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Corporate Ability or Virtue? Relative Effectiveness of Prior Corporate Associations in Times of Crisis

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This experimental study employing both victim and preventable crises supports strong transferring effects of corporate ability (CA) and corporate social responsibility (CSR) associations on the public's responses in corporate crises. In addition, CSR associations are found to be more effective than CA associations in offsetting detrimental damage created by corporate crises. The study argues that the reason for more enduring and salient transferring effects of prior CSR associations in crisis situations is because CSR associations are positioned on a company's virtue-related dimensions, whereas CA associations are positioned on its skill-focused dimensions.

Corporations strive to create and enhance positive corporate associations with their publics because they believe positive corporate associations will have transferring effects on their products (Brown & Dacin, 1997; Kim, 2011). In routine situations, positively built prior corporate associations would have transferring effects on the public's attitudes toward product attributes and purchase intentions (e.g., Biehal & Sheinin, 2007). However, in nonroutine situations such as a crisis, how would these prior corporate associations influence the public responses? For instance, Toyota and BP enjoyed positive reputations before Toyota's recall and BP's oil spill in 2010 (Goodman, 2010). Both organizations spent decades working to earn the respect of U.S. consumers.

Toyota was successful in creating corporate ability (CA) associations (i.e., associations related to the company's capability to deliver reliable products) among its consumers through continuous quality control and improvement of its products, whereas BP aggressively worked in recent years to establish a "green" reputation, focusing on creating corporate social responsibility (CSR) associations (i.e., associations related to the company's role in society). However, both companies suffered a decline in reputation following the crises (Goodman, 2010; Linn, 2010).

A company's reputation can be destroyed in seconds by a single incident, and sluggish and mishandled corporate crisis communication often allows a single trigger event to result in a full-blown crisis, tarnishing a good reputation built by consistent performance and hard work (Coombs, 2007). However, when a company has been successful in establishing either CA associations, CSR associations, or both of these associations prior to its crisis, would such previously

constructed positive corporate associations operate as an insurance policy against damage created by a crisis? If so, will CA or CSR associations be more effective in mitigating the effects of a crisis?

As yet, little research has tested the relative effectiveness of prior CA and CSR associations in crisis situations. The current study attempts to fill this void. Examining the relative effectiveness of prior CA and CSR associations on publics' responses in corporate crisis situations is worthy of study for several reasons. First, and most significantly, it provides a strategic linkage between reputation and crisis management, especially for how precrisis reputation management can be related to postcrisis management.

Understanding the effects of publics' CA and CSR associations during crises will help practitioners manage precrisis reputation more efficiently via their corporate performance and communication strategies. To wit, by providing implications that companies could mitigate the negative impact of crises through strategically building and communicating their precrisis reputations, this study contributes to understanding of strategic communication management, especially, in terms of reputation and crisis management. It also helps to assess relative impacts of different types of prior corporate strategies on publics' responses in a crisis. The findings will add to the emerging literature on CSR's halo or transferring effect (Biehal & Sheinin, 2007; Kim, 2011; Klein & Dawar, 2004) and strategic crisis management (Brown & White, 2011; Coombs & Holiday, 2001; Kim, Avery, & Lariscy, 2009).

LITERATURE REVIEW

Corporate Communication Strategy and Corporate Associations

Corporate associations are defined as memory-based associations with a company and comprise corporate reputation or how it is perceived (Biehal & Sheinin, 2007; Brown & Dacin, 1997). Corporate associations are largely categorized as either CA or CSR associations. CA associations refer to publics' associations with a company in terms of the company's ability and expertise to produce high-quality products or services. CSR associations are related to the status of a company as a good member of society with regard to social, environmental, or political issues (Brown & Dacin, 1997; Kim, 2011).

Both CA and CSR associations can be established and nurtured by different types of corporate communication strategies. A CA strategy is used to create and strengthen CA associations, whereas a CSR strategy can be used to build CSR associations among publics. A hybrid strategy is used for establishing both CA and CSR associations. These three corporate communication strategies are currently in use in the market (Kim, 2011; Kim & Rader, 2010). For example, Apple primarily adopts a CA strategy, focusing more on building positive CA associations among consumers, whereas Ben & Jerry's Ice Cream or TOMS Shoes primarily uses a CSR strategy, focusing more on establishing positive CSR associations (Kim, 2011).

Research examining the focus of different corporate strategies on their respective websites found an increasing reliance on CSR strategy to create strong CSR associations among publics (Esrock & Leichty, 1998; Kim & Rader, 2010). This trend was found to be more salient among larger corporations. The top *Fortune* 500 corporations are more likely to adopt a CSR strategy on their websites than a CA or a hybrid strategy, while the bottom Fortune 500 corporations

more highly emphasized a CA strategy than a CSR or a hybrid strategy (Esrock & Leichty, 1998; Kim & Rader, 2010).

However, a recent study investigating dominant corporate communication strategies being used in social media suggested that *Fortune* 100 corporations were more likely to emphasize a CA strategy than a CSR strategy or a hybrid strategy when communicating with their fans on Facebook. In fact, *Fortune* 100 corporations rarely adopted a CSR strategy on their Facebook pages, which differs from their focus on using CSR strategy on their respective websites (Kim, Kim, & Sung, 2011). Kim et al. (2011) suggested that this prevalent adoption of a CA strategy on Facebook could be due to the personalizing aspect of social networking sites and different expectations of publics toward different media channels.

Regarding the consequences of different corporate communication strategies, research has suggested that different types of corporate associations result in different effects on consumers' evaluations of a company and its products (Biehal & Sheinin, 2007; David, Kline, & Dai, 2005; Kim, 2011; Sen & Bhattacharya, 2001). Brown and Dacin (1997) suggested that CA associations have a greater influence on consumer attitudes through both product evaluations and overall company evaluations than do CSR associations. The authors argued that this is because CA associations tend to directly influence product evaluation of consumers, whereas CSR associations only indirectly influence consumers' product evaluations. However, previous research has not reached consensus regarding the consequences of CSR; some researchers found direct relationships between CSR and product-related evaluation (Biehal & Sheinin, 2007; Kim, 2011), while others found indirect relationships between the two (Brown & Dacin, 1997; David et al., 2005).

For example, Kim (2011) argued that despite the skepticism regarding CSR effects on financial performance of a company, there are certainly direct influences of CSR associations on product evaluation because the climate surrounding CSR has changed. Kim's (2011) study suggested a synergistic model of corporate communication strategy, explaining that a CSR strategy can have a direct impact on publics' evaluations of a company and its products due to its transferring effects on CA associations and product evaluation. In addition, Biehal and Sheinin (2007) suggested that there is certainly a transferring effect of corporate messages on product judgments. More specifically, they found that both CA and CSR messages have transferring effects on consumer attitudes toward products even though they found a greater effect of CA messages on product beliefs than CSR messages.

As to the extent of corporate messages' transferring effects, many seem to believe that a CA strategy has a greater impact on positive public responses than a CSR strategy, especially due to its direct impact on product evaluations. This can be attributed to the fact that CA associations are geared toward creating reputation positioned on product-relevant aspects such as corporate skills, whereas CSR associations are geared toward creating reputation positioned on less-product-relevant aspects such as corporate virtues (Biehal & Sheinin, 2007; Brown & Dacin, 1997). Virtue-focused dimension is different from skill or ability-related dimension (Sandin, 2009). Sandin (2009) suggested that "one of the criteria is that virtues, as opposed to skills have to actually engage the will" (p. 112).

For example, someone can choose not to perform or exercise a skill without having to think that the person is lacking in the skill (e.g., demonstration of a bad skill in playing a musical instrument in order to show how to play it better), whereas a virtue cannot be chosen by someone in this way (Sandin, 2009). Someone cannot argue that he/she chose not to exercise the virtue of benevolence or courage in the same way as he/she can argue for a skill. Thus, virtue could be considered a

representation of a company's overall traits (Seeger & Ulmer, 2001), yet ability-related dimension is more relevant to the company's specific aspects of products.

Thus, the question is: if a CA strategy focusing on enhancing CA associations has greater transferring effects on product-related beliefs, attitudes, and evaluations than a CSR strategy in routine situations, does the same apply to other situations such as how publics attribute crisis responsibility (i.e., blame) to a company confronting a crisis? Or would different patterns stand out in times of crisis?

Crisis Management and Attributions of Crisis Responsibility

Crises can cause financial losses, undermine an organization's reputation, and fundamentally pose a threat to the organization's legitimacy (Allen & Caillouet, 1994; Coombs, 2007). Situational Crisis Communication Theory (SCCT), which was based on attribution theory (Weiner, 1986) employs crisis type, crisis history, and prior reputation to evaluate the overall threat imposed by a crisis to an organization's reputation (Coombs, 2007; Coombs & Holladay, 1996). It is proposed that publics interpret each crisis according to three attributions: attribution of locus, attribution of controllability, and attribution of stability (Coombs, 2007; Folkes, 1984; Weiner, 1986).

Locus is related to whether the public thinks the cause of the crisis is reflecting an aspect of the organization. In other words, if the cause is assessed as be internal (i.e., reflecting some aspect originating within the organization), the public tends to judge the organization much harsher (Coombs & Holladay, 1996). Controllability is whether the public thinks the cause of the crisis is controllable or not. A higher level of perceived organizational controllability of the cause of the crisis also results in more negative evaluations of the organization (Coombs & Holladay, 1996). Finally, stability is related to whether the cause of a given crisis is stable and constant or whether it is subject to change.

The more stable a cause is perceived to be, the more negative publics' evaluations of the organization (e.g., similar crises repeatedly occurring to the company). Folkes (1984) found that consumers' reactions to a product failure crisis were related to these three causal dimensions. Jorgensen (1994) also demonstrated that consumers' attributions of the cause of a serious airline crash affected their evaluations of the company. Clearly the more publics judge the cause of the crisis as internal, stable, and controllable, the higher their attributions of crisis responsibility on the organization (Coombs, 2007; Folkes, 1984; Jorgensen, 1994).

Public attributions of crisis responsibility also vary depending on crisis types according to SCCT. Coombs (2007) classified crisis types into victim, accident, and preventable clusters by attribution levels of crisis responsibility. The victim crisis type has minimal crisis responsibility attributed by the publics and includes natural disasters, rumors, workplace violence, and malevolence/product tampering. The accident type has low attribution of crisis responsibility for the organization such as challenges, technical-error accidents, and technical-error product harm. Last, the preventable crisis cluster produces strong attribution of crisis responsibility for the organization. Examples of the preventable crisis type include human error accidents, human error product harm, and organizational misdeeds. Research has suggested that publics tend to attribute higher crisis responsibility to organizations when those organizations experience a preventable crisis, and in turn organizations' reputational damages resulting from a preventable crisis would be greater than either victim or accident crisis types (Coombs, 2007; Coombs & Holladay, 1996).

With regard to the effects of corporate reputation in crisis, a majority of previous crisis research has agreed that good prior relationships and reputation with different publics could mitigate the organization's reputational damage during a crisis (e.g., Brown & White, 2011; Coombs, 2007; Coombs & Holladay, 2002).

For example, Brown and White (2010) found that publics having positive relationships with the organization tend to respond to the organization's crisis response strategies more positively than those with negative relationships. More specifically, Klein and Dawar (2004) examined how CSR-related reputation of consumers influenced attributions of crisis responsibility in product harm crises and found that CSR beliefs tended to positively influence consumers' attributions of blame about product-harm crises and their brand evaluations.

In addition, Grunwald and Hemplemann's (2011) test of CA-related reputation effects found that positive corporate reputation effectively buttresses companies of good name at bad times and lowers the attribution of crisis responsibility to those companies compared to situations where companies had a negative corporate reputation. However, previous empirical research that addresses corporate reputation effects in crises has provided limited grounds on which to compare relative effects of CA and CSR reputations. Thus, in an attempt to provide holistic understanding of prior corporate reputation effects during crises, this study examines relative effectiveness between CA and CSR reputations by employing different crisis types.

The theoretical framework of this study is drawn from both the previously reviewed crisis-related theoretical framework (e.g., SCCT and attribution theory) and an expectations-evidence framework such as motivated reasoning and confirmatory bias (Dean, 2004; Kunda, 1990). In times of corporate crisis, publics exhibiting perceptions of positive prior corporate reputation tend to perform selective information processing based on motivated reasoning and confirmatory bias (e.g., Dawar & Pillutla, 2000; Dean, 2004). This stream of research has suggested that publics exhibiting positive prior corporate associations are motivated to engage in selective information processing to maintain internal cognitive consistency in times of crisis. Publics tend to selectively pay more attention to information that is more consistent with their previous expectations or beliefs. This process is called confirmatory bias (Dawar & Pillutla, 2000). Thus, publics with positive prior corporate associations would selectively process positive information more often in times of crisis to resolve cognitive dissonance, whereas publics with negative prior corporate associations would be more receptive to negative crisis information because cognitive dissonance might not occur for them.

Based on the discussions above, this study explores relative influence paths from the previous CA and CSR associations to three attribution factors (i.e., locus, stability, and controllability), blame, and other public responses by employing both victim and preventable crisis types. The following hypotheses and research questions are proposed:

- H1a: Participants with positive CA associations will perceive the cause of the crisis is less internal, less stable, and less controllable than those with negative CA associations.
- H1b: Participants with positive CSR associations will perceive the cause of the crisis is less internal, less stable, and less controllable than those with negative CSR associations.
- RQ1: Do crisis type and crisis severity moderate the relationships between CA and CSR associations and the participants' attributions of locus, stability, and controllability?
- H2a: Participants in positive CA associations conditions will attribute lower levels of crisis responsibility to the organization (i.e., blame), and in turn will reveal more positive responses (i.e., company evaluation (CE), product evaluation (PE), supportive behavioral intentions

(supportive BI), and purchase intentions (PI)) than those in negative CA associations conditions.

H2b: Participants in positive CSR associations conditions will attribute lower levels of crisis responsibility to the organization, and in turn will reveal more positive responses than those in negative CSR associations conditions.

RQ2: Do crisis type and crisis severity moderate the effects of CA and CSR associations on participants' attributions of crisis responsibility and their responses?

H3a: CA and CSR associations will have negative *indirect* effects on blame mediated by locus, stability, and controllability of attributions.

H3b: CA and CSR associations will have negative direct effects on blame in crisis situations.

Because previous studies found direct influences of CA and CSR associations on both company (Brown & Dacin, 1997; David et al., 2005; Kim, 2011) and product reputation (Biehal & Sheinin, 2007; Kim, 2011) in routine situations, this study proposes strongly established CA and CSR associations will also have a direct influence on corporate and product reputations in crisis situations. In addition, because effect paths from CSR tend to be greater on company evaluation (CE) than product evaluation (PE) (Kim, 2011), the study proposes consumers' supportive behavioral intentions (BI) during the crisis will be more influenced by the path from CSR associations, whereas purchase intentions (PI) will be affected more by the path from CA associations.

H4a: CA and CSR associations will have positive *direct* effects on CE in crises.

H4b: CA and CSR associations will have positive *direct* effects on PE in crises.

H4c: CSR associations will have a positive *indirect* effect on supportive BI mediated by CE in

H4d: CA associations will have a positive indirect effect on PI mediated by PE in crises.

Finally, to investigate the relative effectiveness of CA and CSR associations created by different corporate strategies in crisis crises, the following research question is proposed:

RQ3: Among CA and CSR strategies, which is more effective in lowering the public's attribution of crisis responsibility (i.e., blame) and, in turn generating positive public responses?

METHODOLOGY

Design and Procedure

To explore the effects of positive CA and CSR associations created by the two CA and CSR corporate strategies, this study includes the conditions of positive CA associations and CSR associations. In addition, to include when such strategies fail to create positive CA and CSR associations, the study also includes the conditions of negative CA and CSR associations. For a crisis type variable, victim and preventable crisis types are included since those two tend to reveal extreme differences in terms of crisis responsibility attributions (Coombs, 2007). Thus, a $4 \times 2 \times 2$ between-subjects experimental design was used for this study: 4 corporate associations (Positive CA, Negative CA, Positive CSR, and Negative CSR) \times 2 crisis type (victim crisis and preventable crisis) \times 2 crisis severity (high and low severity).

All participants were randomly assigned to one of 16 experimental conditions. A fictitious company was used to prevent any previous company judgments that might be attributed to actual organizations. At the outset, respondents were provided with a short message about the company regarding their CSR- or CA-related activities. In the positive CSR associations' conditions, respondents read all positive ratings of the company's treatment of the environment, community/employee support, philanthropy, and general corporate social responsibility efforts, while all negative ratings were included in the negative CSR conditions.

In the positive CA conditions, respondents read all positive ratings of the company's product quality, market leadership and share, global success, and R&D investment, whereas all negative ratings were included in the negative CA conditions. After reading the stimulus, respondents were asked to rate their levels of precrisis-CA and -CSR associations related to the company. Next, precrisis levels of CE, PE, and PI were also measured to determine if there is a change before and after the crisis regarding respondents' attitudes toward the company.

Next, respondents were asked to read a news article about the company's recent crisis. For a victim crisis type, a crisis scenario of product tampering created by unknown outsiders was used (i.e., malicious tampering led to Wallace & Smith Foods' Cup-A-Soup cyanide poisoning). A crisis scenario of *E. coli* contamination created by the company's unsanitary production system was used for the preventable crisis type (i.e., dirty conditions led to *E. coli* in Wallace & Smith Food's Cup-A-Soup Product). Crisis severity was manipulated by the extent of the crisis damage on consumers (i.e., high: 2 died and 58 became ill; low: 5 were hospitalized but all released in good health). After reading the crisis news article, respondents completed a questionnaire that included items measuring the locus, stability, and controllability of the crisis cause, as well as blame, and supportive BI. In addition, questions regarding postcrisis CE, PE, and PI were asked again. On average, the questionnaire took 15 minutes to complete.

Participants

A total of 394 students at a major public university in the southeastern region of the United States participated in the study in exchange for extra credit. The average age was 20.2~(SD=1.46). According to a recent market report, among all age groups, adults between 18 and 24 years old consume convenient meals most often (Packaged Facts, 2010). In addition, college students are reported to rely heavily on convenience foods due to limited time and lack of money (Brown et al., 2011). Because crises used in our study were related to a ready-to-eat meal product, the sample of college students was deemed to be appropriate considering college students match the demographics of those who consume convenience foods. Of the total of 394 respondents in this study, 284~(72%) were female and 109~(28%) were male. On average, 24.6 students were exposed to one of the 16 conditions (min: 24; max: 26 students).

Measures

Nine attribution scale items measuring the locus, stability, controllability of the crisis were adapted from McAuley, Duncan, and Russell (1992). For the blame variable, four items were adapted from previous studies (e.g., Klein & Dawar, 2004). Company and product evaluations (CE and PE) are defined as consumers' cognitive and affective evaluations of a company or its products. For CE and PE variables, the study adapted five items respectively from previous studies

TABLE 1
Measures for Dependent Variables

Variables	Measure Items				
Locus	The cause of the crisis reflects an aspect of the company				
	The cause of the crisis is something inside of the company				
	The cause of the crisis is something about the company				
Stability	The cause of the crisis is a permanent issue for the company				
	The cause of the crisis will remain an issue over time				
	The cause of the crisis will change over time				
Controllability	The cause of the crisis is something that the company could manage				
	The cause of the crisis is something that the company could regulate				
	The cause of the crisis is something that the company could control				
Blame	The company is highly responsible for the crisis				
	The company should be accountable for the crisis				
	The crisis is the fault of the company				
	I blame the company for the crisis				
Company Evaluation	I think this company is attractive				
	I think this company is reliable				
	I think this company is trustworthy				
	I like this company				
	My overall impression about the company is favorable				
Product Evaluation	I am interested in this company's product				
	I assume this company's product is reliable				
	I think this company's product is trustworthy				
	I think this company's product has good quality				
	My overall expectation about the company's products is favorable				
Supportive BI	I would say nice things about the company				
	I would sign a petition in support of the company				
	I would contact a government official in support of the company				
	I would engage in actions to support				
	I would recommend the company to my friends as their future employer				
Purchase Intention	I would purchase the company's products				
	I would use the company's products				
	I would recommend the company's products to others				

(e.g., Brown & Dacin, 1997). Supportive BI is defined as behavioral efforts consumers are willing to exert to support the company in a crisis, and five items were adapted from previous studies (e.g., Coombs, 1998). PI is defined as the likelihood that consumers will buy products and measured with three items adopted from previous studies (e.g., Kim, Haley, & Koo, 2009). Measures for these dependent variables are presented in Table 1.

For crisis type and severity manipulation checks, questions related to whether: 1) the company is the victim of the crisis; 2) the crisis occurred due to the company's misdeeds; and 3) the crisis is highly severe were included. The measures of both CA and CSR associations using six items each were also adopted from previous studies (e.g., Kim, 2011) to check proper manipulations of associations. All items were measured using a seven-point Likert scale anchored by 1 (strongly disagree) and 7 (strongly agree). Cronbach's alpha coefficient was examined to assess reliability and internal consistency of each scale. Scale reliabilities for all measures (CA reputation: .97; CSR reputation: .95; Locus: .87; Stability: .89; Controllability: .84; Blame: .92; CE:

.97; PE: .97; Supportive BI: .91; PI: .97) exceeded the .70 threshold of an acceptable level of reliability (Nunnally, 1978).

RESULTS

Manipulation Checks

Manipulation checks were successful. Participants in the positive CA associations (M=5.7, SD=1.1) revealed more positive CA associations than those in the negative (M=1.6, SD=.80) (t (199) = 29.5 p < .001, Cohen's d=4.32), and also successful manipulation was identified between positive (M=5.8, SD=.86) and negative (M=2.1, SD=.87) CSR associations (t (192) = 29.4, p < .001, Cohen's d=4.28). Participants who saw a victim crisis type (M=4.3, SD=1.6) considered the company as a victim of the crisis more than those who were exposed to a preventable crisis type (M=2.2, SD=1.5) (t (393) = 12.0, p < .001, Cohen's d=1.40). Participants who were exposed to a victim crisis type (M=2.2, SD=1.4) were less likely to think the crisis occurred due to the company's misdeeds than those who saw a preventable crisis type (M=5.3, SD=1.5) (t (393) = -12.6, p < .001, Cohen's d=2.14). As intended, there was also a significant difference between high and low crisis severity factor (t (393) = 5.8, p < .001, Cohen's d=.72).

Test of Hypotheses

Multivariate analysis of variance (MANOVA) and structural equation modeling were used to test the hypotheses. First, positive prior CA associations tended to affect the attribution of crisis causality (Wilks's Λ F (1, 199) = 3.47, p < .05, η_p^2 = .06), supporting H1a. However, when looking at each causality attribution factor, only the stability factor was significantly different between the conditions of positive and negative CA associations (F (1, 199) = 10.33, p < .002, η_p^2 = .063). Participants who had positive CA associations (M = 3.9, SD = 1.5) toward the company tended to think the cause of the crisis was less stable than those who had negative CA associations (M = 4.6, SD = 1.4). Though participants with positive CA associations attributed less internal locus (M = 4.8, SD = 1.4) and less controllability (M = 5.2, SD = 1.5) to the company than those with negative CA associations (locus M = 5.2, SD = 1.7; control M = 5.4, SD = 1.7), the differences were not statistically significant (locus: F (1, 199) = 2.71, p = .102, η_p^2 = .01, control: F (1, 199) = .967, p = .327, η_p^2 = .005). Thus, H1a was partially supported.

Positive prior CSR associations also influenced crisis causality attributions (Wilks's Λ F (1, 192) = 3.06, p < .03, $\eta_p^2 = .05$). Both internal locus and stability causality were significantly different between positive and negative CSR associations (locus: F (1, 192) = 4.06, p < .05, $\eta_p^2 = .021$, stability: F (1, 192) = 8.14, p < .006, $\eta_p^2 = .052$). When people had positive prior CSR associations toward the company before the crisis, they tended to think the cause of the crisis was less internal (locus: M = 4.5, SD = 1.5) and will not remain over time (stability: M = 3.7, SD = 1.4) than those with negative CSR associations (locus M = 4.9, SD = 1.5, stability M = 4.4, SD = 1.4). Though participants with positive CSR associations tended to attribute less controllability (M = 4.9, SD = 1.6) to the company than those with negative CSR associations

(M = 5.3, SD = 1.5), the differences were not statistically significant $(F(1, 192) = 1.6, p = .21, \eta_p^2 = .008)$. Thus, H1b was also partially supported.

As to RQ1, the results found no moderating effects of crisis type and crisis severity on the path from CA associations to crisis causality factors (crisis type: Wilks's Λ F (1, 199) = 2.59, p = .06, η_p^2 = .039; crisis severity: Wilks's Λ F (1, 199) = .82, p = .48, η_p^2 = .012). In addition, no moderating effects of crisis type and crisis severity on the path from CSR associations to crisis causality were found (crisis type: Wilks's Λ F (1, 192) = .58, p = .63, η_p^2 = .009, crisis severity: Wilks's Λ F (1, 192) = .82, p = .48, η_p^2 = .013).

The results for CA associations supported H2a (Wilks's Λ F (1, 199) = 43.5, p < .001, η_p^2 = .54). Participants who had positive prior CA associations attributed lower levels of crisis responsibility to the company (F (1, 199) = 5.8, p < .02, η_p^2 = .03), and in turn revealed more positive CE (F (1, 199) = 197.1, p < .001, η_p^2 = .51), PE (F (1, 199) = 140.2, p < .001, η_p^2 = .42), supportive BI (F (1, 199) = 102.4, p < .001, η_p^2 = .36), and PI (F (1, 199) = 178.4, p < .001, η_p^2 = .40) than those in the negative CA associations' condition (see Table 2 for descriptive statistics). In addition, prior CSR associations also positively influenced all the variables of the public's responses in crisis situations, supporting H2b (Wilks's Λ F (1, 192) = 31.4, p < .000, η_p^2 = .46). Participants who had positive prior CSR associations before the crisis attributed significantly lower levels of crisis responsibility to the company (F (1, 192) = 7.5, p < .01, η_p^2 = .040) and revealed more positive CE (F (1, 192) = 152.7, p < .000, η_p^2 = .45), PE (F (1, 192) = 93.1, p < .000, η_p^2 = .33), supportive BI (F (1, 192) = 101.7, p < .000, η_p^2 = .35), and PI (F (1, 192) = 72.2, p < .000, η_p^2 = .28) than those who had negative prior CSR associations. Thus, H2a and H2b were supported.

TABLE 2
Mean and SD for Dependent Variables

	CA Associations			CSR Associations	
	Crisis Type	Positive CA (CA strategy)	Negative CA	Positive CSR (CSR strategy)	Negative CSR
Crisis Responsibility (blame)	Victim	3.6 (1.3)	3.9 (1.6)	3.4 (1.2)	3.6 (1.2)
	Preventable	6.1 (1.0)	6.6 (.64)	5.6 (1.0)	6.5 (.70)
	Total	4.9 (1.4)	5.3 (1.8)	4.5 (1.4)	5.1 (1.6)
Company Eval	Victim	4.4 (.91)	2.3 (1.1)	4.8 (1.0)	2.5 (1.0)
• •	Preventable	3.1 (1.2)	1.3 (.49)	3.4 (1.1)	1.9 (1.0)
	Total	3.8 (1.2)	1.8 (1.0)	4.1 (1.2)	2.2 (1.0)
Product Eval	Victim	4.2 (1.1)	2.1 (1.1)	4.4 (1.2)	2.3 (1.1)
	Preventable	2.9 (1.3)	1.2 (.60)	3.2 (1.3)	1.7 (1.0)
	Total	3.5 (1.4)	1.7 (1.0)	3.8 (1.4)	2.0 (1.1)
Supportive BI	Victim	3.9 (.96)	2.4 (.98)	4.0 (.98)	2.4 (.97)
11	Preventable	3.1 (1.1)	1.7 (.73)	3.4 (1.1)	2.0 (.91)
	Total	3.5 (1.1)	2.0 (.93)	3.7 (1.1)	2.2 (.96)
PI	Victim	4.1 (1.3)	1.9 (1.1)	4.1 (1.4)	2.2 (1.1)
	Preventable	2.8 (1.4)	1.2 (.54)	2.9 (1.3)	1.6 (1.0)
	Total	3.5 (1.4)	1.6 (.97)	3.6 (1.4)	1.9 (1.1)

PI: purchase intention, BI: behavioral intentions.

As to RQ2, there were no moderating effects of crisis type and crisis severity on the paths from CA associations to blame, CE, PE, supportive BI, and PI (crisis type: Wilks's Λ F (1, 199) = 1.3, p > .05, $\eta_{\rm p}^2 = .03$; crisis severity: Wilks's Λ F (1, 199) = 1.8, p > .05, $\eta_{\rm p}^2 = .04$). However, as to CSR associations, moderating effects of crisis type on the paths from CSR associations to the public's responses in crisis situations were found (Wilks's Λ F (1, 199) = 3.1, p < .02, $\eta_{\rm p}^2 = .08$) (see Table 2). These moderating effects were especially significant in influencing blame levels (F (1, 199) = 6.7, p < .04, $\eta_{\rm p}^2 = .03$ and CE (F (1, 199) = 5.3, p < .04, $\eta_{\rm p}^2 = .03$). Differences in the blame levels between the positive and negative CSR associations were greater in the preventable crisis than in the victim crisis. However, when evaluating the company, the differences between positive and negative CSR associations were much larger in a victim crisis situation than a preventable crisis. In addition, there were no moderating effects of crisis severity on the path from CSR associations to the public's responses (Wilks's Λ F (1, 199) = 1.0, p > .05, $\eta_{\rm p}^2 = .02$).

Structural equation modeling was used to test the model (H3a-3b & H4a-4d) and to estimate the standardized path coefficients (β) shown in Figure 1. Prior to testing the hypotheses, an evaluation of convergent and discriminant validity was performed using a confirmatory factor analysis (CFA). The results revealed that among the attribution scales of locus, stability, and controllability, locus and controllability variables did not possess satisfactory discriminant validity due to their high correlations (r = .83), which is a sign of a potential multicollinearity issue (Byrne, 2001). Though the scales were developed and widely used in communication studies (Coombs & Holladay, 1996; McAuley et al., 1992), the locus (i.e., whether the cause of the crisis is internal to the organization) and control (i.e., whether the organization has control over a crisis) variables were highly correlated in our data.

As a result, in this study, those two factors were combined into one variable (i.e., locus/control). For the model tests, CA conditions were included for CA associations while CSR conditions were included for CSR associations. The structural models (see Figure 1) revealed a good fit for CSR associations ($\chi^2/df = 1.8$, CFI= .948, TLI = .943, NFI= .90, and RMSEA = .06) and CA associations ($\chi^2/df = 2.0$, CFI = .94, TLI = .941, NFI = .90, and RMSEA = .07) (Kelloway, 1998).

H3a, which tested negative indirect effects of CA and CSR associations on blame mediated by locus/control and stability attributions, was supported at the p value of .05 level (indirect effect $\beta = -.08$ for CA associations with the total effect $\beta = -.11$; indirect $\beta = -.15$ for CSR associations with the total effect $\beta = -.19$). Regarding H3b, negative direct effects of CA and CSR associations on blame was not supported (CA associations, $\beta = -.028$, t = -.51, p = .62; CSR associations, $\beta = -.04$, t = -.92, p = .35). As predicted, prior CA and CSR associations of participants had direct effects on their CE in crisis situations, supporting H4a (CA associations: direct effect $\beta = .58$, p < .001, CSR associations: direct effect of $\beta = .63$, p < .001). However, no direct effects of prior CA/CSR associations on PE were found, which failed to support H4b (CA: $\beta = .05$, t = 10.7, p = .42, CSR: $\beta = .08$, t = 10.8, t =

Finally, to answer RQ3, which investigated corporate strategy among CA and CSR is more effective in saving corporate reputation during crises, the conditions of only

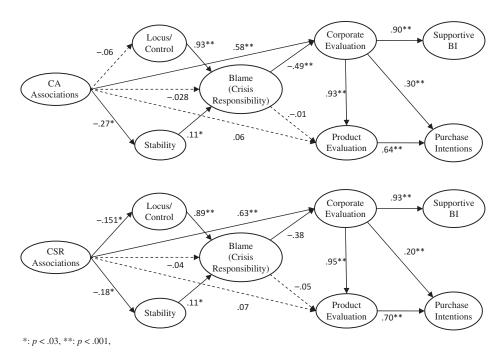


FIGURE 1 Standardized direct effects of CA/CSR associations on consumer responses.

positive CA and CSR associations were included. First, the differences between precrisis and postcrisis CE, PE, and PI were examined to see how much decrease in positive consumer responses occurred after the crisis. Positive CA associations revealed much higher decreases in participants' responses than positive CSR associations (Wilks's Λ $F(1, 194) = 4.04, p < .009, \eta_p^2 = .06$).

When examining each variable, the differences were significant, especially in PE (F (1, 194) = 4.7, p < .04, η_p^2 = .03), but no significant difference was found in CE (F (1, 194) = .431, p = .51, η_p^2 = .002), and PI (F (1, 194) = .74, p = .39, η_p^2 = .004). In addition, the results of a MANOVA test for postcrisis evaluations revealed that a CSR strategy (M = 4.2, SD = 1.2) was more effective in preserving positive CE during crises than a CA strategy (M = 3.7, SD = 1.2) (F (1, 194) = 3.92, P < .05, η_p^2 = .03), but no differences were found in other variables (blame: F (1, 194) = 2.6, P = .109, P = .01, PE: P (1, 194) = 2.1, P = .15, P = .01, supportive BI: P (1, 194) = 2.9, P = .09, P = .015, and PI: P (1, 194) = .68, P = .68, P = .001).

DISCUSSION

This study's findings yield valuable insights for how previously established CA and CSR associations could affect publics' responses in crises. Although the study found significant transferring effects of both CA and CSR associations in times of crisis, CSR associations revealed a greater

buffering effect in offsetting detrimental damages in crises than did CA associations. More specifically, publics with positive CSR associations before the company's crisis perceived that the cause of the crisis was less internal/controllable and less stable than those with negative CSR associations. Thus, this study supports the notion that CSR does have a direct transferring effect on attributions of causality in crises (Klein & Dawar, 2004).

On the other hand, for the CA reputation, publics with positive CA associations thought the cause of the crisis was less stable than those with negative CA associations, but there were no transferring effects on how they viewed the locus/controllability of the crisis causality. The results of this study are different from previous research that found a greater transferring effect for CA associations on product evaluation in routine situations (e.g., Biehal & Sheinin, 2007). This finding suggests that the transferring effects of prior CSR associations are more salient in crises than CA associations, in terms of the public's attributions of causality of the crisis.

In addition, the fact that there is no transferring effect of CA associations on the crisis locus attribution could be explained by consumers' motivated reasoning (Dean, 2004; Kunda, 1990), based on different psychological dimensions in which CA and CSR reputations are located. This study suggests that CA associations are positioned on the company's skill-focused dimensions, namely product-relevant dimensions (Biehal & Sheinin, 2007); whereas CSR associations are positioned on the company's virtue-related dimensions (Sandin, 2009).

In other words, people might perceive that CSR is the collective virtue that the company possesses, whereas CA is related to the company's skill sets and assets. Thus, due to this difference between ability and virtue, people who have CSR associations toward the company (i.e., believe in virtue aspects of the company) would think the crisis is not representing an aspect of the company or something related to the company's purview (i.e. attributing external locus for the crisis) when they learn about the company's crisis.

However, for CA associations, people might not necessarily think that the crisis is not representing an aspect of the company (i.e., not necessarily attributing external locus for the crisis) when they have CA associations (i.e., believe in ability aspects of the company). That is probably why this study finds no transferring effects of CA associations on locus/controllability, which differs from those of CSR associations. In addition, a transferring effect of CA reputation on the stability factor found in this study can also be explained by this psychological dimension difference and related expectations. Because CA is related to skill set expectation, people might think the cause of the crisis can be fixed soon and therefore will not last long (i.e., is less stable) by performing motivated reasoning (Kunda, 1990) based on their previous expectations or beliefs on ability. This confirms that the nature of prior expectation (either CA or CSR) affects publics' interpretation of evidence in times of crisis, extending the expectation-evidence framework to crisis situations (Dawar & Pillutla, 2000).

Another important finding of this study is that people with positive CA and CSR associations will evaluate the company more positively regardless of how highly they attribute the crisis responsibility to the company. In other words, publics' postcrisis company evaluations are not necessarily mediated by their attributions of crisis responsibility when considering previous reputations. This implies that although people tend to use rational judgments regarding how much the company is responsible for the crisis, when it comes to company evaluation, they tend to stick to their previous beliefs with the company.

This means that even if they attribute high levels of crisis responsibility to the company for a certain crisis through evaluating locus and stability, they may not necessarily evaluate the

company negatively. Due to their previous positive associations with the company, their positive company evaluation could also be sustained. Thus, this study argues that building positive corporate associations among the public in the precrisis stage is as important as trying to reduce the public's attribution of crisis responsibility levels in the postcrisis stage through strategic crisis communication.

With regard to relative effectiveness of positive CA and CSR associations in crises, this study found that a focus on CSR strategy seems to be more effective in offsetting the public's negative responses in crises than a CA strategy. People with positive CA associations tend to more negatively evaluate the company and its products after they learn about the company's crisis than people with positive CSR associations. In addition, following a crisis, a CSR strategy is more effective in preserving positive company evaluation than a CA strategy. This suggests that CSR associations may be more enduring than CA associations, having longer-lasting transferring effects for subsequent crisis situations.

CSR's more enduring effects could be related to the fact that when people believe in someone's virtue, their belief tends to endure longer than when they believe in someone's skill sets. This provides important insight to both academics and practitioners for implementing corporate strategies. Given that CSR associations are more relevant to the company's virtue-related dimensions, and because they can be carried through to difficult times such as corporate crises, the company should prioritize strategic communication related to CSR over CA. However, a CSR strategy should be treated from a virtue approach (i.e., considering CSR as a company-inherent collective virtue), not from a skill-set approach (i.e., meaning the company emphasizes CSR in one situation and decides not to emphasize CSR in other situations).

Adopting a CSR strategy as more of a virtue approach is imperative for reputation management as consumers may consider CSR associations as the company's collective virtue, not as a skill-set-related expectation. Evidence is already mounting among scholars and practitioners that companies need to present themselves as good corporate citizens (David et al., 2005; Kim, 2011). This study provides reasons for more emphasis on CSR than CA by supporting greater transferring effects of CSR in corporate crises.

As to the crisis type's moderating effects, this study found that people with negative CSR associations evaluated the company negatively regardless of crisis type after the crisis, but people with positive CSR associations evaluated the company more negatively in the preventable crisis than in the victim crisis. This suggests that a preventable crisis type would be more detrimental to the company than a victim crisis type for publics with positive CSR associations, whereas any crisis types can be detrimental to the company with regard to publics with negative CSR associations. This provides interesting insight for academics and practitioners regarding how to manage different publics' perceptions during a crisis.

For instance, when the company has a bad relationship with its publics or negative associations exist among its publics, a victim crisis could damage the company' reputation as much as a preventable crisis. Normally, the detrimental effects of a victim crisis are lower than a preventable crisis due to the publics' low level of crisis responsibility attribution toward the company in a victim crisis (Coombs, 2007). However, if the company fails to create positive corporate associations with its publics in the precrisis stage, a victim crisis can damage the company's reputation as much as a preventable crisis. This implies the importance of building and sustaining positive corporate associations to mitigate the potential negative effects of a crisis.

FUTURE RESEARCH AND LIMITATIONS

Although the research provides meaningful implications, it also is limited by several factors. First, since this study used a student sample, the findings are not generalizable. Future research employing consumer panels is encouraged to ensure the generalizability of findings. Second, the study used two different crisis types featuring product recall-related crises because these are among the most common corporate crises (Davidson & Worrell, 1992). However, there is a possibility that product-related crisis affected the findings of this study. In other words, there could be no significant mitigating effects of positive corporate associations in terms of product evaluations due to product-recall related crisis type.

Therefore, future research should explore nonproduct-related crises to see if there is any difference in the effects of corporate associations on product evaluation. Future research exploring the effectiveness of a hybrid strategy focusing on both positive CA and CSR associations is also encouraged since most *Fortune* 500 corporations adopt a hybrid strategy in the market (Kim & Rader, 2010). This may provide insight to corporations that have adopted a hybrid strategy. In addition, the measures of locus and control variables should be tested in future research, given that this study identified unsatisfactory discriminant validities between the two.

Finally, future research should investigate the effects of mixed corporate associations, such as when people have negative CSR associations and positive CA associations toward a company at the same time. An example of such a case would be Wal-Mart. People might think Wal-Mart is effective at delivering products with affordable prices, but they might also think the company is not socially responsible in its treatment of employees or in helping its communities (Armour, 2003; Greenwood, 2012). Investigating such mixed corporate associations would extend our understanding of corporate associations in crises.

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