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### "HOW DID TOYOTA STAY ON TOP?": REVISITING CRISIS COMMUNICATION DISCOURSE

by

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A Thesis submitted to the Faculty of the Graduate School,
Marquette University,
in Partial Fulfillment of the Requirements for
the Degree of Master of Arts

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## ABSTRACT "HOW DID TOYOTA STAY ON TOP?": REVISITING CRISIS COMMUNICATION DISCOURSE

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Marquette University, 2011

This study focuses on Toyota's 2010 accelerator pedal recalls and its use of crisis response strategies that relied on past performance. As a precursor, the author researched current literature regarding crisis communication and identified two key areas of research: understanding crisis and its impact and crisis response. To understand crisis communication it is necessary to first define a crisis and the impact it has on an organization's image, identity, and/or reputation. Once the crisis occurs, the organization must respond considering the audience, type of crisis, and the phase of the life cycle the crisis is in to determine a proper response strategy.

A close textual analysis was used to analyze 50 artifacts from January through March 2010, regarding the recall from Toyota's website created specifically for the recalls. Through the use of close textual analysis, the author uncovered six themes including a focus on updating customers as a *united front* on the recalls as well as attempting to regain its customer's trust though the recalls and focus on *past performance*; Toyota finally apologizing although it was a *masked apology*, and exuding *confidence* by explaining its *superior technology*; and Toyota's focus on being *defensive* in its responses as well as attacks from media outlets and government agencies. This study has theoretical implications such as the use of identity maintenance as an aspect of crisis response, the significance of reputation, and ethical implications. Also, pragmatic implications for an organization's crisis communication discourse which include building a strong reputation, if the organization is lack a strong reputation it should rely on identity maintenance during the crisis response, and consumers need to be more critical of organizations going through a crisis.

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#### CHAPTER ONE:

#### INTRODUCTION

Toyota is known in the United States as being one of the best car manufacturers. However, this longstanding reputation was questioned on August 28, 2009 when an off-duty Californian Highway Patrol Officer, Mark Saylor, and his family called 911 from his Lexus as the gas pedal became stuck and raced down Highway 125 at over 100 mph in San Diego (Healy, 2010). Bensinger (2010) reported that the final words heard were Officer Mark Saylor asking his family to hold on and pray as the Lexus crashed into another vehicle. All four passengers were killed. When the 911 tape was released to the public, the accident quickly became a public relations disaster, and it was discovered that this was not the first time that the Toyota Corporation had heard reports about its faulty vehicles. As the fatal crash gained media attention, U.S. Transportation Secretary Ray LaHood ordered Americans to stop driving their Toyotas immediately. Toyota recalled approximately 5.4 million vehicles due to floor-mat entrapment that fall after the fatal crash, and Toyota's official response asked Toyota owners to remove the floor-mats (Bensinger, 2010).

In December 2009, before the recall in January of 2010 and only four months after the fatal crash in San Diego, another accelerator accident occurred in Southlake, Texas (Goodman, 2010). This crash involved a Toyota Avalon that flipped over into a six-foot pond resulting in the death of four more people. Since the Toyota Avalon was involved in the floor-mat recall, the driver had safely removed the floor-mats as suggested by Toyota. Toyota Motor Sales Group Vice President Irv Miller was quoted stating, "Toyota has investigated isolated reports of sticking accelerator pedal

mechanisms in certain vehicles without the presence of floor mats" and "our investigation indicates that there is a possibility that certain accelerator pedal mechanisms may, in rare instances, mechanically stick in a partially depressed position or return slowly to the idle position" (Toyota, 2010).

According to Rechtin and Greimel (2011, p.1), "Toyota suspended U.S. sales of eight models linked to runaway acceleration – and spiraled into a humiliating global safety crisis. The company has recalled more than 16 million vehicles globally since the fall of 2009 for a variety of problems." A recall of this size not only has a large financial impact on the company, but potentially has a large effect on the image of Toyota. There have been an estimated 34 fatalities and 22 alleged lawsuits in connection with the accelerator problems (Fukue, 2010).

Toyota's unintended accelerator recall is a classic public relations crisis. This crisis is notable due to the size and scope of the recalls, which included eight of Toyota's vehicle models. Toyota had a fairly spotless reputation prior to the January 2010 crisis. Thus, these events had the possibility of changing how people viewed Toyota completely and could have potentially brought the automaker down from its front running position. However, it only took Toyota three months to respond and recover from this crisis. In many respects Toyota's floor-mat and sticky accelerator pedal recalls follow patterns commonly associated with crisis situations. In this light, the events are not completely unprecedented as in the past large scale crises have captivated public attention, such as Tylenol, Union Carbide, the Exxon Mobil oil spill, Firestone, the BP oil spill, and the coal miners in Peru. In the wake of these crises, public relations scholars have devoted a great deal of attention to the way in which corporations have managed large scale crises.

Public relations and corporate communication practitioners confront crisis situations regularly in just about every industry. Some large public relations crises of the past that have shaped the crisis management industry include the Tylenol crisis in 1982 where seven people died from a murderer putting cyanide into bottles, Union Carbide's toxic gas leak in 1984 that killed 10,000 people in India, and the Exxon Mobil oil spill that spewed 11 million gallons of oil into the waters of Alaska (Hoffman & Ford, 2010). More recently, the public has been faced with crises such as Firestone's tires, four Toyota recalls, the BP oil spill, and the coal miners in Peru who were trapped in a mine due to faulty inspections. Stakeholder involvement in corporations is at an all-time high with public trust of corporations at an all-time low (Ulmer, 2001). So while crisis communication has been a topic of interest in both theory and practice, the communication environment facing corporations has changed.

Public relations and communication scholars have developed recommended responses that should help an organization navigate a major crisis. However, in this everchanging communication atmosphere with companies growing and becoming stronger, the question of whether or not these same strategies will continue to work in the same ways is increasingly salient. The significance of this question is compounded by the reality that companies are focusing more on its image, identity, and reputation to differentiate themselves from its competitors (He & Mukherjee, 2009). I believe theory and research on crisis communication is dated and more attention should be given to understanding how crisis response has changed over time. This study seeks to fill the gap in current understanding of crisis communication research and potentially enhance what is currently known.

This thesis evaluates the effectiveness of Toyota's image repair discourse by analyzing artifacts including press releases, speeches, official company statements and letters to consumers during the critical phases of Toyota's public relations crisis. First, I will discuss the basic concepts of crisis communication and map crises within the issue life cycle. Next I will consider the impact of crisis on an organization's image, identity, and reputation. Finally I will explain how companies respond to crises. With this perspective as a backdrop, I will analyze Toyota's image restoration discourse of its 2010 recall using a rhetorical approach. Specifically, I seek to investigate Toyota's use of current image restoration techniques.

A close textual analysis of Toyota's crisis response reveals several key themes.

Toyota's response emerged in three distinct phases. Based on my analysis, I argue that

Toyota did not follow conventional wisdom based on current crisis management research
including the image restoration strategies and yet emerged with relatively positive results
based on the reputation they created. Finally, I offer implications that provide direction
for both theory and practice of public relations and corporate communications.

#### **CHAPTER TWO:**

#### REVIEW OF LITERATURE AND THEORETICAL FRAMEWORK

In order to fully understand how Toyota's crisis management challenges current practices, I first examine the most current research in crisis communication. I break crisis management research into two main sections: understanding crisis and its impact, and crisis response. To understand crisis and its impact I looked at the definition of crisis and the impact a crisis has on an organization's image, identity, and/or reputation, and the impact an organization's past performance has on maintaining an organization's image, identity, and/or reputation. When a crisis occurs, it is the responsibility of the organization to respond to the crisis to repair or maintain its image, identity, and/or reputation. When an organization responds to a crisis, it must take into consideration the publics it needs to address, the type of crisis, and the part of the life cycle the crisis is in. Once all three factors are determined, the organization must choose the crisis response strategies that will best fit with each of those factors to produce a positive outcome.

#### Understanding Crisis and Its Impact

Waymer and Heath (2007) explain that a crisis represents a fundamental threat to the stability of the system, a questioning of core assumptions, and a risk to the company's goals. In order to gain a deeper understanding of the impact the crisis had on Toyota's image, identity, and reputation, it is important to examine how an organization can effectively restore its image through crisis response strategies. In the subsequent section, I define what a crisis is and the impact a crisis will have on an organization's image, identity, and/or reputation.

#### Defining Crisis

Crises can happen in just about every industry, as scholars it is important to understand what a crisis is, the course it may take, and the effects it ultimately has on an organization. Dardis and Haigh (2009) define corporate crises as unexpected events that both create uncertainty and threaten an organization's priority goals, while jeopardizing the overall image, identity, or reputation of the company or organization. Jerome (2008) defines crisis communication as "the piece of crisis management that consists of the verbal, visual, and/or written interaction between the organization and its publics (often through the news media) prior to, during, and after the negative occurrence" (p. 124).

A crisis represents a particular type of rhetorical exigence in that a crisis creates situations in which corporations must respond to ongoing threats. Hoffman and Ford (2010) define "the exigence in crisis management rhetoric is a crisis." (p. 191). Crisis creates uncertainty and threatens an organization's image, identity, and reputation. Therefore, organizations cannot ignore a crisis situation. The exigence in any crisis situation is influenced by the seriousness of the crisis and how the different audiences perceive the organization's responsibility for the crisis' occurrence (Benoit, 1995). Therefore, strategic planning to respond during a crisis is a good option to remove much of the risk and uncertainty and allows the company to have more control over a corporate crisis and the result (Jerome, 2008).

Although crises can be unpredictable, crises demand diligent focus on communication responses. Ultimately, a crisis threatens an organization's reputation and its relationships with multiple publics and stakeholders (Waymer & Heath, 2007). Once a crisis does occur, it is imperative for corporations to maintain the public's positive

image, identity, and reputation it had of the company prior to the crisis. Corporate responses to crisis represent efforts to shape public perceptions of the crisis and the resulting image, identity, and reputation of the company overall (Coombs, 1995).

Impact on Image, Identity, and Reputation

Crisis response is critical due to the potential harm to image, identity, and reputation. Therefore, to understand the significance of crisis, scholars need to consider image, identity, and reputation. Although image, identity, and reputation are often mistaken as being the same concept, each has its own impact on an organization and its consumers. The primary impact of a crisis is the potential damage to the image, identity, and reputation of the corporation. It is vital to an organization's success that all three remain intact throughout an organization's crisis. A way for corporations to encourage positive attitudes towards it is the creation of a strong corporate image, identity, and reputation (Simoes, Dibb & Fisk, 2005). An area of crisis communication that crisis managers could benefit from further development is the communication between an organization and its publics (Simoes, Dibb & Fisk, 2005). The benefit of developing the communication between an organization and its publics is the potential to restore or maintain its image, identity, and/or reputation once the crisis is over. A corporation's image, identity, and reputation can all be seen as assets the company own, and therefore need to protect during a crisis to ensure no damage is done to any of the three assets. Image

Corporate image is the overall impression that an audience has of an organization, and is a net result of the interaction of all the experiences, beliefs, feelings, knowledge,

and impressions people have about an organization (Abratt, 1989; Simoes, Dibb & Fisk, 2005). Abratt (1989) explains that corporate image is made up of details which include many pieces comprised from formal or informal signals the company gives off, and the receivers of those pieces place together to create its idea of the corporate image of the company as they know or see it. Corporate image, according to Penz and Stottinger (2008), is a consumer's attitudes toward an organization that can create new beliefs about a firm and ultimately can influence attitudes toward the company's products and preferences. Lyon and Cameron (2004) present image best by comparing an organization's image to a snapshot, where a person is photographed and we see an image of the person not the actual person and everything they truly are. So despite the fact that there are multiple definitions, all suggest that image is the publics' attitude toward the organization created through the experience the organization gives those publics.

Melewar (2003) explains that corporate image lies mostly in the heads of the company's stakeholders. Image is not necessarily what the company believes it to be, but instead is the feelings and ideas about the company that the audience holds based on personal experience and observation (Abratt, 1989). The feelings and ideas that the company's audiences hold about the company will become the public's reality even if it does not fully reflect the company's intended image (Simoes, Dibb & Fisk, 2005). From the company's point of view it is important to take note that not all impressions given off by an organization will contribute equally to the company's image (Abratt, 1989). An important factor to keep in mind is the organization's public perception of the organization through those experiences and impressions to keep a positive image during a crisis, which will likely produce a more positive outcome for the organization.

#### *Identity*

Whereas image addresses an organization's impressions and experiences it gives to its audiences, the organization's identity most centrally focuses on the characteristics an organization holds to make it unique from all other companies. An organization's identity is described as, "the central, enduring character projected by an organization, as perceived and interpreted by others" (Kuhn, 1997, p. 199). Aust (2004) explains that identity looks to the core, distinctive, and enduring features unique to an organization.

Abratt (1989) explains identity as "an assembly of visual cues-physical and behavioral [sic] by which an audience can recognize [sic] the company and distinguish it from others and which can be used to represent or symbolize [sic] the company" (p. 68). Albert and Whetten (1985) argue an organization's identity is based on three distinct elements: the central character of the company, the distinctiveness of the company, and the consistency of these elements through time.

Melewar (2003) explains corporate identity to be the set of meanings by which an organization allows itself to be known and through, which it allows people to describe, remember, and relate to the company. Simoes, Dibb, and Fisk (2005) describe an organization's identity as dealing with the impressions, image, and personality that it illuminates to its stakeholders. Corporate identity is important since it defines the essence of an organization and places the company in a playing field with its competitors. Consequently, consumers with a positive perception of an organization's identity will have a more positive attitude toward its products (He & Mukherjee, 2009). A corporation's identity is different from its image, because an identity is a unique group of characteristics built over time that must be maintained at all times.

#### Reputation

Reputation is based on the organization's image and identity and is formed through judgments about the organization and the organization's past performances. Reputation is seen as the most unwavering out of all three concepts since it is created over a longer period of time. An organization must work at its reputation, which must be earned and maintained by the company's publics and is ultimately the result of credibility and trust (Budd, 1994). Often companies may feel its reputation is set in stone once it is created. However, it is important for an organization to pay constant attention to its reputation because during a crisis an organization's real reputation becomes evident (Druckenmiller, 1993). Reputations according to Fombrun and Van Riel (1997) are difficult to duplicate, since they are formed from the unique features and experiences only that firm holds.

Reputation is both a product and a process. It is a product because it consists of some level of agreement of opinions, evaluations, or estimations of the nature and value of an entity. It is a process in the sense that reputations are created in social networks where communication and influence play a pivotal role (Ihlen, 2002). It is also seen as a reflection of the past accumulated impact of previously occurring events and observed identity cues (Melewar, 2003). Fombrun and Shanley (1990) reveal that reputations may enable firms to charge premium prices, since a favorable reputation can generate excess returns by inhibiting the mobility of rivals in an industry.

An organization's reputation reflects an overall judgment regarding the extent to which a firm is held in high esteem or regard and not necessarily the specific identity it holds (Simoes, Dibb & Fisk, 2005). Caruana (1997) explains that the reputation of an

organization is formed based on both direct and indirect experiences and information received and can be passed on either directly via word-of-mouth or indirectly thought the media or other publics. To keep an organization in a positive standing with stakeholders, it must have a positive image, identity, and reputation. It only takes one crisis situation to threaten what an organization has built over time through its performance history.

#### Past Performance

One connection image, identity, and reputation share is that an organization's past performance can enhance all three prior to and during a crisis. An organization's past performance can be an important factor in a crisis because publics seem to be more willing to forgive an organization with a positive performance history than those companies with a history of problems (Coombs, 1995). A positive performance history creates credibility for an organization among the company's many publics because the company seems more trustworthy if its past actions have remained positive (Coombs, 1995). Images, either positive or negative, are hard to change once a public acknowledges that image (Coombs, 1995). This results in an organization with a positive performance history having a halo effect by projecting a positive image through the crisis (Coombs, 1995).

Performance history can also influence which restoration strategy should be selected (Coombs, 1995). First, a positive performance history should make publics more willing to accept claims made by an organization, thus enhancing the effectiveness of a source (Coombs, 1995, p. 461). The nonexistence and distance strategies require publics to accept an organization's definition of the crisis situation (Coombs, 1995).

Therefore, these strategies are more effective when backed by an organization's positive performance history (Coombs, 1995).

Second, a positive performance history is essential for ingratiation strategies (Coombs, 1995). Ingratiation strategies attempt to create positive impressions of an organization to offset the negative impression left by the crisis (Coombs, 1995). An organization can use its positive performance history to generate positive perceptions. Once an organization's image, identity or reputation is threatened due to a crisis, rhetoric attempts to restore the company's image through a response to the crisis to stabilize the situation (Brinson & Benoit, 1996).

Companies must secure or establish strong image, identity, and reputations, which are key assets to obtain before a crisis and are also the main assets that are at risk of being threatened due to a crisis. With the focus on an organization's past performance, crisis managers can remind publics of the positive image, identity, and reputation the organization once held and is at stake of losing. The best crisis management is to have created and maintained a positive image, identity, and reputation with all publics involved in the organization's best interest. Maintenance of those three assets is key to a positive outcome and should be maintained strategically through the use of crisis response strategies.

#### Crisis Response

When an organization is facing a crisis, key factors that need to be considered are the organization's audience, the type of crisis the organization is facing, and the stage in the issues life-cycle the crisis is in. An organization is at risk of having its image, identity, and reputation threatened during a crisis. When an organization's image,

identity, and reputation are at risk the organization must choose the most appropriate crisis response strategy to lessen the threat of the crisis.

#### Audience

For an organization to successfully respond to a crisis, it needs to be aware of its image, identity, and reputation as well as the impact the crisis may have on the company. Since a crisis is a particular kind of exigence, the company needs to strategically respond to its audiences. If an image restoration strategy is well-thought out, the audience will uphold the positive image, identity, and reputation of the organization they held prior to the crisis.

According to Ulmer (2001), one critical feature of crisis planning entails managing the company's intricate communication relationships. Ulmer explains that there are only a few companies that have done an exemplary job of crisis management communication. One is Tylenol's quick response after the tampering. An important group to consider when proceeding through a crisis is the company's stakeholders since crises often threatens the interests of the organization's stakeholders (Ulmer, 2001). Ulmer (2001) defines stakeholders as including suppliers, stockholders, customers, and employees. Waymer and Heath (2007) argue that task crisis managers seek to strengthen and ultimately restore its relationships with key stakeholders who have been affected by the crisis situation.

Strong pre-crisis relationships with stakeholders will not help an organization avoid every crisis, but they can play an important role in how the crisis is resolved (Ulmer, 2001). Since stakeholders have a vested interest in the company's success, they may serve as advocates for the company during a crisis situation by providing political

support and crisis-mitigating resources (2001). If the stakeholder relationship is weak, the stakeholders could easily retract their support during the crisis, which could make matters worse (Ulmer, 2001).

When dealing with a crisis situation it is important to identify the crisis risks and if possible to recognize a crisis before it breaks out (Weiner, 2006). Since public opinion about an organization may change very easily during a crisis, it is important the company works to obtain a positive opinion from its stakeholders. The public's collective opinion is one of the most powerful determinants of group behavior (Sturges, 1994). Sturges also explains the interaction of opinions, such as outward expressions of attitudes, beliefs, and emotions, results in a dominant opinion amongst all members of the company's public. Multiple publics represent the many relationships an organization has and the varying concerns those publics may have (Ice, 1991). Corporate relationships are separated into four types of publics: enabling, functional, normative, and diffused (Ice, 1991).

Enabling publics have control over allocations of authority and resources and also offer regulatory functions for the company (Ice, 1991, p. 343). Examples of enabling publics are governmental agencies, individuals belonging to legislative bodies, regulatory groups, and stakeholders (Hoffman & Ford, 2010). Without these groups there would be no proper laws, permits or capital, and the companies would not be able to produce products or provide services (Hoffman & Ford, 2010). Hoffman and Ford (2010) explain that enabling publics need to be persuaded that the organization meets industry requirements.

Functional publics supply inputs to and receive outputs from companies (Ice, 1991, p. 343). These publics help the company function on a day-to-day basis (Hoffman

& Ford, 2010). Examples of functional publics include employees who supply labor, companies who produce raw materials for the company's operations, and consumers who purchase the products made by the company (Ice, 1991). These publics need to be reassured of their health and safety throughout the crisis (Hoffman & Ford, 2010).

Normative publics incorporate norms for the company and represent publics that share similar interest with the company (Ice, 1991). Examples of normative publics are associations and professional organizations that face similar challenges (Ice, 1991). Normative audiences are often secondary, but often receive rhetoric created by companies (Hoffman & Ford, 2010). These audiences may be interested in how the affected company responds, so they may follow their success and avoid their failures.

Finally, diffused publics reflect the unorganized publics who may be subject to the consequences of the company's activities (Ice, 1991). Examples of diffused publics include individuals in the surrounding community, interest groups concerned with human rights or environmental protection, voters, and representatives of the media (Hoffman & Ford, 2010).

Describing and understanding the audiences of organizational rhetoric is challenging because an organization needs to consider all four categories of audiences and the sub-audiences within (Hoffman & Ford, 2010). Additionally, an organization needs to determine if the audiences are likely to be sympathetic, neutral, or antagonistic (Hoffman & Ford, 2010). Each of the four types of audiences may have different interests, needs, and expectations of the company that need to be accounted for and properly responded to each (Hoffman & Ford, 2010).

A crisis situation has five main factors that affect the attributions publics make about a crisis: an organization's previously held image, its identity, its reputation, the different type of crisis, and the response chosen. Different publics may respond to different types of crises in different ways; thus, it is the company's duty to consider how the various publics might view its image, identity, and reputation differently. These factors ultimately have the potential to impact the restoration strategy that should be selected.

#### Types of Crises

There are typically many different types of crises, and the type of crisis influences how an organization is affected by the crisis and in turn chooses to respond to the crisis. Coombs (1995) discusses three different types of crises including accidents, transgressions, and terrorism. The different types of crises can also be broken down into three clusters of crisis responsibility which are: (1) the victim cluster, where the threat to the company's reputation is mild as seen in terrorism crises, (2) the accidental cluster, which represent a moderate reputation threat as seen in accidents, and (3) the intentional cluster, where the crisis causes severe reputation threat is often a transgression type of crisis (Coombs, 2004).

Coombs (1995) describes accidents as being unintentional. Accidents happen during the course of normal company operations and are the result of events such as product defects, employee injuries, and natural disasters. Accidents have been subdivided into acts of nature such as hurricanes, earthquakes, drought, epidemics, etc., and human-induced errors such as workplace injuries, product defects, industrial accidents, etc (1995). The victim or accidental clusters Coombs (2004) discussed, gives

the organization a mild or moderate reputational threat. Examples of accidents can be seen in Dick Cheney's shooting of his friend while hunting, or the nation's crisis of Hurricane Katrina. Noting the significance of the division between an accident and a natural act results in the fact that publics are less likely to blame and react negatively to the act of nature than to human-induced error. Publics understand that acts of nature are unavoidable, but with accidents they expect the company to be prepared to cope with the acts, so some accountability on behalf of the company is necessary (Coombs, 1995). Accidental crisis situations are generally random and unintentional which leads to attributions of minimal organizational responsibility (Coombs, 1995).

Organizations are placed in the category of transgressions when intentional actions are taken by companies to knowingly place publics at risk or harm (Coombs, 1995, p. 457). Coombs (2004) explains this type of crisis as being an intentional cluster, where the company may have ignored or violated laws, human-error recalls, or human-error accidents. Coombs (1995) gives examples of transgressions as knowingly selling defective or dangerous products, withholding safety information from authorities, violating laws, and refusing to award earned rewards to customers. A transgression creates attributions of internal locus and controllability due to the intentional nature of the action (Coombs, 1995, p.457). Mortification restoration strategies, which include admittance of guilt and asking for forgiveness, are the best attempt for transgressions, because they do not deny responsibility but work to amend the crisis (Coombs, 1995).

Another type of crisis that places partial blame on the corporation is the act of terrorism, which refers to intentional actions taken by external actors where intentional actions harm the company directly, such as employees or customers, or indirectly, such as

reduce sales or disrupt production (Coombs, 1995). Examples of terrorism include product tampering, hostage taking, sabotage, and workplace violence (1995). A known case of terrorism is the Tylenol case.

There have been countless crisis management cases that have shaped the way public relations managers respond to crises. In seeking to understand effective crisis responses, the life cycle and crises type both offer frameworks for developing effective crisis response. Regardless of the type of crises according to Weimer (2006), organizational crises are a threat to an organization's image, identity, or reputation and its ability to conduct business. Ultimately an organization needs to responds accordingly.

Coombs explains that one primary task of a crisis manager of an organization is to keep the company's current positive aspects of an image protected from corruption by the negative aspects that come with a crisis situation throughout the entire life cycle of the crisis.

Life Cycle

To fully examine a crisis, it is important to examine the issues life cycle to understand the progressions a crisis makes throughout its entirety. While there are many variations on the life cycle, all have a beginning, middle, and end and follow the same basic pattern (Botan & Taylor, 2004; Bridges, 2004; Crable & Vibbert, 1985; Jones & Chase, 1979; Sturges, 1994). Crises progress through a series of five stages that make up the "life cycle" and have their own set of dynamics and dimensions (Crable & Vibbert, 1985; Sturges, 1994, p. 299). Crable and Vibbert (1985) build on the earlier work of Jones and Chase (1979) and say that public policy issues go through five stages that are defined by the role played by communication: potential, imminent, current, critical, and

dormant. The stages of this life cycle are defined by both which specific publics and how many different publics decide to attach significance to an issue (Botan & Taylor, 2004). Each phase of the issues life cycle demands a different kind of response from the corporation.

The first stage, according to Crable and Vibbert (1985) and Sturges (1994), is the potential status or prodromal period. This is the stage where clues or hints begin to appear about a potential crisis. In the case of Toyota it would be the first sign of accelerator pedal sticking or not working as smoothly. Long before a crisis actually happens, there are some symptoms that appear. If these symptoms are recognized early enough, an organization can reduce the negative consequences. Weiner (2006) believes the vast majority of crises cases arise when companies fail to identify an issue at an early, benign, stage and begin to develop a plan of action to manage the issue before the issue manages the company.

The crisis breakout or imminent status is the next stage where the triggering event causes a crisis to erupt. This often times results in the physical, fiscal, and emotional trauma to an organization and its publics (Sturges, 1994). Crable and Vibbert (1985) explain this as the stage where more people begin to realize the significance of the crisis and become invested in the issue.

When an issue is in current status, it is a widely accepted topic of conversation that is often enhanced by media outlets (Crable & Vibbert, 1985). In this phase the information regarding the crisis is dispersed on a large scale. Often this is when the company chooses to respond after an assessment of the situation and the weighing of options. At this stage, rhetorical efforts include monitoring the rhetorical situation to

determine how the company will respond to influence the issue (Hoffman & Ford, 2010). At this point, Toyota began the recall process of the vehicles for floor-mat pedal entrapment as well as the sticky accelerator pedal.

An issue reaches critical status once people have begun to take sides, according to Crable and Vibbert (1985). Crable and Vibbert also note that the company's publics have now made a decision and begin to move forward in voicing their opinions such as voting on the issue or enacting a policy. Toyota's response to this stage was defensiveness once media outlets and the government agencies decided Toyota was wrong.

Finally, abatement or dormant status is the last stage, where a decision has been made about the issue and the effects of a crisis may linger for years (Crable & Vibbert, 1985; Sturges, 1994). In cases of crises there may be charges, counter-charges, demonstrations, inquiries, legal actions, and continuing coverage by mass media that will prolong the effects of the crisis (Sturges, 1994). One of the key objectives of crisis management is damage control, to prevent drastic negative attitudes in the relationship between an organization and its publics (Sturges, 1994). It is important to keep all publics informed with accurate, appropriate, and productive information to ensure a positive image among all publics. Along with keeping an organization's publics informed throughout the crisis life cycle, Sturges (1994) explains the company benefits if its image, identity, and/or reputation remains positive no matter what type of crisis it is experiencing. The rhetoric an organization chooses as a crisis response is also a key aspect to an organization's successful transition through a crisis.

#### Crisis-Response Rhetoric

The three factors an organization needs to consider before determining its response is the type of crisis, the phase of the life cycle the crisis is in, and the audience the company is responding to. Crisis response may be divided into two categories, the first being the form (e.g., being quick, consistent, and open), and second being the content (e.g., what is actually being said in the messages sent to the targeted publics). *The Theory of Image Restoration Discourse* 

Image restoration theory is one scheme that integrates all factors including image, identity, and reputation into a theoretical framework that outlines typical crisis response. This framework is fitting because it focuses specifically on that which is most threatened in a crisis, the organization's identity. Millar and Heath (2004) explain that corporations may take preventative and restorative approaches to deal with image issues, and it is best to manage issues before they become image threats. It is important to remember that when a crisis becomes an image, identity or reputation threat, companies must respond, hence choosing a response strategy fitting for the situation, audience, and timing of the crisis.

Image restoration theory assumes that communication is a goal-directed activity in general—one that is used to restore or protect an organization's image, identity, or reputation when being accused of wrongdoing (Benoit, 1995; Brinson & Benoit, 1996). This is not the only goal, or even the most important goal, but it is one of the central goals in crisis communication (Benoit, 1995). The use of image restoration strategies

attempts to restore an organization's image, identity, or reputation after an organization has been accused of wrong-doing (Benoit & Drew, 1997).

Research on image repair, according to Benoit and Drew (1997), focuses on general image repair strategies: excuses used to reduce responsibility for the act, justifications used to reduce the offensiveness of the act, denials of committing the alleged act, and apologies or concessions that express remorse for committing the act (Benoit & Drew, 1997; Brinson & Benoit, 1996). Image restoration strategies are organized into five broad categories including: denial, evasion of responsibility, reducing offensiveness, corrective action, and mortification (Benoit & Drew, 1997).

An organization that is forced to defend itself against the suspicions or attacks of others has a few options including denying that the act ever occurred, denying that the act was committed by the company or person in question, or admitting that the act was performed but that it was in no way harmful. Tylenol used denial by explaining they had in no way performed the action of adding cyanide to the contaminated capsules (Pauly & Hutchison, 2005). Tylenol also went on to shift the blame of the tampering to an unknown murderer who was not associated with the company, thus separating the company as the victim (Pauly & Hutchison, 2005).

Shifting the blame allows the rhetor to place responsibility for the offensive act from the rhetor to another person, cause, or company, claiming the offensive act was performed by others (Benoit & Drew, 1997). Firestone shifted the blame during its crisis by blaming Ford for its vehicles being the issue with tire failure, as well as blaming the customers for not keeping its tires properly inflated at all times (Blaney, Benoit, & Brazeal, 2002). Another aspect of denial is the counter-attack based apologia that first

attempts to label the charges against the company as false (Hearit, 1996). Second, it implies that the charges are false and questions the integrity of the company's accuser, thus making the accuser look unethical and groundless (1996).

Organizational rhetors may be able to repair their image by evading or reducing responsibility for the offensive act through using provocation, defeasibility, accident, or good intentions (Benoit, 1997a; Brinson & Benoit, 1996). Provocation suggests that the accused performed the offensive act in response to another wrongful act done prior, which understandably provoked the undesirable offensive reaction in question. This behavior, in turn, can be seen as a reasonable reaction to that provocation (Benoit, 1997a; Benoit & Drew, 1997). If the other party agrees that the rhetor was justifiably provoked, the provocateur may be held responsible instead of the rhetor (Benoit, 1995).

Defeasibility acknowledges that the company had a lack of information or control over important elements of the crisis, and rather than denying that the event actually occurred, the rhetor attempts to suggest the lack of information implies that the company or person should not be held fully responsible for the act (Benoit, 1995; Benoit & Drew, 1997). President Bush used defeasibility when describing Hurricane Katrina as not being a normal hurricane and it was an extraordinary disaster (Benoit & Henson, 2009).

If an organization can convince the audience that the act occurred by accident, the organization should be held less accountable, and the damage to the organization's image will be greatly reduced (Benoit, 1997b). The rhetor can also suggest that the offensive behavior was done with good intentions. In this case the offensive act is not denied; yet, the audience is asked not to hold the rhetor responsible due to the act being done with good intentions (Benoit, 1995; Benoit, 1997a).

A person or company that is accused of wrongful actions can also try to reduce the perceived offensiveness of the act, the degree of ill will associated with the act. This strategy has six variants including bolstering, minimization, differentiation, transcendence, attacking one's accuser, and compensation (Benoit, 1995; Benoit, 1997a). These six strategies attempt to reduce the adverse feelings audiences hold toward the rhetor by increasing the audience's regard for the rhetor or decreasing their negative feeling about the offensive act (Benoit, 1995).

Bolstering may be used to strengthen the audience's positive feelings toward the accused rhetor, which offsets the negative feelings toward the offensive act through focusing on describing positive characteristics the company has or positive acts they have done in the past (Benoit, 1997a). During the Exxon Valdez oil spill crisis the company claimed it was moving swiftly and showed sympathy to the State of Alaska.

To minimize the negative feelings associated with the offensive act, words used in the response discourse may include "just," "only," or "simply" to attempt to prove the situation is not as bad as it is perceived. (Benoit, 1995; Benoit, 1997b). Engaging in the strategy of differentiation allows the rhetor to distinguish the offensive act performed by comparing to other crises that are similar but more offensive. Thus, in comparison the act may appear to be less offensive than the other offensive actions (Benoit, 1995; Benoit, 1997a). Transcendence attempts to place the act in a more favorable context by explaining the offensive actions by pointing to higher values to justify the actions (Benoit, 1997a; Benoit, 1997b). Hoffman and Ford (2010) use the example of animal rights activists violating the law by breaking and entering to release animals. In response they pointed out that it was in the best interest of saving animals' lives.

Attacking one's accuser should move the publics' attention away from the rhetor originally being accused, thus reducing damage to their image (Benoit, 1995). According to Benoit (1995):

If the credibility of the source of accusations may be reduced, the damage to one's image from those accusations may be diminished. If the accuser is also the victim of the offensive act (rather than a third party), the apologist may create the impression that the victim deserved what befell him or her; attacking the accuser may tend to lessen the perceived unpleasantness of the action in question, again improving the rhetor's reputation. (p. 78)

Compensation is often used to reduce offensiveness of an action through positive reinforcements such as money, goods, or services to help counteract audiences' negative feelings toward the offensive act (Benoit, 1995; Benoit & Drew, 1997). Ultimately, compensation may be seen as a bribe to win over the audience (Benoit, 1995).

Corrective action promises to fully repair or correct the problem as Benoit (1997a) explains by restoring the state of affairs back to the existing state before the offensive act took place and/or promising to prevent the recurrence of the offensive act. This may be seen as a component of an apology, yet often occurs without an actual apology (Benoit, 1997a).

The final strategy for image restoration is to admit to guilt of the offensive act, and to confess and beg forgiveness, which Burke labels "mortification" (Benoit, 1997b). Mortification may include expressing regret for the role in the offensive act or the consequences of the act, and requests forgiveness (Benoit & Drew, 1997). Weiner (2006) argues the fact that the company must take responsibility in sympathizing or even

publicly apologizing for the crisis event that has occurred. A potential drawback to this strategy is it could bring about lawsuits from victims for admitting guilt. Choosing a mode of crisis response based on the company's publics, the type of crisis the company is experiencing, and the phase the crisis is in the life cycle, will yield a positive outcome for the company based on previous knowledge held by scholarly research.

The theory of image restoration focuses on responding to a crisis through chosen strategies based on the crisis, audience, and point in the life cycle the crisis is in. Each category of image restoration strategies works to help an organization through responding to its crisis. This theory is used to restore or protect and organization's image, identity, and/or reputation when threatened due to a crisis.

#### **Summary and Research Questions**

Companies that experience a crisis must manage the crisis throughout its entire life cycle to ensure there is minimal effect on their image, identity, and/or reputation. Choosing the best crisis response strategies for the specific type of crisis and stage in the life cycle will also aid in decreasing negative ramifications for the company. Since companies are becoming larger and stronger with stronger reputations, it is important to revisit the known scholarly research regarding crisis management.

Toyota is an organization that has had fairly few crisis issues. Now it has experienced a major crisis that cost human lives. Toyota has emerged from the sudden accelerator crisis relatively successfully. Thus, it is important to look at how the company accomplished it, and the implications it may have for future crisis communication research.

Image restoration strategies are tried and true; however, have not been reexamined within today's contemporary communication climate. Toyota seemed to
engage in a series of missteps from a communication standpoint, but at the same time
Toyota seems to be managing successfully. This begs the question how it is
accomplishing this. This study provides a response by presenting the results of a close
textual analysis of Toyota's discourse. I investigate what image restoration techniques
Toyota used, if any. The following general research questions are offered:

*RQ1:* What crisis response strategies did Toyota use during its 2010 crisis situation?

The goal in using image restoration strategies is to protect or restore an organization's image, identity, and/or reputation. As seen earlier, an organization's past performance history can not only influence which strategies to use, but also enhance the effectiveness of the strategy chosen with the organization's publics.

*RQ2:* What role did past performance play in Toyota's response?

#### **CHAPTER THREE:**

#### METHODOLOGY

To explore the way Toyota responded to the crisis caused by the faulty accelerators, I conducted a close textual analysis. A close textual analysis focuses on a group of artifacts to uncover common themes within all of the artifacts. In what follows, I outline the details of the case, the data that is the basis for this study, and an explanation of close textual analysis.

#### **Rhetorical Situation**

Toyota has maintained a fairly flawless track record with regard to car companies and recalls. The company has always been one of the top car manufacturers, and the recalls it encountered were minimal never enough to be a full-blown crisis. The crisis became public after two large crashes that became public and Toyota was ordered by NHTSA to begin recalls. From reviewing the data it seems the types of target audiences include *enabling*, such as the government agencies like NHTSA, *functional*, consisting of employees, consumers, and suppliers, and *diffused publics*, which would be the media.

The full scope of Toyota's floor-mat and sticky accelerator pedal crises began to come to light early 2010. The crisis affected over 16 million vehicles taking the lives of 34 drivers (Fukue, 2010; Rechtin & Greimel, 2011). Although there are speculations that Toyota was aware of the issues prior to this time, Toyota did not respond until the crisis reached the current status of the issues life cycle. Since this was so late in the issues life cycle to begin responding to Toyota's crises, I presumed there would be a greater threat to its image, identity, and reputation. One thing helping Toyota is its prior reputation for

being a safe and reliable car manufacturer. Toyota took advantage of its pre-existing positive image, identity, and reputation, and spoke to the confidence it held surrounding those three organizational assets. Toyota used its identity being threatened to its benefit as a way to respond to the unintended accelerator crisis. However, Toyota has managed to remain one of the leading car manufacturers.

#### Data

Data was collected by retrieving all press releases, speeches, official company statements, and letters to consumers created by Toyota regarding unintended acceleration during the months of January, February, and March of 2010. I obtained a total of 50 artifacts from the website Toyota created in response to the floor-mat and sticky accelerator pedals.

The actual events of the crisis have been covered widely by the media and need not be repeated, but it is relevant to examine the rhetorical issues posed by Toyota's crisis response. To uncover the rhetorical themes and to find the overarching story of its crisis response of its unintended accelerator crisis, a close textual analysis was conducted. This method allows the researcher to: (1) understand what is written, (2) understand how the rhetor has given the written words meaning, and (3) evaluate how well the rhetor accomplished its persuasive goals. It is important to be mindful of repetition within the text and message strategy responses used to uncover the themes hidden within the artifacts.

#### Data Analysis

Lucan (1988) explains

The pupose fo the critic is not simply to retell the speech in his or her own words, but to apprehend it fully from the inside out to break down its rhetorical elements so completely as to determine how they function individuall and to explain how they interact to shape the text as a strategic, artistic response to the exigencies of a particular situation (p. 13).

This method works best by giving attention to the "internal dynamics of the text itself" (1988, p. 13). Finally, critics must move away from what it written to what meaning it produces for them to uncover the hidden persuasive themes within a group of artifacts (Leff, 1986).

Close textual analysis posits that close reading of a text can reveal and explicate the precise, often hidden, mechanisms that give a particular text rhetorical effect (Warnick, 2010). Employing this method will show the affect on its audiences reviewing these artifacts. Warnick also explains that critics who employ a close textual analysis method linger over words, verbal images, elements of style, sentences, argument patterns, and entire paragraphs and larger discursive units within the text to explore its significance. It is important to keep the text at the forefront of the analysis and reward critics who return to the text again and again, which "slow down the action within the text" through multiple careful readings (Lucas, 1988, p. 249).

The method that I selected seeks to evaluate the rhetoric's ability to meet its goal and perhaps describe the characteristics of messages that would have more effectively met that goal (Hoffman & Ford, 2010, p. 105). It is important to determine effectiveness by comparing the rhetorical strategies that are found in the artifact with what is already known about the rhetorical situation (Hoffman & Ford, 2010).

After describing all of the rhetorical strategies present in the artifacts and identifying the elements of the rhetorical situation, the first evaluative step is to compare the demands of the situation with the rhetorical strategies selected by the company rhetor (Hoffman & Ford, 2010). Next, the rhetorical strategies are examined to see the choices Toyota made from all of the possibilities and how meaning was assigned. Finally, an attempt at understanding Toyota's choices and how those choices were evident in the resulting rhetoric will be made.

The second step in evaluative reading is to conduct a preferred reading (Hoffman & Ford, 2010). This uses known knowledge of the rhetorical strategies and situation to make an argument about what I think Toyota wanted its audience to think, feel, or believe after receiving the rhetoric (Hoffman & Ford, 2010).

The third step is to draw conclusions about the effectiveness, where I decide if there were enough of the right types of strategies used to effectively address the constraints, and resolve or minimize the issue (Hoffman & Ford, 2010).

To this end, I read through the 50 artifacts to identify key themes. I re-read the artifacts to verify the themes were consistent the second time around. I then went back and connected the themes found with relation to my research questions. In what follows, I present the results of my analysis, which were the themes *united front*, *past performance*, *masked apology*, *confidence*, *superior technology*, *and defensive*.

#### CHAPTER FOUR:

### RESULTS

While analyzing the artifacts, I found that Toyota's crisis response discourse exhibits three distinct types of responses within Crable and Vibbert's crisis life cycle. The three distinct types of responses I found that fall within the current and critical stages are: 1) a focus on updating customers as a *united front* on the recalls as well as attempting to regain its customer's trust through the recalls and focus on *past performance*; 2) Toyota's apology, although it was a *masked apology* that exuded *confidence* by explaining its *superior technology*; and 3) Toyota's focus on being *defensive* in its responses to attacks from media outlets and government agencies.

Since Toyota responded publicly five months after the initial accident, there are no press releases during the potential and imminent stages when people were beginning to question the unintended accelerator issue. This study only looks at public information regarding Toyota's response, but Meisenbach and Feldner (in press) explain that although Toyota seemed quiet during the potential and imminent phases, they were investing time and money in developing relationships with those who create policy about and oversee the industry. Thus, Toyota has actively managed the potential issue of vehicle problems through the establishment and maintenance of relationships with key government officials by having over 31 lobbyists in Washington (Meisenbach & Feldner, in press). Toyota routinely hires former employees of the National Highway Traffic Safety Administration (NHTSA), and maintains personal and professional relationships with legislators who chair key committees related to automobile industry oversight

(Meisenbach & Feldner, in press). I do not discuss Toyota's efforts that were done behind closed doors for the simple fact I lack access to these documents.

In looking at Toyota's response, I saw at how it unfolded over time. As it moved, it took different approaches in different phases. The three months, January, February, and March, that Toyota responded publicly fall in the current and critical stages of the crisis life cycle. Through those two stages, Toyota's argument shifted three times to create different arguments. During the current stage, Toyota explained the unintended accelerator issue and provided updates regarding the recall. The critical stage consisted of Toyota becoming defensive toward publics who began to side against Toyota. Rather than seeing one clear response in each of the two phases, Toyota's argument shifted multiple times within the current and critical phases of the crisis life cycle.

#### Phase 1: United Front and Past Performance

Toyota responded publicly in the current stage of the crisis life cycle, where the unintended accelerator issue now becomes an accepted topic of conversation. At this point Toyota began recalls and started working on informing those customers affected by the recalls as well as those governmental bodies who are concerned with the lateness of Toyota's response to the crisis. Two themes emerge from this first phase, which are Toyota's united front and its focus on past performance.

# United Front

When analyzing the press releases, the first theme that emerged was that Toyota spoke with a *united front*. Toyota did this by using similar or the exact same quotes throughout the three month crisis response, as well as standing together as Toyota to

resolve the issues. Toyota employees, which Ice (1991) labels as functional publics, were all told the same things and presented the same stance on each topic of discussion regarding the crisis.

On the surface, the Toyota press releases during January, February, and March 2010 may seem to suggest Toyota was hiding something through its use of repetition of key discussion points such as minimizing the severity of the issue through comparing unintended acceleration to every other major car manufacturer, the apology with an everwaiving confidence and focus on the company's past performance. However, moving beyond the surface, I argue this repetition represents a particular kind of consistency. Toyota's primary statements reflect a primary concern for maintaining a united front throughout every aspect of its crisis response. One accepted goal of crisis response communication that all employees and stakeholders, who may have a voice during an organization's crisis, have the same information to share with the varying publics.

Toyota took this a step further by using similar wording and repeating various statements.

One statement that is seen continuously throughout the crisis response is made by Jim Lentz, President and Chief Operating Officer, on February 1, 2010, "Nothing is more important to us than the safety and reliability of the vehicles our customers drive." This statement is both repeated by Jim Lentz in subsequent press releases as well as quoted by other members of the Toyota team such as on February 24, 2010, by Yoshimi Inaba, President and Chief Operating Officer of Toyota Motor North America who stated, "We are committed not only to fixing vehicles on the road and ensuring they are safe, but making our new vehicles better and even more reliable," and Chairman and CEO of Toyota Motor Sales and Shinichi Sasaki on March 2, 2010, Executive Vice President of

Toyota Motor Corporation who stated, "We are redoubling our commitment to always put our customers – and their safety – first." These statements of ensuring safety and reliability of the vehicles Toyota's customers drive represents the bolstering strategy by seeking to enhance Toyota's character by emphasizing positive aspects of the company. Through pointing to positive aspects such as Toyota's concern for safety, its customers, and making new vehicles better and more reliable, Toyota offsets the negative feelings regarding the crisis.

It became clear that Toyota's goal as a company was to restore customers or functional publics' trust in the reliability of the vehicles. Toyota accomplished this multiple ways, through multiple press releases. On February 1, 2010, Toyota announced, "Dealers will work extended hours to complete the recall campaign as quickly and conveniently as possible, some even staying open 24 hours a day." Toyota as a whole also decided it was best to stop production and explained, "Stopping production is never an easy decision, but we are 100% confident it was the right decision." Toyota spoke as a *united front* by banding together as one and providing quick service during the recall process, stopping production, and working extended hours. Jim Lentz, sought to restore customer's trust when he declared:

We are focused on making this recall as simple and trouble-free as possible, and will work day and night with our dealers to fix recalled vehicles quickly. We want to demonstrate that our commitment to safety is as high as ever and that our commitment to our customers is unwavering.<sup>6</sup>

Corrective action is expected during a recall, Toyota restates the ways it will correct the situation for its current customers who "purchase and drive our vehicles." Much of the

language used in the press releases conveys the idea that Toyota as a united group felt that the company had gone above and beyond for those drivers affected by the sticking accelerator pedal crisis. This was done by explaining that dealers were working extended hours or open 24/7, providing free car washes, and oil changes. Much of the additional compensation Toyota focused on to counteract the negative feelings customers may have been about the potential danger of a sticking accelerator pedal. Also, it should be expected by customers that a major car manufacturer go above and beyond to please its customers in a time of anguish.

Throughout Toyota's crisis response discourse, the united front is conveyed through discussion of how Toyota would help current customers and meet their needs; yet, company press releases did not focus on anything directly regarding future or potential customers or diffused publics who might be affected by the crisis. The only statement that might include the potential customers as an audience and presented as a united front is that, "stopping production is never an easy decision, but we are 100% confident it was the right decision." Toyota stopped production, which aids in the potential for future customers to not have to deal with a sticking accelerator pedal as the current customers are dealing with.

Toyota used the minimization strategy to minimize the seriousness of the sticking accelerator pedal crisis. Toyota made the claim that the issue of unintended acceleration has been a part of the auto industry for decades, probably since the invention of the brake and accelerator pedals themselves.<sup>10</sup> To some this may give off the impression that there is nothing an automaker can do in cases of unintended acceleration since it happens to everyone, and it is a united issue throughout the auto industry.

## Past Performance

A second theme that emerged during the initial stages of Toyota's response was that Toyota focused a large amount of its crisis response on past performance. Toyota did this by reminding customers and government bodies of all the good Toyota has done, how long Toyota has been doing all of these great things and the trust everyone held in its vehicles. Toyota is known for producing quality cars that have great performance, comfort, and reliability. As a way to remind its customers of Toyota's reputation prior to the crisis, it relied on reminding customers of its spotless performance history and sought to assure customers that the company would restore levels of trust to what it once was. Throughout its crisis response, Toyota often looked back to what the company did as far as production, how long the company has been producing quality cars, and the trust Toyota customers have with Toyota.

Since Toyota has always been a top ranking car maker, the company consistently reminded customers and governmental bodies that "Toyota has always prided itself on building high quality, durable cars that customers can depend on...and I know that we have let you down." Toyota's response spends little time attending to the idea that it is to blame for not responding to the sticking accelerator pedal issue before it became an issue, or once it did become an issue, responded quickly since they did not respond publicly until almost five months after the first fatal crash in August.

Toyota reminded its publics of how long it has been producing reliable vehicles and argued that this one mistake should not affect the way they look at Toyota today.

Toyota reminded its publics that they have provided Americans with cars and trucks that are safe and reliable for two generations. <sup>12</sup> Toyota also explained they were "determined"

to live up to the high standards people have come to expect from Toyota over the past 50 years." This was done instead of simply apologizing for the crisis that erupted and affected 10 million vehicles around the United States. Toyota reminded customers that Toyota's:

First priority is the safety of our customers and to conclude otherwise on the basis of one internal presentation is wrong. Our values have always been to put the customer first and ensure the highest levels of safety and quality... and [sic] a renewed commitment to transparency are all designed to reaffirm these values. While Toyota reassured its customers of its strong values, but also asked its customers to not lose faith in the company due to one crisis.

This first phase used the image restoration strategies bolstering, corrective action and minimization. The primary target audience was the customers, also known as functional publics, as a means of reinstating a lack of trust due to the recall. The two themes, united front and past performance, fit with what is to be expected when an organization responds to a recall for the first time. Companies are expected to speak as a united front during a crisis situation to ensure all publics are united as one; this was done to restore the Toyota's damaged image, identity, and reputation by explaining positive aspects of the company.

Phase 2: Masked Apology, Superior Technology, and Statement of Confidence

The second set of responses Toyota used is also in the current stage of the crisis life cycle, where the unintended accelerator issue was an ongoing topic of conversation and concern. Toyota now shifted focus to explaining the confidence it had in the company and attempted to persuade its publics to have the same confidence. This phase

does not emerge until the beginning of February about two weeks after Toyota began to publicly manage the crisis. Three themes emerge from this second phase, which are Toyota's *masked apology*, *superior technology*, and focus on *confidence*.

Masked Apology

Early arguments focused on establishing a united front and reassuring the strengths of Toyota's reputation to project the image of the company and avoid a full apology. Toyota maintained the stance until the magnitude of the crisis grew to a point where the company presumably was compelled to apologize. However, in reviewing company statements, I argue that rather than providing a direct apology, Toyota presented what I am calling a masked apology. By masked apology, I mean Toyota used the word apologize and yet continued to describe the confidence the company held in restoring its image.

The masked apology theme that emerged is seen through Toyota's use of apology for issues that were related to the crisis, but fall short of claiming any fault for the accidents themselves. This is seen when Toyota stated, "We deeply regret the concern that our recalls are causing for our loyal customers, and we are making an all-out effort to develop and implement effective remedies as quickly as we can." While Toyota did use apologetic words such as deeply regret to show remorse, Toyota was remorseful for the concern the recalls had rather than the accident itself. Toyota as an organization united to focus a large part of its crisis response discourse on its past performance and attempted to ignore the issue of the crisis. In the end, the added explanation and reiteration of confidence functioned to mask the apology. It is true that admitting guilt and apologizing for the deaths of people and the recall can often come back to hurt an organization in a

recall situation if those people injured decide to sue for damages, but Toyota began an apology and never fully finished saying it.

On February 24, 2010, Akio Toyoda, President of Toyota Motor Corporation and Committee on Oversight and Government Reform also used a masked apology. He began by stating, "I would first like to state that I love cars as much as anyone, and I love Toyota as much as anyone" and went on to explain that "in the past few months, our customers have started to feel uncertain about the safety of Toyota's vehicles, and I take full responsibility for that." He also accepted responsibility, but his commentary stopped short of a full apology by focusing only on the lost confidence of customers. Although given in the form of an apology, Toyota seemed to be sorry for a tarnished image more so than failures of product, thus the label of a masked apology. Later in Toyoda's testimony, he attempted to explain the reasoning for the crisis that,

Toyota has, for the past few years, been expanding its business rapidly. Quite frankly, I fear the pace at which we have grown may have been too quick. I would like to point out here that Toyota's priority has traditionally been the following First; Safety, Second; Quality, and Third; Volume. These priorities became confused, and we were not able to stop, think, and make improvements as much as we were able to before.<sup>17</sup>

The company's basic stance according to Toyoda, "to listen to customers' voices to make better products has weakened somewhat." <sup>18</sup>

Also hidden were the apologies for two of the major accidents that the sticking accelerator pedal crisis led to such as that in Harrison, New York. Akio Toyoda gives a blanket apology saying, "I am deeply sorry for any accidents that Toyota drivers have

experienced."<sup>19</sup> The wordage, if glanced at quickly, shows to be a sincere apology for what has happened. However, there is again no explanation of what Toyota did or did not do to prevent the crisis.

To go further in depth, the statement regarding the Harrison, New York accident went along the same lines apologizing by saying, "Toyota sympathizes with the individuals and families involved in any accident involving our vehicles." Toyoda apologized for any accidents Toyota drivers experienced. However, it proved to be a masked apology because he apologized for Toyota drivers being in a car accident, though not necessarily claiming blame for the cause of the accident. Akio Toyoda also apologized for the San Diego accident saying, "I would like to extend my condolences to the members or the Saylor family for the accident in San Diego. I would like to send my prayers again, and I will do everything in my power to ensure that such a tragedy never happens again." Both "apologies" sympathized or sent condolences for something that happened involving a Toyota vehicle, not due to a Toyota vehicle. Although Toyota is timid when apologizing, discussing the manufacturer's superior technology comes a bit easier.

# Superior Technology

At the same time the company offered these masked apologies, Toyota continued to explain its confidence. In these late phases, rather than looking at Toyota's past reputation Toyota looked at technology. Toyota's confidence in its superior technology emerged through the discussion about its superior engineering and the engineering firm, Exponent. Toyota hired Exponent to assess any mechanical inquiries related to the crisis. Exponent was the engineering company Toyota hired that consisted of scientists,

physicians, engineers, and regulatory consultants who performed research or analysis with important information such as what caused unintended acceleration in Toyota vehicles.

Much of Toyota's argument about what is truly causing unintended acceleration in its vehicles rested on its assumptions such as this one from John Hanson, National Environmental Safety and Quality Communications Manager. "I encourage you to consider science, rather than suggestion, in the debate on these matters." Toyota officials believed they had top-notch technology in its industry that could not possibly have caused any errors such as unintended acceleration in its vehicles. Toyota showed it was correct through media reports by explaining, "Toyota Motor Sales (TMS), U.S.A., Inc. offered key preliminary findings of technical field examination and testing that were performed on March 10 and 11 regarding an alleged "runaway Prius" event dramatically covered by national news media."

The discourse on the Exponent begins with Toyota explaining that the company has retained a well-respected engineering and scientific consulting firm, to conduct a comprehensive, independent analysis of Toyota and Lexus vehicles using the ETCS-I system (Electronic Throttle Control System with intelligence) for concerns related to unintended acceleration. This firm has given an interim report to Congress producing no evidence that unintended acceleration in any of the ETCS-I equipped Toyota and Lexus vehicles they tested.

Toyota also explained Exponent's progress report as having

Two Ph.D. level engineers and support staff repeated the tests described on

multiple vehicles. Two other senior level engineers independently repeated

several of the tests. The report was then reviewed by four Ph.D.-level engineers before its release. It was further reviewed by two senior level professionals. The scope and methodology of these tests are clearly detailed in the report, providing all of the information necessary for the results to be independently verified.<sup>25</sup>

With Toyota shifting the focus off of the results and placing importance of the level of education the engineers have, Toyota seemed to be putting full faith in the firm. Toyota attempted to persuade governmental bodies that Toyota was taking responsibility in correcting the errors found. The company was also proving to those same bodies that it is not Toyota's fault the unintended acceleration had occurred as a result of Exponent's findings by explaining Toyota, "will, of course cooperate." The company maintained "Toyota engineers have comprehensively tested our ETCS under both normal and abnormal conditions including electromagnetic interference, and we have never found a single case of unintended acceleration due to a defect in the system."<sup>26</sup> The theme focused on repeated emphasis on technology, a strategy that suggest both confidence and implies that the incidents were not tied to technology. On February 22, 2010 Paul Williamsen explained that Toyota has the "highest order of redundancy, of error checking, and of fail safes for the throttle control of virtually any subsystem of the engine management system."<sup>27</sup> Toyota's focus on superior technology may have also allowed Toyota to suggest the driver was to blame without having to acknowledge this or place blame. If Toyota's technology is not to blame, and the equipment the vehicles have always used is not to blame, the only source that was not blamed is the driver.

Confidence

The second theme I found was that Toyota emphasized confidence in its technology, future endeavors, and restoring confidence in the public. Along with Toyota maintaining complete confidence in Exponent, another theme I found was confidence that Toyota had in just about every aspect of this recall as well. Toyota is confident that the vehicles have no pedal issues and are completely safe to drive, the brake override system is just being added to help customers regain confidence, there are no problems in the electronic throttle control system, and the solutions and repairs done will help Toyota remain the safest on the road today.

Much of Toyota's confidence was aimed at keeping its drivers confident, the government, as well as possibly self-persuasion to convince all three groups that Toyota was doing everything to say in everyone's good graces. Toyota's confidence began by addressing current customers who have yet to encounter issues with its accelerator pedal by saying, "if you are not experiencing any issues with your pedal, we are confident that your vehicle is safe to drive." This statement could be used to restore confidence in drivers who are a part of the recall that have currently had no issues with its accelerator pedal. Toyota routinely used the word confidence as seen on February 5, 2010 Toyota's press release titled and focused on the subject matter, "Toyota Dealers Going Above and Beyond to Take Care of Customers, Rebuild Confidence and Trust."

Toyota noted the company would go an extra step to help boost confidence for Toyota drivers. U.S.A., Inc. Today announced that "it will install a brake override system on an expanded range of customers' vehicles to provide an additional measure of confidence. The brake override system is not an integral part of the recall remedy, but is instead being added as an extra measure of confidence for Toyota owners." This extra

measure of compensation seems to be done to help improve confidence issues among Toyota drivers and implies that it is not necessary, but Toyota is going beyond basic expectations. With all of the government bodies' uncertainty, it seems as though Toyota would go the extra step to make sure the government bodies are satisfied with the steps Toyota has taken such as stopping production and obtaining an engineering firm.

One issue Toyota was confronted with was that its electronic throttle control system was the reason the accelerator pedal issue was occurring. Toyota explained a few times that it is confident there are no issues with the electronic throttle control system.

Toyota used its past performance to show its confidence in its system by saying, "Toyota has sold more than 40 million cars and trucks with our electronic throttle control system (ETCS) and we are very confident that the system is not the cause of unintended acceleration." The themes past performance and superior technology result in Toyota's confidence with its vehicles and restoring its publics' trust and confidence with the company.

Toyota ends its confidence statement by explaining Toyota has "rigorously tested our solutions and are confident with these repairs, Toyota vehicles will remain among the safest on the road today." Again, Toyota goes back to past performance as well as the confidence Toyota owners once had with the company and expects everyone to forget about the recall that has just occurred or how long it took the company to be forthcoming with the information. Toyota used the image restoration strategies mortification, bolstering, and shifting blame with the end result of this phase being a focus on Toyota's confidence and the restoration of confidence in its publics. The primary target audiences were customers and governmental bodies with the aim of restoring confidence among

both publics through discussing its superior technology, and leading the reading to suggest that Toyota is not to be blamed.

## Phase 3: Defensive response

The third and final stage Toyota enters into is the critical stage of the crisis life cycle. At this point Toyota was faced with opposition from many of its publics who doubted the company's reliability. Toyota began to lash back at media outlets, professors, governmental bodies, and even customers who have been in accidents due to its vehicles. This was seen the end of February in its press releases. One theme became clear in the third phase when Toyota began using defensive language and started to counter-attack instead of its previous confidence rebuilding language.

## Defensive

Early on Toyota's press releases were fully informative and attempted to portray confidence as well as instill confidence in its publics; however, the latter part of the recall shows a *defensive* reaction from Toyota. One of the themes I found was that Toyota became *defensive* about topics. One example includes Dr. David Gilbert's story that aired on ABC News, the idea that unintended acceleration happens to every vehicle maker, a legal memo that is mischaracterized, the reported runaway Prius, and NHTSA's database being difficult to understand.

According to Toyota, Professor David Gilbert of Southern Illinois University had "results of thorough evaluations of his demonstration of apparent "unintended acceleration" in Toyota and Lexus vehicles as described in his Preliminary Report and in his testimony at recent Congressional hearings." Gilbert explained his claim to Toyota

prior to going on ABC News; yet, when the show aired the claim was not the same.

Gilbert "appears to be introducing a different external and artificial method to manipulate the throttle." Toyota aimed to set the record straight

Toyota welcomes the opportunity to evaluate the Toyota Avalon shown in today's story and the method by which Mr. Gilbert allegedly caused the vehicle to accelerate unintentionally. We welcome the attendance of ABC News at any such evaluation of this vehicle and Mr. Gilbert's testing.<sup>35</sup>

Toyota continued to raise serious concerns about Gilbert's validity, methodology and credibility of a demonstration of alleged "unintended acceleration" <sup>36</sup>

Toyota continued to become defensive about the ABC segment, and instead of proving Gilbert wrong though using Exponent's research as a rebuttal, Toyota insists on stating he is wrong.

Toyota went on to explain

The analysis of Professor's Gilbert's demonstration establishes that he has reengineered and rewired the signals from the accelerator pedal. This rewired circuit is highly unlikely to occur naturally and can only be contrived in a laboratory. There is no evidence to suggest that this highly unlikely scenario has ever occurred in the real world. As shown in the Exponent and Toyota evaluations, with such artificial modifications, similar results can be obtained in other vehicles.<sup>37</sup>

Since Toyota was not present to see exactly what Gilbert did as far as reengineering and rewiring, it is unclear how Toyota came to the conclusion that both were done and not that its vehicle may actually be faulty. Toyota also makes the claim that its vehicle was

"actively manipulated to mimic a valid full-throttle condition" and "substantially similar results were successfully created in vehicles made by other manufacturers." This reinforces Toyota's earlier claim that this problem affects the entire car manufacturing industry. Thus, in these later phases of Toyota's response the company went on the offense to correct what they believed was misinformation.

Toyota claimed that, "there has been a great deal of confusion, speculation and misinformation about unintended acceleration in the past several weeks – much of it fueled by unsupported claims by trial lawyers and its paid advocates." Toyota continued to be defensive when attacked about the idea of its vehicles having unintended acceleration issues, and seem to be aiding in the confusion, speculation, and misinformation. Its main defensive rebuttal statement is that "unintended acceleration can be caused by many factors and they are not all sudden or sustained. The category is very broad, affects all major automakers, and can include issues involving cruise control, air conditioning, transmission surges and pedal misapplication." Toyota attempted to minimize the issue by maintaining that it happens to all major automakers. This can be concluded that everyone driving a vehicle is vulnerable to unintended accelerator issues, which one can argue is a false assumption and claim to be made by Toyota.

A 2005 privileged legal memo that was recently subpoenaed by Congress also deals with the topic of sudden unintended acceleration. Toyota felt as though various media reports mischaracterized this memo to make the company look unfavorable.

Although Toyota claims "the words "unintended acceleration" or "sudden acceleration" and "sudden unintended acceleration" appear nowhere in this memo. They go on to explain, "the only reference to sudden unintended acceleration in Mr. Greenberg's entire

40-page complaint is a short paragraph referencing unrelated reports of alleged sudden acceleration incidents." Although Greenberg may not have been complaining about sudden acceleration as the main topic, he does touch on it occurring showing Toyota had an idea it was occurring before the 2010 recall. My analysis of the data suggest that Toyota shifted strategies to become defensive and systematically respond to all accusations.

Toyota responded defensively again when news media covered the "alleged "runaway Prius" event" that Toyota feels was dramatically covered. In an attempt to save its image, Toyota explained it was testing and examining this case and "there are strong indications that the driver's account of the event is inconsistent with the findings of the preliminary analysis." Not only does Toyota attack its accuser, the national news media, but goes on to attack the Toyota driver who they perceive is either lying or being inconsistent. On March 15, 2010 Toyota explains, "the emergency operator repeatedly instructed the driver to shift the car into neutral and turn off the power button" and a follow up report describes, "the front brakes showed severe wear and damage from overheating." Thus, without pointing fingers, Toyota shows evidence that suggests that the driver of the vehicle was at fault.

The last group Toyota attacked was NHTSA and its accident database for not being specific enough. Toyota explained that "it is important to remember that many of the complaints in the NHTSA database, for any manufacturer, lack sufficient detail that could help identify the cause of an accident or, in some cases, even the specific vehicle involved." This is Toyota's attempt to explain why it took so long to make the public aware of the accident. Instead of admitting any guilt, Toyota immediately became

defensive and shifted the blame to NHTSA. As Toyota was defensive, it primarily used the image restoration of shifting the blame and targeted public included media outlets as well as governmental bodies.

Throughout the first two phases, Toyota focused its attention on the positive aspects the company including 50 years of making quality vehicles, the trust its publics had in the company, and the superior technology Toyota has and continues to enhance. The last shift in phases turned to a defensive tone when Toyota's publics began to doubt Toyota due to the recalls.

# Summary of Phases/Discussion

During the first phase, when Toyota is in the current stage of the crisis life cycle, Toyota uses its past performance as a way to regain its customers' trust in the company and product. As a united team Toyota calls attention to the company's past performance and reminds us of how great of an organization they have been up until this phase.

Toyota uses Coombs strategy of using past performance as being an important part of crisis management, and Toyota also reminds us of its great track record explicitly throughout this first phase. Toyota used past performance and it seems to fit in line with what is currently known about the strategy. Coombs (1995) assures that past performance can be an important factor in a crisis because the different publics are more willing to forgive an organization with a positive performance history since the company seems trustworthy.

In phase 2 Toyota continues to use past performance, but couples this with additional arguments being masked apology and confidence. Toyota does not simply use one strategy in each phase, but shifted its argument three times within the same phase to

create three different arguments - - first being *masked apology*, then Toyota's focus on its *superior technology*, and finishing with its exuding *confidence*. Here I saw Toyota apologizing for the events that have occurred, or for the stress it has caused in its customers' lives, which could seem genuine. I question the sincerity of the apologies since Toyota uses mortification and confidence in themselves often within the same press releases. An example of this is seen when James Lentz, prepared a testimony. He explained, "For two generations, we have provided Americans with cars and trucks that are safe and reliable. And we fully intend to produce even safer, high quality vehicles in the future..." He continues saying, "We acknowledge these mistakes, we apologize for them and we have learned from them." Toyota led with how great Toyota has always been and gives the sense they will be great in the end no matter what. It ends with a small apology with a focus on how spectacular its performance is.

The way Toyota has used past performance enhances the research that we know and have studied about past performance. Beyond traditional crisis response strategies, Toyota's responses seemed to rely more heavily on identity maintenance rhetoric. Hoffman and Ford (2010) explain that identity rhetoric is done consistently over time and focuses heavily on demonstrating that the company upholds community standards and contributes to community causes. Although Toyota does not speak to contributing to community causes, they do focus on how the company has in its past performance upheld community standards, if not exceeded them.

Toyota's final shift occurred when it entered the critical stage where Toyota felt it was being attacked and began to lash out. The switch in phases to a defensive response is a radical change from how it responded for the first two months in reminding its publics

of its past performance, the confidence the company holds, and updates about the recalls. Toyota begins to use defensive language and comments against everyone who has doubted Toyota including media outlets, governmental bodies, Professor David Gilbert, as well as its own loyal customers. Hearit (2006) labels this strategy as counter-attack, where the company combines denial with pointing the finger at its accusers. Toyota used this strategy throughout the last month of its crisis management through press releases.

Throughout the press releases analyzed, Toyota's unintended accelerator crisis did break down into phases of a crisis life cycle as previously studied. However, Toyota shows that the phases of the life cycle may need to be more fine-tuned. The way the life cycle is set up now gives the impression that the company provides one primary argument per phase. Toyota had multiple arguments that shifted in its current stage of the life cycle. As scholars, it is important to review the benefits of having shifting or more than one argument in the different phases of the life cycle, since it is likely that organizations will not stick with one argument per stage in the life cycle.

Benoit's image restoration strategies were used by Toyota in its crisis management rhetoric. Toyota did not use the strategies as a major tool, but the strategy focused most on was bolstering. Bolstering was used by describing Toyota's positive characteristics or acts it has done in the past. This strategy was also used closely with past performance to remind its publics about its almost spotless reputation for creating quality cars. Very little of its crisis response rhetoric focused on the crisis being its fault, for which Toyota used differentiation to compare unintended acceleration to other car companies having the same issue, Toyota remained confident its past performance and

good deeds would prevail in the end. Ultimately, this strategy of bolstering and past performance worked for them since it has been relatively successful.

Although Toyota did use image restoration strategies that were previously discussed, its press releases do not read like image restoration discourse. The press releases read more like identity management rhetoric since Toyota points out positive aspects. Hoffman and Ford (2010) describe identity maintenance as the company must recognize exigencies that may be used to improve how audiences perceive the organization, and must take advantage of those identity-enhancing opportunities.

Although during the crisis was a unique time for Toyota to use identity maintenance and enhance its identity through this crisis, it ended up working for Toyota. If Toyota did not have such a strong reputation going into the crisis, I do not think this strategy would have worked in its favor. Toyota relied heavily on reminding its publics of the its past performance, confidence, and trust the audience held with the company, and without having had the preexisting reputation Toyota had, the audience would not have had a positive reaction.

Ultimately, Toyota did follow some of the crisis management guidelines and it also created its own. Toyota used past performance as the main focus of its argument and remained confident the company would restore its publics' trust back to what it once was. However, in managing the crisis the company employed strategies most associated with identity maintenance rhetoric which is generally not associated with crisis situations. The strategies Toyota chose to use for its crisis response rhetoric worked out for the company since much of the conversation surrounding recall has ceased.

#### **CHAPTER FIVE:**

### **CONCLUSION**

I started this project with the aim of discussing Toyota's image restoration strategies used in its crisis response. Through analyzing the text, I discussed Toyota's image restoration strategies as well as uncovered a shift in its responses throughout the life cycle. Toyota began speaking as a united front to provide updates regarding the recalls, shifted into providing an apology while describing the confidence the company had in itself and its audience, and finally ended by becoming defensive toward all who objected to Toyota.

In this final chapter, I first present the limitations to this study. Next I suggest ways that my findings may add to the theory of identity maintenance, the significance reputation has in restoring an organization's image, and ethical implications. I also suggest ways that my findings may aid in future crisis management for companies. Finally, I suggest future research opportunities.

## **Summary of Findings**

This study examined the crisis response strategies Toyota used during its 2010 unintended accelerator crisis and the role past performance played in Toyota's response. Toyota's crisis management turned out to be effective and people are still purchasing Toyota vehicles, even after being found at fault for not reporting or starting recalls in a timely fashion and being cited. Toyota's sales in 2008 were down about 20% than in 2009 and remained consistent in 2010 after the recalls, so the recall ultimately stabilized its business (Toyota.com, 2010). This study begins to answer to the question of how

Toyota did it. It was important to first look at the current crisis management research to be aware of what companies are being told to do during a crisis situation.

I studied all of Toyota's public press releases which were found on Toyota's website, though a close textual analysis. This is where I discovered Toyota responded in three distinct phases during only two of the crisis life cycle stages, which were the current and critical stages. The themes that emerged were: Phase 1 where Toyota spoke as a *united front* and focused on its *past performance*; Phase 2 where Toyota finally provided a *masked apology* while also explaining its *superior technology* and exuding *confidence*; and Phase 3 where Toyota began to feel threatened and lashed back with a *defensive response*. I concluded by examining how the themes worked together. Using *masked apology* and *confidence* together seemed to reduce the strength of Toyota's apology.

### Limitations

This study contains two limitations. First, I only analyzed publicly available documents from Toyota.com in Toyota's Newsroom. By having access to non-public documents, I may have had more of a full story behind Toyota's crisis management. I also did not look at Toyota's advertising efforts regarding the recalls.

The second limitation is that Toyota's recall is ongoing. When I began this study the unintended accelerator crisis ended as far as public responses. Just recently Toyota announced two more floor-mat recalls and amended the 2009 floor-mat recall. This study only analyzed the unintended accelerator recall, and the press releases from January, February, and March of 2010. By only analyzing a piece of the entire group of recalls Toyota has announced, I did not obtain the entire picture of its crisis management.

# Theoretical Implications

Despite these limitations, the results of this study hold implications for identity maintenance, the significance of reputation, and the model of organization integrity. First, this study expands on identity maintenance as an aspect of crisis response through Toyota's use of the rhetoric. Second, I indicate the significance of reputation ultimately being stronger that an organization's image. Finally, I compare the ethical implication Toyota's response creates when compared to Redding's model of organizational integrity.

Although I began this study expecting to analyze the press releases and find that Toyota used image restoration strategies, I found more identity maintenance rhetoric. Much that was discussed was Toyota's positive aspects. Hoffman and Ford (2010) explain that identity maintenance should be done consistently over time. Toyota effectively used identity maintenance to reinforce the core elements of its identity and reputation its publics held prior to the crisis. The results found prove that identity maintenance also works as an aspect of crisis response, instead of its current use of something an organization does at all times. This study points to the findings that scholars need to adopt this model as a useful tool as a crisis response strategy.

Along with identity maintenance rhetoric, the results found prove an organization's reputation plays a significant role in the outcome of an organization's crisis. This finding suggests that scholars need to shift the focus from the different strategies currently used, to how an organization can create a strong reputation with its publics as Toyota did. The results show an organization going through a crisis can lean on its reputation by reminding its publics of the positive past performance examples that

led the public's to having such a strong reputation with the company. I suggest that a focus on reputation rather than image is imperative for a positive crisis outcome.

Previous research has focused on image restoration and is not as strong in the realm of reputation maintenance.

Finally, following the assumption that an organization must act responsibly and ethically to enhance the outcome of a crisis, I found that Toyota questioned the standards we hold organizations to. So we must re-examine our theories of ethics for how we can hold companies to ethical standards. Johannasen, Valde, and Whedbee (2008) explains there are six habits to handle ethical issues well including: (1) solving ethical problems directly and reflectively, (2) interacting responsibly, (3) modeling integrity, (4) sharing organizational purposes and directions, (5) valuing stakeholder perspectives, and (6) practicing personal integrity. The findings show that Toyota only followed one habit, valuing stakeholder perspectives when Toyota made sure to address all governmental issues that arose. Thus, it can be recommended that complete ethicality and complete disclosure during a crisis is not necessary. Although Toyota received a citation for not acting ethically and disclosing information in the beginning of the crisis, they managed to prevail which indicates a departure from scholarly work on ethicality in crisis situations.

## **Pragmatic Implications**

Along with providing theoretical implications for crisis communication and public relations scholars, this study also contributes to our understanding of how companies can lean on reputation as well as consumers need to become more critical. Previous research gives companies different strategies to use to prevent the demolishing of its reputation throughout its crisis situation. The results of this study indicate it would

be beneficial for an organization in similar situations to build a strong reputation before a crisis occurs. Toyota created and maintained a strong reputation and was then able to rely and lean on its reputation to make it through its unintended accelerator crisis.

I also recommend that if the company has not yet created a solid reputation to lean on during a crisis, they may use identity maintenance during the crisis. By reminding the company's publics of the positive aspects or acts the company has or has performed may also help an organization through its crisis management with a positive reputation. Although it is best to have a strong positive reputation before a crisis occurs, the results show that a focus on an organization's past performance will carry the company's current reputation throughout the crisis.

In addition to offering recommendations to companies in crisis situation, I would also recommend that a consumer needs to be more critical of an organization going through a crisis. Consumers should demand that companies address issues fully. My analysis revealed Toyota lacked details regarding the deadly accidents, the full severity of the recall if not acted on immediately, and prevention regarding future recalls. I advise consumers to be more cautious of companies going through a crisis, until hearing the full, truthful story.

### **Future Directions and Conclusion**

Although the purpose of this study was to discover the crisis response strategies

Toyota used and the role past performance had in Toyota's response, I suggest that future
studies regarding crisis management or Toyota specifically should consider three future
directions being technology, trends in responses throughout the crisis life cycle and all of
Toyota's crises. There is a gap in the current crisis management research regarding

technology and its growing effect on how an organization responds to a crisis situation. Since our technology is getting faster and companies' publics are becoming more technologically savvy it is important to uncover how companies can stay ahead of technology when responding to a crisis. While reviewing current literature about crises, I expected to come across suggested trends in response strategies through the crisis life cycle. I assumed an organization would be advised to apologize first and work through the image restoration strategies in a methodological order, but there was a hole in this area. Also, since I was unable to look at only one of Toyota's crises to discover its crisis response it would be best to explore the big picture of how Toyota was so successful financially and with its stable reputation throughout all of its ongoing crises.

This study emerged during Toyota's crisis when the topic was large on everyone's mind. Since Toyota did not follow the traditional crisis management advice and remained what seems to be perfectly in place sparked my interest in what this case can teach scholars regarding updating the traditional advice we give companies in similar situations. The first part of this study looks to the traditional crisis management advice scholars may give to companies. The results of the study reveal that Toyota did use some traditional crisis response strategies, but more so focuses on its past performance and pointing out the positive aspects of the company with little regard to the negativity of the recall.

This study enriches crisis communication and public relations scholars' and practitioners' understanding of how companies can choose to respond in a crisis situation.

As we become aware of the lack of information regarding negative aspects of an organization or recall and an overwhelming amount of information regarding an

organization's positive aspects, we can update the advice we give companies that are in pre and current-crisis stages. It is important that scholars continue to study how companies navigate crises and come out on top through the ever-growing atmosphere of bigger, stronger companies that hold a large part of the industry's market share such as Toyota. Finally, it should be acknowledged that an organization's image can be both threatened during a crisis, as well as a resource for a crisis response to repair an organization's threatened image.

## NOTES

- <sup>1</sup> See http://pressroom.toyota.com/pr/tms/toyota/toyota-announces-comprehensive-153311.aspx
- <sup>2</sup> See http://pressroom.toyota.com/pr/tms/document/Y.\_Inaba\_Testimony\_to\_
  House\_Committee\_on\_Oversight\_and\_Government\_Reform\_2-24-10.pdf
- <sup>3</sup> See http://pressroom.toyota.com/pr/tms/document/S.\_Sasaki\_Testimony\_to\_
  Senate\_Committee\_on\_Commerce\_Science\_and\_Transportation\_3-2-10.pdf
- <sup>4</sup> See http://pressroom.toyota.com/pr/tms/toyota/toyota-announces-comprehensive-153311.aspx
- <sup>5</sup> See http://pressroom.toyota.com/pr/tms/toyota/toyota-announces-comprehensive-153311.aspx
- <sup>6</sup> See http://pressroom.toyota.com/pr/tms/toyota/toyota-announces-comprehensive-153311.aspx
- <sup>7</sup> See http://pressroom.toyota.com/pr/tms/document/Y.\_Inaba\_Testimony\_to\_ House\_Committee\_on\_Oversight\_and\_Government\_Reform\_2-24-10.pdf
- <sup>8</sup> See http://pressroom.toyota.com/pr/tms/toyota/toyota-dealers-nationwide-have-153560.aspx
- <sup>9</sup> See http://pressroom.toyota.com/pr/tms/toyota/toyota-announces-comprehensive-153311.aspx
- <sup>10</sup> See http://pressroom.toyota.com/pr/tms/2010-toyota-electronic-throttle-154266.aspx
- <sup>11</sup> See http://pressroom.toyota.com/pr/tms/toyota/toyota-talks-to-customers-about-153320.aspx

- <sup>12</sup> See http://pressroom.toyota.com/pr/tms/document/Lentz\_Testimony\_to\_
- House\_Committee\_on\_Energy\_and\_Commerce.pdf
- <sup>13</sup> See http://pressroom.toyota.com/pr/tms/toyota/toyota-dealers-nationwide-have-153560.aspx
- <sup>14</sup> See http://pressroom.toyota.com/pr/tms/toyota-statement-regarding-documents-154117.aspx
- <sup>15</sup>See http://pressroom/toyota.com/pr/tms/toyota/toyota-update-regarding-recalls-153243.aspx
  - <sup>16</sup> See http://pressroom.toyota.com/pr/tms/document/A.\_Toyoda\_
- Testimony\_to\_House\_Committee\_on\_Oversight\_and\_Government\_Reform\_2-24-10.pdf

  17 See http://pressroom.toyota.com/pr/tms/document/A.\_Toyoda\_
- Testimony\_to\_House\_Committee\_on\_Oversight\_and\_Government\_Reform\_2-24-10.pdf

  18 See http://pressroom.toyota.com/pr/tms/document/A.\_Toyoda\_
- Testimony\_to\_House\_Committee\_on\_Oversight\_and\_Government\_Reform\_2-24-10.pdf

  19 See http://pressroom.toyota.com/pr/tms/document/A.\_Toyoda\_
- Testimony\_to\_House\_Committee\_on\_Oversight\_and\_Government\_Reform\_2-24-10.pdf 

  <sup>20</sup> See http://pressroom.toyota.com/pr/tms/toyota-statement-on-harrison-ny-
- 155656.aspx
  - <sup>21</sup> See http://pressroom.toyota.com/pr/tms/document/A.\_Toyoda\_
- Testimony\_to\_House\_Committee\_on\_Oversight\_and\_Government\_Reform\_2-24-10.pdf

  <sup>22</sup> See http://pressroom.toyota.com/pr/tms/2010-toyota-electronic-throttle154266.aspx

- <sup>23</sup> See http://pressroom.toyota.com/pr/tms/toyota/toyota-offers-preliminary-findings-155268.aspx
- <sup>24</sup> See http://pressroom.toyota.com/pr/tms/toyota-update-exponent-report-153820.aspx
- <sup>25</sup> See http://pressroom.toyota.com/pr/tms/toyota-update-our-work-with-exponent-154254.aspx
- <sup>26</sup> See http://pressroom.toyota.com/pr/tms/toyota-statement-on-march-23-trial-155777.aspx
- <sup>27</sup> See http://pressroom.toyota.com/pr/tms/2010-toyota-electronic-throttle-154266.aspx
- <sup>28</sup> See http://pressroom.toyota.com/pr/tms/toyota-statement-on-comments-by-153448.aspx
- <sup>29</sup> See http://pressroom.toyota.com/pr/tms/toyota/toyota-dealers-nationwide-have-153560.aspx
- <sup>30</sup>See http://pressroom.toyota.com/pr/tms/toyota-extends-brake-override-154194.aspx
- <sup>31</sup> See http://pressroom.toyota.com/pr/tms/toyota-statement-on-march-23-trial-155777.aspx
- <sup>32</sup> See http://pressroom.toyota.com/pr/tms/document/Y.\_Inaba\_Testimony\_to\_
  House\_Committee\_on\_Oversight\_and\_Government\_Reform\_2-24-10.pdf
- <sup>33</sup> See http://pressroom.toyota.com/pr/tms/toyota-statement-on-rebuttal-of-154775.aspx

- <sup>34</sup> See http://pressroom.toyota.com/pr/tms/toyota-s-statement-in-regard-to-154197.aspx
- <sup>35</sup> See http://pressroom.toyota.com/pr/tms/toyota-s-statement-in-regard-to-154197.aspx
  - <sup>36</sup> See http://pressroom.toyota.com/pr/tms/electronic-throttle-control-154300.aspx
- <sup>37</sup> See http://pressroom.toyota.com/pr/tms/toyota-statement-on-rebuttal-of-154775.aspx
  - <sup>38</sup> See http://pressroom.toyota.com/pr/tms/electronic-throttle-control-154300.aspx
- <sup>39</sup> See http://pressroom.toyota.com/pr/tms/toyota-statement-on-march-23-trial-155777.aspx
- <sup>40</sup> See http://pressroom.toyota.com/pr/tms/clarification-of-testimony-regarding-154311.aspx
- <sup>41</sup> See http://pressroom.toyota.com/pr/tms/toyota-statement-on-media-reports-154449.aspx
- <sup>42</sup> See http://pressroom.toyota.com/pr/tms/toyota/toyota-offers-preliminary-findings-155268.aspx
- <sup>43</sup> See http://pressroom.toyota.com/pr/tms/toyota/toyota-offers-preliminary-findings-155268.aspx
- <sup>44</sup> See http://pressroom.toyota.com/pr/tms/toyota/toyota-offers-preliminary-findings-155268.aspx
- <sup>45</sup> See http://pressroom.toyota.com/pr/tms/toyota-statement-on-harrison-ny-155656.aspx
  - <sup>46</sup> See http://pressroom.toyota.com/pr/tms/document/Lentz\_Testimony\_to\_

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