoycottDolce trending on social networks. According to the article written by CNN (2019), Chinese celebrities set to attend the Great Show quickly dropped out which consequently forced them to cancel it, Dolce & Gabbana products were removed from important e-commerce platforms and stores in China and brand ambassadors and other Chinese celebrities condemned the brand. Wang Junkai who is a former brand ambassador wrote on Weibo *“One's motherland is not to be infringed upon, and one's motherland stands above all”* (Atwal, et. al, 2022, p. 40). Furthermore, some former customers recorded and published videos of themselves destroying D&G products and mentions of the brand on Weibo surged by 2.512% (CNN, 2021; Gartner, n.d.). The actress who starred in the ads Zuo Ye publicly stated that she almost ruined her career by participating in the commercial and that she and her family had received threats and attacks online.

However, the media frenzy was not over here. Hours before the show was scheduled to start, fashion blogger *Diet Prada* posted screenshots from an alleged private conversation between Stefano Gabbana and an Instagram user in which he called the country five poop-emojis and *“ignorant dirty smelling mafia”* (Diet Prada, 2018). Gabbana claimed that his account was hacked.

Figure 26 – Diet Prada’s Instagram post allegedly exposing Gabbana’s private messages



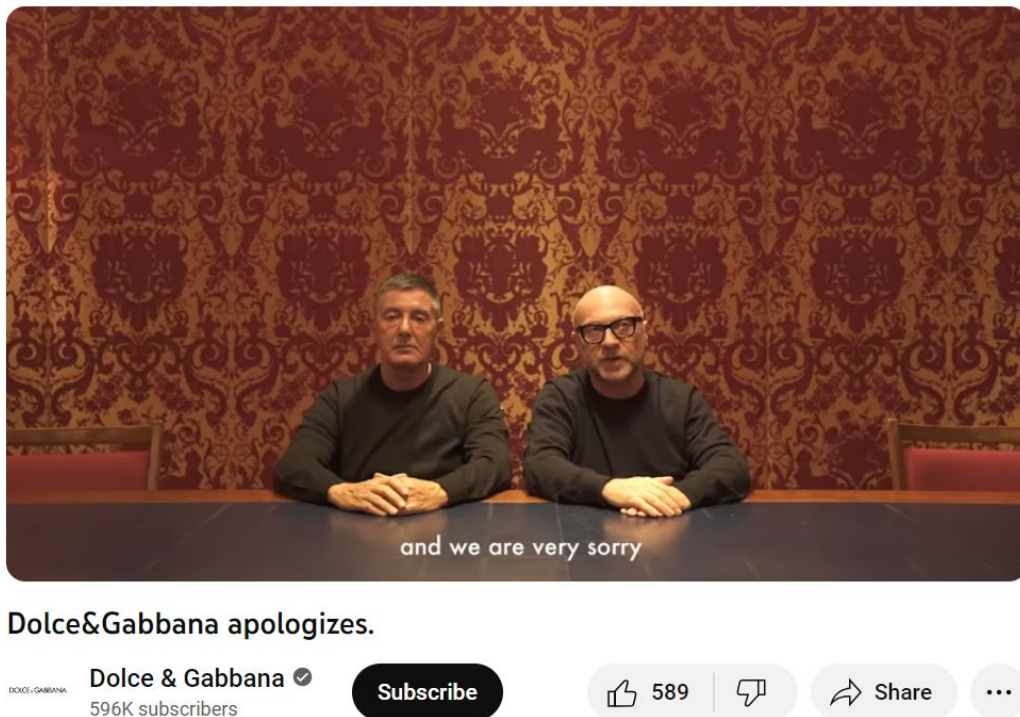
Source: Diet Prada, 2018

This added fire to the fuel and according to Shaun Rein, who is the founder and managing director of China Market Research Group, it is most probably “the alleged Instagram messages, rather than the ad campaign itself, that continue to affect the label’s reputation in China”. He also said, “It’s probably the only brand that I’ve seen the Chinese stay angry at for so long” (CNN, 2021) .

3.6.2 D&G responds

The videos were deleted within 24 hours of posting them, the show was cancelled and about a week after the videos were removed, D&G posted a video asking for forgiveness. Two identical videos titled “Dolce&Gabbana apologizes.”, were published on Weibo and on their YouTube channel in which both Dolce and Gabbana are present, giving their “I’m sorry” speech in Italian. The first video carries Chinese subtitles and the second one English.

Figure 27 – D&G YouTube video apologizing for their actions



Source: Dolce & Gabbana, 2018

In the video, both of them can be heard saying they're sorry multiple times, however, the word "if" is also uttered. "Our families have always taught us to respect the various cultures in all the world and this is why we want to ask for your forgiveness if we have made mistakes in interpreting yours (...) we love your culture and we certainly have much to learn. That is why we are sorry if we made mistakes in the way we expressed ourselves".

As with many other cases, D&G asks for forgiveness but they don't seem to want to take the whole blame by saying "if" they made a mistake, not "that" they made a mistake. The apology video didn't get them far and many of the comments under the videos state how forced they appear and that they can't possibly be truly sorry as the screenshots tell a different story. Similarly, Rein commented on the matter saying "(It was) like he was trying to save money and his brand, but it wasn't coming from the heart. Because again, if you say something publicly but then allegedly say 'Chinese are shit' in private, then who is going to believe you?" (CNN,

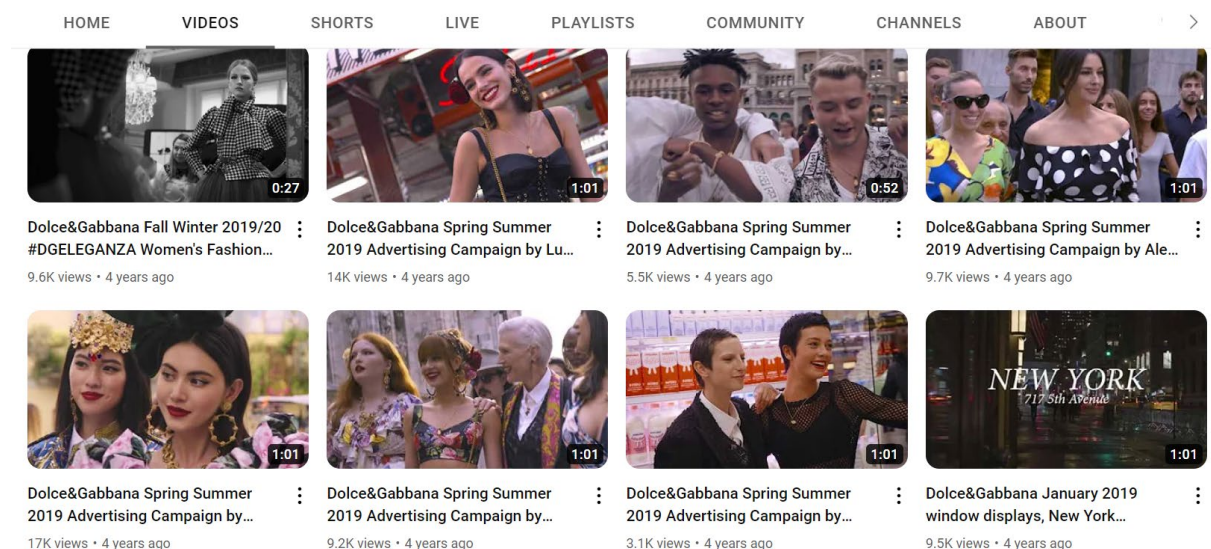
2021). Following all that happened, D&G stayed inactive on Weibo for over three consecutive months.

The online crisis brought ramifications in the real world. As earlier mentioned, in 2018 D&G had 58 stores operating in China and to this date they have 48, suggesting that 10 stores have closed since the scandal. The fashion label is discontinued from e-retailer giants such as JD.com and Tmall and was withdrawn just after the scandal occurred. The absence on these platforms constitutes a lost entryway into the Chinese market. Rein commented on the matter saying, “If you can’t sell on Tmall, you can’t do business in China” (CNN, 2021). Proof of this statement can be found in the fact that according to Reuters (2019), the Asia-Pacific market of D&G shrank by 3% between March 2018 and 2019, a timeframe in which the advertising was aired.

3.6.3 Subsequent advertising

The subsequent advertising by the fashion house aired in February 2019 and promoted the Spring Summer collection with the help of famous models such as Monica Bellucci, Mariano Di Vaio, and Barbara Palvin.

Figure 28 – Subsequent commercials released on D&G’s YouTube page



Source: Dolce & Gabbana, n.d.

A Ludic-Aesthetic valorisation can be identified in the adverts as they solely highlight the beauty of the clothes and the models. There is a happy, up-tempo instrumental music track playing in the background, the models are smiling and walking around the city of Milano. D&G seems to play it safe with the subsequent advertising campaigns, just like Parmigiano Reggiano did. With these videos, they are staying clear of any controversies by airing videos containing low risk-content. None of the models are speaking nor is there any voiceover present. Thus, since there is no verbal or textual information being transmitted they're reducing the likelihood of potential scandal being created as there is no opportunity for controversial statements to be said or written to begin with.

The cases of D&G and Parmigiano Reggiano are indeed different, they operate in totally different sectors and the controversies surrounding them are surely of different natures and carry different degrees of impact and significance. But just like Parmigiano Reggiano, D&G as an Italian brand boasts about embodying the characteristics of the Made In Italy mark, not just for the actual production but also in all their marketing efforts and in the essence of the brand. Both ads received backlash for airing advertising that portrays ethical and social issues in an insensitive manner which is a result of both brands not being able to "read the room", which in itself is often considered problematic. D&G perpetuated offensive stereotypes while Parmigiano Reggiano depicted an unrealistic character with seemingly no willpower of his own. After having seen what both of these commercials brought onto the brand themselves but also to society, one key insight is surely that of how important it is to produce advertising material that resonates with audiences and that it is culturally appropriate and appealing.

In terms of semiotics, both post-crisis advertisements retrieved to safer options. Previous campaigns were hyperbolic in which the protagonist represented something else and used utopian and/or ludic-aesthetic valorisations. Renatino is a cinematic metaphor for the multiple employees working every day to attend to the cheese. The D&G model represents an offensive stereotype used to associate the brand with its Italian roots. The post-crisis adverts instead depicted either the product itself by using a more practical valorisation or showcasing the products as they are and the beauty they can add. There are no other ulterior or embedded references or messages to social or ethical issues.

CHAPTER 4

Conclusion: results, implications, limitations, and future research

4.1 Research Overview

This last chapter serves to encapsulate the research as a whole and thus, to summarise, the work started dissecting the academic constructs of brand reputation and brand crisis. As established, many brand category leaders may at one point in time suffer from turbulence and the first chapter expanded on the theoretical constructs that make up a brand and how they relate to consumers and stakeholders. The chapter follows the chronological order of a brand undergoing a crisis, starting with the building blocks of a brand, moving to the reputation it possesses, and the consequences that may be inferred when the unfortunate happens and different strategies to restore it. It concludes with a revised approach that includes the modern media landscape and that encapsulates the phenomenon as a whole. The first chapter laid the foundation for a better understanding of the implications that a communication crisis brings. The second chapter narrows down the research by applying what has previously been discussed on the advertising industry and the literature regarding ethical dilemmas that have been connected to brands in the past. The chapter concludes by specifying the literature gap that emerged from the information presented in the first two chapters. Admittedly, there is scarce literature out there that connects the dots and bridges the gap between communication crises and advertising semiotics. Both concepts have been studied in depth independently, but they have not been merged together in the context of what happens post. There is an organic and obvious association between the two as when campaigns fail for having used semiotic styles that were not readable or perceptual to consumers, it often times amass in a crisis. But what happens after? The present work seeks to contribute insights into the impact of advertising semiotics on brand crisis and doing so by performing two analyses. The first study carried out a semiotic analysis that accounts for the phenomena from a brand's point of view. The brand in question was Parmigiano Reggiano as they went through an advertising mishap in 2021. The specific case was chosen since they are an exemplary historical Italian brand that holds a lot of influence over the brand sector and their advertising scandal created a massive media frenzy in Italy. The second study carried out a content analysis that accounts for the consumer's point of view as it brought the perceived values and opinions to the surface by analysing the comments and coding the sentiments. To

give depth to the research, the case of Dolce & Gabbana was presented to draw parallels between two Italian brands that went through an advertising scandal.

4.2 Conclusive discussion: results and theoretical implications

The present study successfully documented the impact of advertising campaigns that provoked a brand crisis. More specifically, the two studies conducted and detailed in Chapter 3 identified not only the surface level, but also the narrative and axiological level of the Parmigiano Reggiano advert, and also the audience's sentiments having experienced the ad. Results are presented below.

The advertising featuring Renatino, the overworked employee, set out a message of passion and dedication but failed miserably in delivering this. The ad campaign was directed by the famous movie director Genovese and he created an advert comparable to a film, using cinematic language to portray the passionate process that the creation of Parmigiano Reggiano cheese requires. The intended underlying key message was that in order to experience or create greatness, you need to put passion into what you do and sacrifice moments of time to pursue things of greater value and this is what Parmigiano Reggiano does. This was however not what the audience picked up on. Instead, they perceived the idea that living a normal life requires personal sacrifices that do not guarantee reciprocation, and the ad thereby glorified the exploitation of workers. Many connected this to the broader issue of the working conditions in Italy today and ridiculed the ad for portraying that to be something to be happy about. The advert did not succeed with the use of narrativity to depict Renatino in the way they wanted him to be perceived. The whole commercial can be understood as hyperbolic and Renatino is a mere cinematic metaphor for the fact that Parmigiano Reggiano is in fact processed *every day* to follow the production cycle. But the audience does not know that, they are using an “inside joke”, expecting everyone not in it to understand. This is where the problem lies. The metaphor was badly constructed, and even worse communicated. Renatino is a singular entity in the advert but he is supposedly representing a plurality of employees that takes turn working to attend the cheese every day. This is the point that Parmigiano Reggiano wanted to get across when writing the lines reading “*The only additive is Renatino who has worked here since he was 18 years old, every day, 365 days a year*”. This metaphor went beyond the audience's level

of comprehension, not because they were incompetent, but because the advertising did not narrate this metaphor efficiently enough. This seems to be the problem with many advertising campaigns that created scandals as their intended references do not come across and instead, create firestorms online for being insensitive. This is also a problem for the people in charge, who at times lack the basic understanding of what is culturally considered acceptable and not. Sometimes whole teams creating advertising campaign becomes blind to what resonates with audiences and what actually is culturally appropriate and appealing. A prime example of this is the Kendall Jenner Pepsi advert. The same could possibly be said about the team creating the Renatino ad - they all possessed the same knowledge of the cheese being worked on every day, so for them the metaphor makes sense, but the average viewer does not possess the same knowledge and thus for them, it makes little to no sense as of why Renatino works 365 days and is happy about it.

Consequently, and as evident from the content analysis, the advert received an overwhelming majority of negative comments, many of which were of less substance, meaning that they didn't contribute to insightful or constructive criticism. However, in the eyes of some viewers, the ad was quite disruptive as it to some degree represents the problems in Italian society. This initiated a conversation about a more significant societal issue regarding the working conditions in force.

When comparing the advert with the subsequent videos that were released post-crisis it should be noted that the product in question, Parmigiano Reggiano cheese, was depicted as an instrument of how it could be used as an enhancement in cooking, per its original functionality. In the previous commercial, it was the story around Parmigiano Reggiano that was standing in the limelight, not the actual physical product itself. This means that the advert that caused a brand crisis utilized a utopian valorisation while the post-crisis adverts utilized a practical valorisation. Furthermore, the post-crisis commercials contained low-risk content with no references or metaphors in sight. Instead, they were trying to divert attention from the previous Gli Amigos backlash by airing more light-hearted videos to distance themselves from the earlier controversies. There were no fictional characters or stories, instead, they used a real chef to redirect and reassociate the brand with its original purpose, selling cheese, not provoking political debate.

Thus, more concretely, the advertising strategy changes post-crisis in terms of valorisation, and as in this case, Parmigiano Reggiano moved from a utopian valorisation that often addresses

more spiritual material, to a practical valorisation that often addresses material values and ordinary life. This was also evident in other cases, such as the Dolce & Gabbana one, but also looking back, this could also be detected in the Pepsi x Kendall Jenner case. It also changed in narrative terms as post-crisis advertising stayed clear of using metaphors, fictional stories, or complicated references.

Having established this, it can be concluded that the present research contributes to the already existing literature on brand crisis management by providing a semiotic perspective. This paper bridges the gap between communication crisis literature and advertising semiotic literature by providing insights as to what happens post-crisis in semiotic terms, this is specifically evident in the first study, in which there is further evidence of what kind of narrative style can cause a brand communication crisis. The second study provides evidence of what kind of responses and reactions adverts, that have prompted a brand crisis, elicits. Thus, this paper has studied the phenomenon from both a brand point of view and a consumer point of view, further enriching its contribution. To put it concisely, the two studies as a whole contributed to the stream of literature regarding brand communication crisis and filled the semiotic gap that characterizes the field of study.

4.3 Managerial implications

Having established the result from the research, it would be timely to provide some insights useful to brands and marketers, however, it should be noted, given the nature of the research, it can't quantitatively substantiate the findings.

First and most evidently, when creating advertising, brands and marketers should stay alert when constructing the narrative in order to not end up having a crisis on their hands. Especially, if the wish is to create a hyperbolic advertisement, one needs to be sure that the intended underlying message is clearly communicated and does not get lost in translation. As established, many advertising campaigns that provoke crises do not get their intended references across to the consumers. This can be explained by either insufficient storytelling or not having read the room correctly, thus not having understood the tensions present in society, and whether or not these tensions require an interpretative prerogative. Brands and marketers must as such make

sure that the surface level translates to the axiological level, especially when creating hyperbolic content and using fictional characters as metaphors. If the connection is too weak and the audience doesn't understand or doesn't deem it acceptable, you will most likely find yourself in the middle of a firestorm. In short, when embedding fictional characters with brand or product characteristics, make sure it is clearly communicated.

Secondly, in general, celebrities and famous personalities participating in commercials often spark audience curiosity and engagement, this can very evidently be seen in, for example, the Super Bowl ads in the US every year. In some cases, it makes the commercials more memorable, stimulates discussions, and further increases the popularity online. However, when the ad in question grants a crisis, the famous people participating in the ad can become the face of the scandal. The audience might even put the blame on them as they associate their face with the controversies spread by the adverts. Even if they are just the messengers, celebrities mixed up in advertising scandals often feel the need to defend themselves just like Stefano Fresi did on his own personal Instagram account. Zuo Ye, the model acting in the D&G commercial, went out saying that she almost ruined her career and got threats because of her participation. This is something that should be kept in mind when brands and marketers hire celebrities, for their own sake but also for the celebrity's sake. Do they believe the hired celebrities are resilient enough to handle criticism and do they believe that the celebrity will maintain brand loyalty after the scandal break?

Thirdly, when the content is published on owned media platforms, they have greater flexibility in managing what should be officially part of their brand and consequently demonstrate what kind of content aligns with their image. They can also better monitor the discussion taking place under the video. As such, they can for example delete the videos that created scandals but also strategically deactivate comments so no users can express their opinions. This is what Parmigiano Reggiano did for their Gli Amigos commercial, both on YouTube and on Instagram. However, doing this also comes with risk. As found in the content analysis, some users commented (on Corriere Della Sera's uploaded video) about the fact that the comments were deactivated as a negative aspect, hinting towards the fact that they are not willing to take responsibility for their actions. It can further signal that the brand is trying to control the narrative by avoiding negative feedback or that they're hindering public discourse. But can also

lead to a missed learning opportunity as they are refusing to learn from mistakes and make improvements by not listening to feedback, even if negative.

4.4 Limitations and Future Research

While the present study has fulfilled its research objective, there are always ways to improve and opportunities for expansion. The paper has indeed provided precise findings with qualitative characteristics, however, this fact in itself presents certain limitations as further research is needed in order to make the results quantitatively significant. Thus, an additional quantitative study including a larger sample size would be beneficial to complement the qualitative study conducted.

The dataset used for this analysis might also be considered quite slim. A comparison was made with one other brand that also went through an advertising scandal. However, even though they are both Italian brands, the commercials were targeted at different audiences in different countries. They also constituted different severity levels of offensiveness as one was perceived as directly targeting the characteristics of one nationality and therefore accused of being explicitly racist, while the other advert dealt with what many considered a social problem. For these reasons, the study does not allow an extensive nor a complete comparison. Future research might remedy this problem by including more cases that better complement the original case. It would also be interesting to conduct further research including cases that are specific to the brand category for the purpose of observing if there are any specific narrative themes or styles emerging. As such, one could possibly identify common narrative choices specific to the food and beverage sector which also could provide important insight into factors that may lead to an advertising scandal.

Furthermore, the analysis in itself has some limitations. The comments used for the sentiment analysis were translated into English as they were originally all written in Italian. This step was done as the software NVivo can only detect sentiment from English textual datasets. A manual translation of 800 plus individual comments was not time-sufficient enough which is why the Google Translate extension was utilized. The translations were deemed acceptable, but this

does not exclude the fact that some of the translations might have included some incorrectly translated words or missed hints of sarcasm. Hence, future research could be conducted either by manually translating all comments to get a as precise picture of the sentiments or by using another software that has the possibility to use textual datasets written in languages other than English.

Adding to that, as almost all comments gathered were negative, it could therefore be of interest to include comments with positive sentiments for future studies to understand the positive feedback too, and to get a more balanced overview of the reactions.

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