

See discussions, stats, and author profiles for this publication at: <https://www.researchgate.net/publication/317904392>

Reputation management and authenticity: a case study of Starbucks' United Kingdom tax crisis & “#SpreadTheCheer” campaign

Article in *Journal of Communication Management* · June 2017

DOI: 10.1108/JCOM-06-2016-0043

CITATIONS

3

READS

3,304

2 authors:



Diana C Sisson
Auburn University

20 PUBLICATIONS 55 CITATIONS

[SEE PROFILE](#)



Shannon Bowen
University of South Carolina

63 PUBLICATIONS 1,059 CITATIONS

[SEE PROFILE](#)

Some of the authors of this publication are also working on these related projects:



Ethics as the new start of the OPR model [View project](#)



Journal of Communication Management

Reputation management and authenticity: A case study of Starbucks' UK tax crisis and "#SpreadTheCheer" campaign

Diana C. Sisson, Shannon A. Bowen,

Article information:

To cite this document:

Diana C. Sisson, Shannon A. Bowen, (2017) "Reputation management and authenticity: A case study of Starbucks' UK tax crisis and "#SpreadTheCheer" campaign", Journal of Communication Management, Vol. 21 Issue: 3, pp.287-302, <https://doi.org/10.1108/JCOM-06-2016-0043>

Permanent link to this document:

<https://doi.org/10.1108/JCOM-06-2016-0043>

Downloaded on: 18 July 2017, At: 08:46 (PT)

References: this document contains references to 78 other documents.

To copy this document: permissions@emeraldinsight.com

The fulltext of this document has been downloaded 4 times since 2017*

Access to this document was granted through an Emerald subscription provided by

Token:Eprints:Z88BMXZJ6NKRPDYWGWT:

For Authors

If you would like to write for this, or any other Emerald publication, then please use our Emerald for Authors service information about how to choose which publication to write for and submission guidelines are available for all. Please visit www.emeraldinsight.com/authors for more information.

About Emerald www.emeraldinsight.com

Emerald is a global publisher linking research and practice to the benefit of society. The company manages a portfolio of more than 290 journals and over 2,350 books and book series volumes, as well as providing an extensive range of online products and additional customer resources and services.

Emerald is both COUNTER 4 and TRANSFER compliant. The organization is a partner of the Committee on Publication Ethics (COPE) and also works with Portico and the LOCKSS initiative for digital archive preservation.

*Related content and download information correct at time of download.

Reputation management and authenticity

A case study of Starbucks' UK tax crisis and “#SpreadTheCheer” campaign

Reputation
management
and
authenticity

287

Diana C. Sisson

*School of Communication and Journalism,
Auburn University, Auburn,
Alabama, USA, and*

Shannon A. Bowen

*School of Journalism and Mass Communication,
University of South Carolina,
Columbia, South Carolina, USA*

Received 2 July 2016
Revised 3 January 2017
Accepted 15 February 2017

Abstract

Purpose – Following a report released by the UK Parliament's Public Accounts Committee, multinational corporations like Starbucks, Google, and Amazon found themselves in a firestorm of criticism for not paying or paying minimal taxes after earning significant profits in the UK for the past three years. Allegations of tax evasion led to a serious crisis for Starbucks in the UK, which played out in a public forum via social media. The researchers explored whether Starbucks' corporate ethics insulated its reputation from negative media coverage of alleged tax evasion evidenced in its “hijacked” social media “#spreadthecheer” campaign. The paper aims to discuss these issues.

Design/methodology/approach – Using an exploratory case study analysis of news articles, Starbucks' annual reports, #spreadthecheer Tweets, and David Michelli's *The Starbucks Experience*, data collection helped to inform the discussion of authenticity and whether it helped to insulate Starbucks' reputation during its crisis in the UK.

Findings – Authenticity is key when organizations face a turbulent environment and active publics and stakeholder groups. Findings from this study also suggested proactive reputation management strategies and tactics, grounded in the organization's corporate culture and transparency, could have diffused some of the uproar from its key publics.

Originality/value – Authentic corporate cultures should align with corporate business practices in order to reduce the potential for crises to occur. It is possible that ethical core values and a strong organizational approach to ethics help to insulate its reputation among publics during a crisis.

Keywords Ethics, Public relations, Social media, Reputation management

Paper type Case study

Organizations build reputations through consistent communication and actions grounded in organizational philosophy and its enactment through ethics. The best organizations align reputation management strategies with organizational ethics, which can be seen in mission statements.

During crises, a proactive, interactive, or reactive strategy can affect how an organization's publics perceive it. In some cases, a strong reputation may sustain it from the impact of a crisis or mitigate the negative effects of a crisis to varying degrees – a “halo effect” concept referred to as an insulated reputation in this study. In other cases like the “Wal-Marting Across America” scandal, the first notable social media ethics case, organizations may not benefit from an insulated reputation (Bowen, 2013; Burns, 2008).

The purpose of this study is to explore Starbucks' tax crisis in the UK and its repercussions in the hijacking of their holiday-themed “#spreadthecheer” Twitter campaign. This study aims to assess the damage to Starbucks' reputation and authenticity of that



reputation caused by the crisis. Furthermore, this study seeks to answer: to what extent were the themes that emerged in Starbucks' responses to the UK tax crisis consistent with an authentic reputation and an ethical organizational culture?

Literature review

According to Coombs' (2007) Situational Crisis Communication Theory, organizational crisis pose numerous variables and response strategies that can alter reputational outcomes. A crisis is an "unstable time or state of affairs in which a decisive change is impending – either one with the distinct possibility of a highly undesirable outcome or one with the distinct possibility of a highly desirable and extremely positive outcome" (Fink, 1986, p. 15). While an organization's reputation is at stake during a crisis, the outcome of a crisis is largely dependent on how prepared, proactive, and responsive it is (Coombs, 2010).

Scholars noted an organization's reputation appears to be "insulated" from a crisis (Coombs, 2000) if it has already established authentic relationships with strategic publics based on ethical communication practices and trust (Bowen *et al.*, 2016). This insulation is referred to as an "insulated reputation" in this study, although some scholars refer to it as a halo effect, or a suspension of belief among publics with established relationships (Coombs, 2000; Leuthesser *et al.*, 1995).

Coombs (2006) argued reputations are worth protecting in a crisis, even if they are comprised of intangible components. Citing Fombrun (1996), Coombs (2006) wrote corporate reputations have substantial economic significance, particularly when it pertains to "financial performance, sales, recruitment success, and government influence" (p. 246). To maintain and guard a corporate reputation from negative repercussions during a crisis, Coombs and Holladay (2002) argued organizations must choose appropriate response strategies.

Authenticity is a hallmark of good relationships between organizations and publics (Brønn, 2010). Authenticity is defined as acting "the same on the inside as one appears to be outside an organization" (Bowen, 2010, p. 579). Authenticity is based on ethical values the organization ascribes to and promotes within its culture and decisions (Bowen *et al.*, 2006). Bowen (2010) described authenticity as being situated at the core of the organization as an organizational value. When an organization enacts its values and incorporates ethical variables of authenticity into the decision-making process, it acts authentically, thereby influencing communication with publics (Bowen, 2010). Without enacting strong organizational values such as authenticity, it is difficult or impossible to build an ethical culture internally (Sims and Brinkman, 2003) or have the credibility needed to create trusting relationships with publics (Bowen and Gallicano, 2013).

Trust and credibility are enhanced when organizations act with moral rectitude and reflexivity while maintaining authentic relationships (Bowen and Gallicano, 2013). When public relations managers act as ethical counsel to the dominant coalition, it facilitates trust and credibility building (Bowen, 2008). In that role, the manager can enhance the organization's ethical rectitude and help maintain long term, organization-public relationships based on credibility and consistency (Bowen, 2008). Fostering an internal culture of ethical responsibility is a key component of effective communicators and is especially important to effectively and ethically prevent issues and resolve crises (Bowen, 2002).

Organizations that value trust and credibility project these traits through their corporate reputation (Fombrun and Van Riel, 1997). Corporate reputations are "a collective representation of a firm's past actions and results that describes the firm's ability to deliver on multiple outcomes" (Fombrun and Van Riel, 1997, p. 10). Additionally, reputations are shaped by the industry that it conducts business in, as well as its human resources, social responsibility, finance, or product quality practices (Fombrun and Van Riel, 1997).

An organization's profit, risk, as well as market value had the greatest impact on reputations, as they are external indicators of an organization's ability to sustain its reputation (van Riel, 1997). An organization's media visibility and shareholder involvement also seemed to be significant indicators. Van Riel (1997) noted "dividend pay-out ratio, social concern, size, and the extent of advertising" were additional external indicators of an organization's reputation (p. 298).

Van Riel and van den Bosch (1997) proposed an integrative model for determining organizational responses to strategic issues through an examination of organizational processes and previous organizational responses to strategic issues. Under this framework, van Riel and van den Bosch (1997) collated a list of propositions grounded in pre-existing literature focusing on corporate responses to strategic issues. Negative reactions to a corporation's response to an issue were based on certain characteristics of the corporation's response. Citing Brockner *et al.* (1990), van Riel and van den Bosch (1997) posited "external stakeholders will react more negatively on corporate statements if the crisis is unusual, avoidable, there is no clarity in decision making, or perceived unfairness in decision making" (p. 136).

Regardless of a situation's actualities, reputations are largely based on perception (Dukerich and Carter, 2000). Assessments of an organization's reputation come from the media, activists and special interest groups, as well as opinion and community leaders (Dukerich and Carter, 2000). Reputations constrain organizations' responses by determining what is an appropriate and effective response based on reputational cues, particularly during instances where an organization is trying to repair its reputation (Dukerich and Carter, 2000).

Reputations can buffer organizations from negative stakeholder reactions during times of crisis (Fombrun and Rindova, 2000). Using a case study analysis of the 1995 Royal Dutch/Shell crisis, Fombrun and Rindova (2000) argued reputations are formed through a three-step process that takes into account the environment, signal cues, and the aggregation of "individual assessments of firms into reputational halos" (p. 80). Although reputations can be built through this process, an organization's actions are important to maintaining a positive reputation (Fombrun and Rindova, 2000). Even organizations that take great care to maintain transparency and a positive reputation should pay attention to ethical values, so that authenticity is maintained.

Authenticity based on ethical values

Reputations grounded in perceptions of authenticity should be driven by ethical values (Page, 2007). Ethics is central to organizational decision making and lends to the creation of an authentic reputation. Authenticity is built over time and comprised of transparency, genuineness, veracity, as well as a desire or intention to be an ethical organization (Bowen, 2010). Organizational ethics scholars assert an organization's management must be guided by ethical values matching the organization's mission (Sims, 1991; Sims and Brinkman, 2003). Ethical values are generally identified as those based on consequence, which are teleological, and those based on moral principle, which are deontological. Prior research (Bowen, 2010) has shown a thematic keyword analysis of corporate websites can be used to determine organizational values falling into either teleological (ends) or deontological (duty) paradigms. However, deontological (duty-based) philosophy is generally held to be the more rigorous and complete approach to ethics.

Using deontological moral philosophy, one can look deeper into the link between authenticity and reputation. Kant (1948) based his philosophy of ethics on duty under the moral law based on the equal obligation of all rational decision makers. Just as individuals are obligated to behave ethically, so must organizations as they exist under a social license to operate for the benefit of not only themselves but also society. Organizations are ethical entities with implicit obligations to uphold (Goodpaster, 2007). Thus, managers are ethical agents who

must be guided by rationality and an obligation to do the right thing. Using rationality as a guide to ethical decision making is intended to eliminate bias, capriciousness, greed, selfishness, or other concerns that taint decisions, edge out fair competition, or keep them from being made based on moral duty. This perspective is congruent with creating an ethical organizational culture based on rational principle and demonstrated through values and policy (Sims, 1994). Goodpaster (2007) argued ethical cultures must be institutionalized, reaffirmed, and examined on an ongoing basis to create a rational and reliably ethical organization. In that conceptualization, through their culture and in their actions, organizations can and do exhibit a conscience (Goodpaster, 2007). Their duty to act ethically is legally binding, but more importantly, is a universal duty and ethical contract with society.

A second tenet of Kant's (1793/1974) philosophy obligates the decision maker to act with dignity and respect toward others by communicating honestly and providing the needed information to make rational decisions. Decisions that maintain the dignity and respect of an organization's publics tend to be more enduring over time (Borowski, 1998). Additionally, respecting the values and views of publics can help the organization incorporate new and diverse perspectives into its strategic management, ultimately helping to align the organization's interests with those of its environment (Grunig *et al.*, 2002). To encourage ethical analyses, an open climate of respect is needed to foster discussion and examination of ethical choices (Grojean *et al.*, 2004).

Based on duty, dignity, and respect alone, authenticity is still not strong enough to provide a complete core of ethics for an organization. Arguably, the most important basis of authenticity is good intention, which is also known as good will or the pure moral will, and is the strongest test in Kantian ethics. Kant (1785/1993) elucidated good intention as the highest goal of ethics, arguing good will alone was the only virtue that could not be corrupted. Basing an organization's actions on good will before other concerns, such as prudential self-interest or finances, ensure that the decisions it makes are not myopic, biased, or self-serving alone.

Kantian deontology requires all three of these tenants be maintained: duty, dignity/respect, and good intention (Kant, 1785/1993). In so doing, authentic relationships with publics can be built and nurtured; credibility is enhanced; thus, the organization becomes consistent and reliable, and publics learn to trust it. When an organization makes decisions that are seen as consistently ethical, or at least made with good intention, relationships can flourish. Although organizations are not always completely rational, using a rational means of analysis allows them to meet publics' expectations. While deontology is normative, Pratt *et al.* (1994) found deontology was preferred by public relations professionals in their ethical decision making and in the cultures in which they work.

Organizational use of social media during crises

Social media is considered as "open source (i.e. publicly accessible) media sites on the internet that accept user-generated content and foster social interaction" (Stacks and Bowen, 2013, p. 30). Under this definition, social media sites include Facebook, Twitter, Snapchat, and others. Wright and Hinson (2012, 2014) studied social media use, adoption, and trends among public relations professionals for over eight years. Given their longitudinal study of social media and its increasing use by public relations professionals, it seems social media have been gaining in credibility and salience as news platforms. These gains in salience and credibility may mean that public relations professionals consistently rely on social media as one channel for their respective organizations or clients.

From an ethics, reputation management, and authenticity perspective, being responsive and transparent may help in crises, particularly on social media. Burns (2008), using a case study analysis of the "Wal-Marting Across America" scandal, argued failing to respond to a crisis in a timely fashion severely impacted the credibility of Richard Edelman's apology.

As one of the first social media ethics cases, Burns (2008) asserted that scandal emphasized on the need for transparency, as well as the need to embrace “apologizing, accepting responsibility, and pledging to learn from mistakes” (p. 53) during online crises. Findings suggested organizations with strong reputations may not be always be insulated from social media crisis when ethical concepts such as transparency and authenticity are not included in organizational responses. Ethics should be a primary consideration in social media crisis and reputation management.

Additionally, Biswas (2013) argued the speed of communication to key publics was a crucial benefit of social media during crises. Biswas (2013) noted social media “may have broadened the scope of crisis communications to reach more audiences with more targeted communication” (p. 72). Furthermore, Biswas (2013) asserted interacting with key publics on social media during crises “may not be more important than receiving essential information from trusted official sources” (p. 70). Biswas’ (2013) argument reinforces the need for credible information from a trusted source during crises.

Organizations need to be attentive to messages online by key publics through social media environmental scanning (Coombs and Holladay, 2014). Coombs and Holladay (2014) noted when publics perceive organizations favorably, they should be perceived as supportive online “assets” (p. 51) by the organization during crises. Additionally, Coombs and Holladay (2014) argued social media platforms such as Twitter and Facebook attract supportive publics during a crisis. Coombs and Holladay (2014) stressed the importance of listening to publics’ communication online to assess sentiment toward the crisis, as well as to determine organizational responses.

Social media managers should consider creating communities focused on engagement. Wang *et al.* (2015) evaluated three Starbucks-branded blogs to assess social media engagement with branded social media content. Wang *et al.* (2015) argued positive evaluations and positive expressions of Starbucks’ brand had a significant association with whether individuals purchased. Wang *et al.* (2015) argued conversation starters might be one means of initiating engagement online. Wang *et al.* (2015) concluded online communities should be built with the intent of engagement.

Some scholars argue dialog is ideal during a crisis, but does not always reflect its actualities (Ott and Theunissen, 2015). Ott and Theunissen (2015) contended the organizations studied were ill-prepared for dialog during a social media crisis, which meant they reverted to traditional, media-based crisis communication strategies. Furthermore, Ott and Theunissen (2015) argued denial or diminishing strategies were not effective crisis strategies on social media, but noted accommodative strategies were. Ott and Theunissen (2015) also argued social media fostered higher expectations of openness and accuracy due to ease of access to information. Based on their findings, Ott and Theunissen (2015) suggested dialog should only be used strategically with key publics involved in the crisis.

Case overview: Starbucks background

Founded in 1971 in Pike’s Peak Market in Seattle, Washington, Starbucks Coffee Company had about 18,000 stores in 60 countries in 2012 (Starbucks Corporation, 2012). Starbucks positioned itself as an ethical organization through its “responsible purchasing practices, supporting farmer loans and forest conservation programs” (Starbucks Corporation, 2012). Using 2012 company data, the researchers believed Starbucks evidenced an insulated reputation, so a social media crisis was a unique opportunity for study.

Starbucks’ mission is “to inspire and nurture the human spirit – one person, one cup and one neighborhood at a time” (Starbucks Corporation, 2012). With its mission, Starbucks placed importance on “building a great, enduring company that strikes a balance between profitability and a social conscience” (Starbucks Corporation, 2012). Starbucks operated in 60 countries ranging from Argentina to Wales in 2012. It was a publicly traded company with a net worth of

over \$11.7 billion (Starbucks Corporation, 2010, p. 22). In 2012, Starbucks' President and CEO was Howard Schultz; James Olson headed Starbucks' public relations function. Starbucks employed 200,000 employees across about 18,000 stores and sold retail products as well as made-to-order beverages based on coffee or tea in 2012 (Starbucks Corporation, 2013).

Starbucks' organizational culture focused on these principles: "make it your own, everything matters, surprise and delight, embrace resistance, and leave your mark" (Michelli, 2007, p. 16). Former employees described Starbucks as human-focused, built on a culture of respect for employees and corporate partners (Michelli, 2007, p. 11). In other crises, Michelli noted Starbucks operated under the philosophy of "when you are wrong, admit it, fix the problem, and stay the course in areas where you are making a positive difference" (Michelli, 2007, p. 144).

Tax evasion and #spreadthecheer crises

Debate over multinational organizations arose from a Public Accounts Committee report, which criticized Starbucks, Google, and Amazon for not paying or paying minimal taxes after earning significant profits in the UK for three years. Research from a four month investigation by Reuters in 2012 revealed "Starbucks has reported no profit, and paid no income tax, on sales of 1.2 billion pounds in the UK" (Bergin, 2012a). From 2009 to 2011, media reports based on transcripts of investor relations phone calls indicated Starbucks recorded profit losses while communicating the organization was "profitable" to investors (Bergin, 2012a).

Public outrage was immense, and media coverage of the tax evasion crisis was at its zenith in late 2012. Newly appointed Group of Eight (G-8) president, British Prime Minister David Cameron vowed to crack down on tax evaders. Breaking from other organizations listed in the Public Accounts Committee's report, Starbucks vowed to reallocate funds to pay "extra tax of 10 million pounds a year for two years – more than needed by law [...] [and] said that it had always complied with UK tax law and the decision was part of a 'process of enhancing trust with customers'" (Bergin, 2012b).

As part of a holiday social media campaign during the tax crisis in December 2012, Starbucks sponsored an ice skating rink outside of the London Museum with a large screen to display tweets live. The purpose of the campaign was to encourage publics – both skating and online – to share holiday cheer through the hashtag, #spreadthecheer. Given Starbucks' prominence in British newspapers, disgruntled UK taxpayers tweeted about Starbucks tax practices with vulgar and profane language, which families with children at the ice rink could see on the screen. Starbucks apologized for the "malfunction in their filtration system" (Stuchin, 2012).

A review of media articles indicated Starbucks UK's tax crisis can be classified as a smoldering crisis, which has been prolonged based on the media agenda focusing on the UK government's tax policies. The #spreadthecheer crisis may be the tipping point for Starbucks' reputation in the UK given the amount of public outrage its tax practices elicited.

Based on a review of the literature on reputation and crisis, and the above case history, the following research questions will be addressed:

- RQ1. To what extent were the themes that emerged in Starbucks' response to the UK tax crisis consistent with an authentic reputation?
- RQ2. To what extent were the themes that emerged regarding Starbucks' corporate response indicative of an ethical corporate culture?

Method

Using an exploratory case study analysis of news articles, Starbucks' annual reports, #spreadthecheer Tweets, and David Michelli's *The Starbucks Experience* (Yin, 2009), data collection informed the discussion of authenticity and whether it helped to insulate Starbucks' reputation during its UK tax crisis.

Data collection

Data collection began in December 2012 – two months after initial reports from Reuters began (Bergin, 2012a), and continued until late February 2013 when the coverage of the crisis died down. News articles were collected from Google and Google News searches using the terms: “Starbucks uktax,” “Starbucks spread the cheer,” “#spreadthecheer,” “Starbucks UK tax bill,” and “Starbucks spread cheer.” The five terms were chosen for their relevance to the study. Google and Google News were used to identify data for two reasons: Google News aggregated news from 50,000 news sources and 1 billion unique viewers in 2012 (Garber, 2012), and Google was the leading internet search engine in 2012 (comScore, Inc., 2013).

Aligned with previous studies (Hester and Dougall, 2007), systematic random sampling routed Google News’ search engine optimization algorithm. Using systematic random sampling with a skip interval of 22 and a starting point of four, articles were selected from a population of 1,308,290 news articles ($n = 42$ tax crisis articles; $n = 22$ #spreadthecheer articles). The interval and starting point were chosen with a random number generator and were continued until the point of theoretical saturation (Lincoln and Guba, 1985). When one cycle of the population was complete, another random number was generated as a starting point, and the process repeated. Articles selected for analysis are representative of typical news coverage of a multinational organization in a crisis (Yin, 2009).

News articles selected using this sampling methodology resulted in some “404 – Article not found” messages; thus, these articles were not included. News articles hidden behind paywalls were rejected from inclusion due to the expense and difficulty of bypassing subscription services. Excluding articles hidden by paywalls may mean some relevant articles may not have been included, but analyzing easily accessible online news articles lend to replicability. Duplicate news articles were not included. Multi-topic articles needed to discuss Starbucks in one-third of the article to be included in the sample.

Since data collection occurred several months following the peak of the crisis and Twitter did not archive Tweets for extended periods of time in 2012, limited Tweets were available for analysis ($n = 9$). Some news articles included screenshots or pictures of Tweets ($n = 10$) from that time period, which were also included in the analysis. The researchers predominantly focused on news coverage of the #spreadthecheer crisis and used verbiage from the Tweets to highlight and analyze key concepts.

Starbucks annual reports from 2009 to 2011 ($n = 3$) were analyzed according to Hodder’s (1994) document analysis methods. Annual reports were evaluated to ascertain the organization’s depiction of its corporate culture, as well as its statements regarding its tax practices. Finally, Michelli’s book, *The Starbucks Experience*, was evaluated as a third-person account of the organization’s culture.

Data analysis

Data analyses were largely content analyses of news articles and Tweets, but were combined with document and textual analysis. Two researchers created theoretical memos of preliminary categories throughout data collection (Wolcott, 1995). Data that fit more than one theme was assigned to the theme that seemed predominant. The researchers discussed data coding and analyses, and revisited discordant items to achieve reliable results (Wolcott, 1990). Due to the mixing of methods, analyses were guided by Tashakkori and Teddlie’s (1998) multiple method approach. The researchers used pattern matching and a data reduction matrix of collapsed themes along the lines of keywords from ethics (Miles *et al.*, 2013). The researchers conducted another coding to collapse data along the lines of recurrent themes to establish reliability and to simplify data analyses.

Findings

A review of the documents regarding Starbucks' UK tax crisis and "#spreadthecheer" campaign hijacking revealed themes surrounding authenticity: apology, genuineness, honesty, organizational response, public response, transparency, good intentions, and trust. The researchers collapsed these items into similar themes. The researchers organized the results in *RQ1* around authentic reputation and components of authenticity (Bowen, 2010) – genuineness, honesty, and transparency:

RQ1. To what extent were the themes that emerged in Starbucks' response to the UK tax crisis consistent with an authentic reputation?

Crises involving organizations embroiled in ethical dilemmas draw attention of the media, which is one way that members of key publics make assessments of an organization's reputation (Dukerich and Carter, 2000). Starbucks UK tax crisis and "#spreadthecheer" campaign hijacking received significant media coverage online.

Genuineness

Before its UK tax crisis, Starbucks had a reputation of an authentic organization that communicated with good intention. In its tax crisis, Starbucks UK showed genuineness by offering to pay the taxes owed and more for two years, even if the company did not turn a profit. In its "#spreadthecheer" campaign hijacking, Starbucks UK appeared to uphold that authentic reputation by accepting responsibility for the non-filtered, vulgar language displayed in a public forum. Offering a genuine apology seemed to be an attempt to regain credibility and trust, as well as show authenticity key. Apologizing in both situations showed a pattern of genuineness, or authentic behavior, consistent with the deontological tenets of duty, dignity and respect, and good intention.

Organizational response. Genuineness was evidenced in Starbucks UK's management responses. Kris Engskov, Starbucks UK's managing director, noted it would take time to restore consumer trust. Engskov stated in a blog post, "We know we are not perfect. But we have listened over the past few months and [...] hope that over time, you will give us an opportunity to build on your trust and custom" (Shields, 2013). Furthermore, immediately following Starbucks' "#spreadthecheer" campaign hijacking, it acknowledged and apologized for a malfunction in the filtration system, which allowed profane tweets about Starbucks' tax practices to be seen at a family-friendly event. An acknowledgement of fault in both contexts showed an attempt to restore customer trust, as well as to reflect genuineness.

Honesty

Although Starbucks maintained it honored its tax agreement with the UK Government, honesty was harder to discern. According to a blog post on the *National Review Online*, Starbucks UK "admitted that its British business had made large payments for coffee to a profitable Starbucks subsidiary in Switzerland and large royalty payments to another profitable subsidiary in the Netherlands for use of the brand and intellectual property" (Stuttaford, 2013). Some individuals questioned whether Starbucks UK was only being honest as a result of its tax practices being subjected to scrutiny. A majority of public outrage questioned Starbucks corporate values and whether it succumbed to public pressure and looming customer boycotts. One individual stated in *The Guardian*, "the company's 'here's £20m over two years' solution struck me as the worst possible gesture, admitting the misdeed while at the same time remaking the world as a place where PR is more important than taxation" (Williams, 2013).

Response from customers and politicians was largely unfavorable. Prime Minister David Cameron said at the World Economic Forum, "Companies need to wake up and smell the coffee,

because the customers who buy from them have had enough" (Rushe, 2013). UK Uncut, an activist group, called for protests against Starbucks UK, while others voiced their opinions by hijacking the company's "#spreadthecheer" holiday campaign. Some of the anti-Starbucks tweets posted on the video screen included: "Hey #Starbucks, PAY YOUR F—ING TAX #spreadthecheer," or "#spreadthecheer Tax Dodging MoFo's," or "I like buying coffee that tastes nice from a shop that pays its tax. So I avoid @starbucks #spreadthecheer" (Dalton, 2012).

Organizational response. While public response was largely unfavorable, there were Starbucks UK advocates. Sir Martin Sorrell, who led the advertising agency contracted by Starbucks, was one of these individuals. Sorrell's commentary countered overwhelming public sentiment. In an interview with the BBC, Sorrell argued, "Starbucks did not do anything underhand at all [...] Let's be quite clear, they did negotiate with HRMC [HM Revenue & Customs] and agreed a royalty and it was perfectly transparent" (Bowers, 2013). While Sir Martin Sorrell had a vested interest, third-party credibility was used to bolster Starbucks UK's reputation and to validate its actions as transparent, lawful, and consistent with publics' expectations. Additionally, some individuals pointed out each Starbucks store is a franchise, which are like "small businesses that are paying cooperation tax – assuming they make profit" (Zientek, 2013). Still, Starbucks' communication did not highlight that structure.

Transparency and contextual full disclosure

Since some individuals questioned Starbucks UK's commitment to transparent business practices, transparency seemed to be a major concern at the onset of its tax crisis. One blogger noted, "many in the UK would disagree with the transparency point as SB along with a number of the other multi-nationals have been avoiding paying corporation tax in Britain" (Hunter, 2012). Tom Bergin, a Reuters reporter, found that Starbucks UK told investors the organization was generating profit, while it was incurring significant losses. Bergin (2012b) postulated Starbucks UK was able to do this because "the UK unit made payments to a Dutch one for which the company had secured a very low tax rate [...]. After its low tax payments were exposed, the company promised to pay extra tax of 10 million pounds a year for two years – more than needed by law." Some individuals saw Starbucks UK's tax crisis as another event that degraded trust in business and thus, by extension, in Starbucks. One article noted, "there is a widening gap between the trust people have in business and the trust people have in the leaders of those institutions to tell the truth" (Baker, 2013). Transparency was present in the communications after Starbucks was accused of not paying taxes; however, it could have been more effective had the transparency been earlier.

Organizational response. In an attempt to allay public furor, be transparent and celebrate the holidays, Starbucks UK launched its "#spreadthecheer" campaign. The decision regarding the timing of this campaign is questionable. Several media articles lambasted Starbucks for being naïve to think the "#spreadthecheer" campaign would not draw negative public response. One blogger argued, "it seems that the marketing folks at Starbucks UK have taken that media sword and committed Hari Kari for a recent Christmas-themed Twitter campaign" (Dalton, 2012). Another blogger noted:

For starters, Starbucks shouldn't have assumed that everyone on Twitter would use #SpreadTheCheer as intended. Freely promoting #SpreadTheCheer tweets in a live display left Starbucks extremely vulnerable – that sort of public forum can lend itself to many types of attacks and criticisms. Not vetting the tweets or promoting the right sort of #SpreadTheCheer messages brought more attention to the situation than it may have otherwise received, particularly given Starbucks' position as a globally recognized brand (Lawton, 2012).

Starbucks seems to have failed in its duty to provide information for informed decision making, offer dignity and respect to publics in making the deal openly, and act with good intention.

Transparency was present, but occurred too late to allay the furor surrounding tax fraud allegations. As recommended in Bowen (2016), early, contextual full disclosure could have aided Starbucks UK in preventing this crisis. The deontological duty, dignity and respect for publics, and intention tenets were difficult to locate in communication surrounding honesty:

RQ2. To what extent were the themes that emerged regarding Starbucks' corporate response indicative of an ethical corporate culture?

Starbucks UK's response to its tax crisis seemed to be grounded in its corporate culture and potential negative economic impact. Starbucks acknowledged in its annual reports from 2009-2011 that, "consumer demand for our products and our brand equity could diminish significantly if we fail to preserve the quality of our products, are perceived to act in an unethical or socially irresponsible manner or fail to deliver a consistently positive consumer experience in each of our markets" (Starbucks Corporation, 2010). Hiring an agency, WPP, in addition to the efforts of its internal staff, seemed to be an indication of conflict occurring within the organization regarding its strategic communication approach.

Starbucks UK's organizational response regarding its tax practices differed slightly pre- and post-crisis. Michelle Gass, Starbucks' European president, said "the company had 'never avoided paying taxes'" (Rushe, 2013). At the crisis' tipping point when an organization response was imperative, Starbucks UK managing director Kris Engskov stated:

Today, I am announcing changes which will result in Starbucks paying higher corporation tax in the UK - above what is currently required by law [...] we believe we could pay or prepay somewhere in the range of £10m in each of the next two years in addition to the variety of taxes we already pay (Kidsleepy, 2012).

Intention, or morally good will, is the most stringent text in Kantian moral philosophy. It is also difficult to determine from an external vantage point, relying primarily on media reports. For this reason, it is unclear whether Starbucks intended to evade taxes or used an established negotiation tactic for a favorable tax rate in return for job creation. However, Starbucks responded to the tax criticism by increasing the amount paid and paying for what many claimed were taxes owed. In that action, the researchers conclude that their response to critique was made with good intention.

Media coverage of the "#spreadthecheer" campaign hijacking depicted Starbucks UK as having good intentions. Articles referred to the "#spreadthecheer" campaign as well-intended, but uninformed given the media climate surrounding its corporate tax practices in the UK. One blogger noted, "Starbucks should have recognized that many seemingly harmless hashtags can be taken out of its original context and used by consumers in unintended ways" (Lawton, 2012).

Discussion

Authentic corporate cultures should align with business practices to: provide consistency and accurate assessments of an organization's reputation and authenticity and to reduce the potential for crises. Starbucks appeared to have its ethical rectitude in line with the duty and obligation owed to rational decision makers – at least when publicly criticized for the tax payments it had made. Further, Starbucks treated publics with dignity and respect because it reacted to the tax crisis with rectitude. Intention is difficult to ascertain, but it seems Starbucks acted with good will post-crisis by paying back taxes. While Starbucks was criticized by some publics, its authenticity and reputation appeared to be partially insulated.

Authenticity and transparency play an integral part in the development and management of an insulated reputation. When external image cues such as corporate identity, actions, and

reputational assessments are communicated by stakeholders (Dutton and Dukerich, 1991), an insulated reputation occurs. An authentic corporate culture can result in an insulated reputation, which has the potential to negate the negative impact of crises. Starbucks appeared to develop and cultivate an insulated reputation to sustain their position while reaching new terms in its tax payments. However, its smoldering tax crisis was exacerbated by Starbucks UK's tone-deaf #spreadthecheer effort and hashtag hijacking by angry citizens. Conducting research to monitor that issue could have prevented the latter crisis. Furthermore, behaving authentically may have reflected more contrition from Starbucks, and avoiding holiday festivities during the tax crisis may have prevented crisis exacerbation. Practical crisis management implications include: conduct issue monitoring research; listen to publics authentically; monitor social media vigilantly; do not make light of a serious issue or divert it with holiday themes; show contrition through ethical responsibility; maintain a duty to respect and offer dignity to publics and stakeholders; act with good intention.

In its tax crisis, Starbucks UK benefited from the insulated reputation of the global Starbucks brand by its continued ability to sell coffee and other profits without having to shut down its UK operations. While this reliance on the global reputation was present, Starbucks UK did not practice proactive crisis management amid tax evasion and dishonesty allegations in the mainstream media and on social media. Instead, Starbucks UK reacted to the crisis by explaining its tax arrangements with the UK government, and then, offering to pay extra taxes for two years regardless if the company made a profit. Perceptions of a lack of honesty, transparency, and authenticity occurred as a result of Starbucks UK's reactive crisis management strategies. Findings revealed there was a perceived lack of transparency. If Starbucks had proactively used contextual full disclosure (Bowen, 2016) of its special tax arrangements, the crisis may have been diverted.

Starbucks' organizational culture appeared to be one of ethical examination and reflexive management (Sims, 1994; Goodpaster, 2007; Bowen, 2004). When an organization is ethical internally, good intention is easier to relay to external publics. Findings revealed Starbucks UK appeared to act with goodwill and maintain its duty throughout the case. An ethical implication for organizations is to listen to publics with dignity and respect. A best practice approach thoroughly considers all three deontological ethical obligations: duty, respect, and good intention.

Perceptions of a lack of honesty could have been avoided by clear disclosure of Starbucks UK's tax practices. Honesty needs to be the basis of organizational values, and transparency can help organizations avoid issues growing into crises even when good intention is present. It is possible that ethical core values and a strong organizational approach to ethics can help to insulate an organization's reputation among publics during a crisis. Perhaps, if Starbucks UK used social media to keep key publics informed, the organization could have quickly dispelled misperceptions about its business practices (Biswas, 2013).

This study of a social media crisis offered numerous public relations implications. Issues of maintaining authenticity inside the organizational culture and in authentic reputation were discussed. The ethical concepts supporting authenticity — genuineness, honesty, and transparency — were explored in concert with deontological ethical tenets of universal duty, dignity and respect, and good intention. If these concepts are employed with reflexivity by management and combined with sincere listening to publics and vigilant monitoring of social media, similar crises can be avoided. And, when crises do erupt on social media, holding an authentic reputation appears to insulate the organization from more serious damage by allowing it time and credibility to respond that less-authentic organizations may lack. However, an insulated and authentic reputation is not a panacea: better listening to publics with dignity and respect, as well as more contextual full disclosure of information could have averted the crisis entirely.

Limitations and further research

A limitation is that the researchers had to externally assess Starbucks' moral intention based upon their actions, rather than being able to ask them what their intentions were. Deeper understanding of Starbucks UK's organizational culture and management's decision-making process was not possible due to lack of access to internal documents, which would be a valuable future extension of this study. Another area of further research is whether Starbucks acted ethically and authentically in their communications with its stakeholders, particularly in relation to its profitability. Another implication for research would be to include strategic issue monitoring and ethical listening as a prominent features in future data collection related to social media crises.

References

- Baker, R. (2013), "Trust in business on the up", Marketing Week, January available at: www.marketingweek.co.uk/news/trust-in-business-on-the-up/4005425.article (accessed February 14, 2013).
- Bergin, T. (2012a), "Special report: how Starbucks avoids UK taxes", Reuters, October 15, available at: <http://uk.reuters.com/article/2012/10/15/us-britain-starbucks-tax-idUKBRE89E0EX20121015> (accessed February 5, 2013).
- Bergin, T. (2012b), "Special report: how the UK tax authority got cozy with big business", Reuters, December 27, available at: www.reuters.com/article/2012/12/27/us-tax-hmrc-idUSBRE8BQ03220121227 (accessed February 5, 2013).
- Biswas, M. (2013), "Health organizations' use of social media tools during a pandemic situation: an H1N1 Flu context", *Journal of New Communications Research*, Vol. 5 No. 1, pp. 46-81.
- Borowski, P.J. (1998), "Manager-employee relationships: guided by Kant's categorical imperative or by Dilbert's business principle", *Journal of Business Ethics*, Vol. 17 No. 15, pp. 1623-1632.
- Bowen, S.A. (2002), "Elite executives in issues management: the role of ethical paradigms in decision making", *Journal of Public Affairs*, Vol. 2 No. 4, pp. 270-283.
- Bowen, S.A. (2004), "Organizational factors encouraging ethical decision making: an exploration into the case of an exemplar", *Journal of Business Ethics*, Vol. 52 No. 4, pp. 311-324.
- Bowen, S.A. (2008), "A state of neglect: public relations as 'corporate conscience' or ethics counsel", *Journal of Public Relations Research*, Vol. 20 No. 3, pp. 271-296.
- Bowen, S.A. (2010), "The nature of good in public relations: what should be its normative ethic?", in Heath, R.L. (Ed.), *The Sage Handbook of Public Relations*, Sage, Thousand Oaks, CA, pp. 569-583.
- Bowen, S.A. (2013), "Using classic social media cases to distill ethical guidelines for digital engagement", *Journal of Mass Media Ethics*, Vol. 28 No. 2, pp. 119-133.
- Bowen, S.A. (2016), "Clarifying ethics terms in public relations from A to V, authenticity to virtue: BledCom special issue of PR review sleeping (with the) media: media relations", *Public Relations Review*, Vol. 42 No. 4, pp. 564-572.
- Bowen, S.A. and Gallicano, T.D. (2013), "A philosophy of reflective ethical symmetry: comprehensive historical and future moral approaches in the excellence theory", in Sriramesh, K., Zerfass, A. and Kim, J.N. (Eds), *Public Relations and Communication Management*, Taylor and Francis, New York, NY, pp. 193-209.
- Bowen, S.A., Hung-Baesecke, C.J.F. and Chen, Y.-R.R. (2016), "Ethics as a precursor to organization-public relationships: building trust before and during the OPR model", *Cogent Social Sciences*, Vol. 2 No. 1, available at: <http://doi.org/10.1080/23311886.2016.1141467>
- Bowen, S.A., Heath, R.L., Lee, J., Painter, G., Agraz, F.J., McKie, D. and Toledano, M. (2006), *The Business of Truth: A Guide to Ethical Communication*, International Association of Business Communicators, San Francisco, CA.

- Bowers, S. (2013), "Sir Martin Sorrell defends Starbucks' tax arrangements", The Guardian, January 2, available at: <http://www.guardian.co.uk/business/2013/jan/02/martin-sorrell-starbucks-tax-arrangements> (accessed February 13, 2013).
- Brockner, J., DeWitt, R.L., Grover, S. and Reed, T. (1990), "When it is especially important to explain why: factors affecting the relationship between managers' explanations of a layoff and survivors' reactions to the layoff", *Journal of Experimental Social Psychology*, Vol. 26 No. 5, pp. 389-407.
- Brønn, P.S. (2010), "Reputation, communication, and the corporate brand", in Heath, R.L. (Ed.), *The SAGE Handbook of Public Relations*, SAGE Publications, Los Angeles, CA, pp. 307-320.
- Burns, K.S. (2008), "The misuse of social media: reactions to and important lessons from a Blog Fiasco", *Journal of New Communications Research*, Vol. 3 No. 1, pp. 41-54.
- comScore, Inc. (2013), comScore Releases December 2012 U.S. Search Engine Rankings, comScore, Inc., available at: www.comscore.com/Insights/Press-Releases/2013/1/comScore-Releases-December-2012-US-Search-Engine-Rankings (accessed January 1, 2017).
- Coombs, W.T. (2000), "Crisis management: advantages of a relational perspective", in Ledingham, J.A. and Bruning, S.D. (Eds), *Public Relations as Relationship Management: A Relational Approach to the Study and Practice of Public Relations*, Lawrence Erlbaum Associates, Mahwah, NJ, pp. 73-94.
- Coombs, W.T. (2006), "The protective powers of crisis response strategies: managing reputational assets during a crisis", *Journal of Promotion Management*, Vol. 12 Nos 3/4, pp. 241-260.
- Coombs, W.T. (2007), "Protecting organization reputations during a crisis: the development and application of situational crisis communication theory", *Corporate Reputation Review*, Vol. 10 No. 3, pp. 163-176.
- Coombs, W.T. (2010), "Crisis communication: a developing field", in Heath, R.L. (Ed.), *The Sage Handbook of Public Relations*, Sage, Thousand Oaks, CA, pp. 477-488.
- Coombs, W.T. and Holladay, S.J. (2002), "Helping crisis managers protect reputational assets initial tests of the situational crisis communication theory", *Management Communication Quarterly*, Vol. 16 No. 2, pp. 165-186.
- Coombs, W.T. and Holladay, S.J. (2014), "How publics react to crisis communication efforts: comparing crisis response reactions across sub-arenas", *Journal of Communication Management*, Vol. 18 No. 1, pp. 40-57, available at: <http://doi.org/http://dx.doi.org/10.1108/JCOM-03-2013-0015>
- Dalton, J. (2012), "Twitter campaign for Starbucks backfires", Media Matters, December 20, available at: <http://joedalton67.wordpress.com/2012/12/20/twitter-campaign-for-starbucks-backfires/> (accessed February 13, 2013).
- Dukerich, J.M. and Carter, S.M. (2000), "Distorted images and reputation repair", in Schultz, M., Hatch, M.J. and Larsen, M.H. (Eds), *The Expressive Organization: Linking Identity, Reputation, and the Corporate Brand*, Oxford University Press, New York, NY, pp. 97-112.
- Dutton, J.E. and Dukerich, J.M. (1991), "Keeping an eye on the mirror: image and identity in organizational adaptation", *Academy of Management Journal*, Vol. 34 No. 3, pp. 517-554, doi: 10.2307/256405.
- Fink, S. (1986), *Crisis Management: Planning for the Inevitable*, American Management Association, New York, NY.
- Fombrun, C. (1997), "The reputational landscape", *Corporate Reputation Review*, pp. 1-16.
- Fombrun, C. and Rindova, V.P. (2000), "The road to transparency: reputation management at Royal Dutch/Shell", in Schultz, M., Hatch, M.J. and Larsen, M.H. (Eds), *The Expressive Organization: Linking Identity, Reputation, and the Corporate Brand*, Oxford University Press, New York, NY, pp. 77-96.
- Fombrun, C.J. (1996), *Reputation: Realizing Value from the Corporate Image*, Harvard Business Press, Boston, MA.
- Garber, M. (2012), "Google news at 10: how the algorithm won over the news industry", *The Atlantic*, available at: www.theatlantic.com/technology/archive/2012/09/google-news-at-10-how-the-algorithm-won-over-the-news-industry/262641/ (accessed January 1, 2017).

- Goodpaster, K.E. (2007), *Conscience and Corporate Culture*, Blackwell, Malden, MA.
- Grojean, M.W., Resick, C.J., Dickson, M.W. and Smith, D.B. (2004), "Leaders, values, and organizational climate: leadership strategies for establishing organizational climate regarding ethics", *Journal of Business Ethics*, Vol. 55 No. 3, pp. 223-241.
- Grunig, L.A., Grunig, J.E. and Dozier, D.M. (2002), *Excellent Public Relations and Effective Organizations: A Study of Communication Management in Three Countries*, Lawrence Erlbaum, Mahwah, NJ.
- Hester, J.B. and Dougall, E. (2007), "The efficiency of constructed week sampling for content analysis of online news", *Journalism & Mass Communication Quarterly*, Vol. 84 No. 4, pp. 811-824.
- Hodder, I. (1994), "The interpretation of documents and material culture", in Denzin, N.K. and Lincoln, Y.S. (Eds), *Handbook of Qualitative Research*, Sage, Thousand Oaks, CA, pp. 393-402.
- Hunter, G. (2012), "Starbucks cheer", Urgent Genius, December 17, available at: www.urgentgenius.com/media-2/social-media/starbucks-cheer (accessed February 14, 2013).
- Kant, I. (1785/1993), "Metaphysical foundations of morals (Trans. by C.J. Friedrich)", in Friedrich, C.J. (Ed.), *The Philosophy of Kant: Immanuel Kant's Moral and Political Writings*, The Modern Library, New York, NY, pp. 154-229.
- Kant, I. (1793/1974), *On the Old Saw: That May be Right in Theory but it Won't Work in Practice* (Trans by E.B. Ashton), University of Pennsylvania Press, Philadelphia, PA.
- Kant, I. (1948), *The Groundwork of the Metaphysics of Morals* (Trans by H.J. Paton), Harper Torchbooks, New York, NY.
- Kidsleepy (2012), "Should brands even bother with twitter?", adland.tv, December 17, available at: <http://adland.tv/node/154341>
- Lawton, E. (2012), "Another brand, another hashtag debacle: what Starbucks should have learned from McDonald's", Xenophon Strategies, December 19, available at: <http://xenophonstrategies.com/blog/posts/another-brand-another-hashtag-debacle-what-starbucks-should-have-learned-mcdonalds>
- Leuthesser, L., Kohli, C.S. and Harich, K.R. (1995), "Brand equity: the halo effect measure", *European Journal of Marketing*, Vol. 29 No. 4, pp. 57-66.
- Lincoln, Y.S. and Guba, E.G. (1985), *Naturalistic Inquiry*, Sage, Beverly Hills, CA.
- Michelli, J.A. (2007), *The Starbucks Experience: 5 Principles for Turning Ordinary into Extraordinary*, McGraw-Hill, New York, NY.
- Miles, M.B., Huberman, A.M. and Saldaña, J. (2013), *Qualitative Data Analysis: A Methods Sourcebook*, 3rd ed., Sage, Thousand Oaks, CA.
- Ott, L. and Theunissen, P. (2015), "Reputations at risk: engagement during social media crises", *Public Relations Review*, Vol. 41 No. 1, pp. 97-102, available at: <http://doi.org/10.1016/j.pubrev.2014.10.015>
- Page, A.W. (Ed.) (2007), *The Authentic Enterprise*, The Arthur W. Page Society, New York, NY.
- Pratt, C.B., Im, S.H. and Montague, S.N. (1994), "Investigating the application of deontology among U.S. public relations practitioners", *Journal of Public Relations Research*, Vol. 6 No. 4, pp. 241-266.
- Rushe, D. (2013), "Starbucks celebrates record revenues after David Cameron's 'tax attack'", The Guardian, January 24, available at: www.guardian.co.uk/business/2013/jan/25/starbucks-record-revenues-tax-bill (accessed February 8, 2013).
- Shields, R. (2013), "Starbucks eyes reputation recovery with 'monday promotion'", Marketing Week, January 7, available at: www.marketingweek.co.uk/news/starbucks-eyes-reputation-recovery-with-monday-promotion/4005265.article (accessed February 6, 2013).
- Sims, R.R. (1991), "The institutionalization of organizational ethics", *Journal of Business Ethics*, Vol. 10 No. 7, pp. 493-506.
- Sims, R.R. (1994), *Ethics and Organizational Decision Making: A Call for Renewal*, Quorum, Westport, CT.
- Sims, R.R. and Brinkman, J. (2003), "Enron ethics (or, culture matters more than codes)", *Journal of Business Ethics*, Vol. 45 No. 3, pp. 243-256.

- Stacks, D.W. and Bowen (Eds) (2013), "Social media", Dictionary of Public Relations Measurement and Research, 3rd ed., p. 30, available at: www.instituteforpr.org/dictionary-public-relations-measurement-research-third-edition/
- Starbucks Corporation (2010), *Annual Report*, Seattle, WA.
- Starbucks Corporation (2012), "Starbucks Company Profile", available at: <http://globalassets.starbucks.com/assets/9a6616b98dc64271ac8c910fbee47884.pdf> (accessed February 4, 2013).
- Starbucks Corporation (2013), "Starbucks newsroom: starbucks support of the troops/military", available at: <http://news.starbucks.com/about+starbucks/myths+facts/militarydonations.htm> (accessed February 15, 2013).
- Stuchin, M. (2012), "Turmoil follows Starbucks' UK Twitter campaign", The Village Voice, December 18, available at: http://blogs.villagevoice.com/forkintheroad/2012/12/starbucks_angry_uk_tweets.php (accessed February 5, 2013).
- Stuttaford, A. (2013), "Saying this, doing that (2)", The Corner, *National Review Online*, January 4, available at: www.nationalreview.com/corner/336994/saying-doing-2-andrew-stuttaford (accessed February 7, 2013).
- Tashakkori, A. and Teddlie, C. (1998), *Mixed Methodology: Combining Qualitative and Quantitative Approaches*, Sage, Thousand Oaks, CA.
- Van Riel, C. and van den Bosch, F.A. (1997), "Part VI: how should reputations be managed in good times and bad times?: Increasing effectiveness of managing strategic issues affecting a firm's reputation", *Corporate Reputation Review*, Vol. 1 No. 2, pp. 135-140.
- Van Riel, C.B.M. (1997), "Research in corporate communication: an overview of an emerging field", *Management Communication Quarterly*, Vol. 11 No. 2, pp. 288-309.
- Wang, Y., Qiao, F. and Peng, W. (2015), "Is the size or the valence of proactive engagement associated with purchase intention? A case study of branded blogs of Starbucks", *International Journal of Strategic Communication*, Vol. 9 No. 3, pp. 197-216, available at: <http://doi.org/10.1080/1553118X.2014.924125>
- Williams, Z. (2013), "Only boycott for change, not to keep things the same", The Guardian, January 16, available at: www.guardian.co.uk/commentisfree/2013/jan/16/boycott-for-change-not-to-keep-things-same (accessed February 8, 2013).
- Wolcott, H.F. (1990), *Writing up Qualitative Research*, Sage, Newbury Park, CA.
- Wolcott, H.F. (1995), *The Art of Fieldwork*, Alta Mira Press, Walnut Creek, CA.
- Wright, D.K. and Hinson, M.D. (2012), "Examining how social and emerging media have been used in public relations between 2006 and 2012: a longitudinal analysis", *Public Relations Journal*, Vol. 6, No. 4, pp. 1-40, available at: www.prsa.org/Intelligence/PRJournal/Documents/2012WrightHinson.pdf
- Wright, D.K. and Hinson, M.D. (2014), "An updated examination of social and emerging media use in public relations practice: a longitudinal analysis between 2006 and 2014", *Public Relations Journal*, Vol. 8 No. 2, pp. 1-35, available at: www.prsa.org/Intelligence/PRJournal/Documents/2014WrightHinson.pdf
- Yin, R.K. (2009), *Case Study Research: Design and Methods*, 4th ed., Sage Publications, Los Angeles, CA.
- Zientek, H. (2013), "Amanda Vigar of V&A Bell Brown LLP says big businesses are right to avoid the taxman", The Huddersfield Daily Examiner, January 8, available at: www.examiner.co.uk/business/business-columnists/2013/01/08/amanda-vigar-of-v-a-bell-brown-llp-says-big-businesses-are-right-to-avoid-the-taxman-86081-32562155/ (accessed February 13, 2013).

Further reading

- Cimaglia, L. (2012), Hashtags, lattes, and the power of PR", Business 2 Community, December 27, available at: www.business2community.com/public-relations/hashtags-lattes-and-the-power-of-pr-0364913
- Fombrun, C.J. (1996), *Reputation: Realizing Value from the Corporate Image*, Harvard Business Press.

Gertsen, F.H., Van Riel, C. and Berens, G. (2006), "Avoiding reputation damage in financial restatements", *Long Range Planning*, Vol. 39 No. 4, pp. 429-456.

Pratt, C.B., Im, S.H. and Montague, S.N. (1994), "Investigating the application of deontology among U.S. public relations practitioners", *Journal of Public Relations Research*, Vol. 6 No. 4, pp. 241-266.

Starbucks Corporation (2011), *Annual Report*, Seattle, WA.

Corresponding author

Diana C. Sisson can be contacted at: dcs0016@auburn.edu

For instructions on how to order reprints of this article, please visit our website:

www.emeraldgrouppublishing.com/licensing/reprints.htm

Or contact us for further details: permissions@emeraldinsight.com