CRISIS ON BOARD: THE EFFECT OF DISCLOSURE AND CRISIS TYPE ON BRAND EVALUATION

Master Thesis Communication Science

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Crisis on board: The effect of disclosure and crisis type on brand evaluation

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Abstract

In most organizational crisis cases, the organization has to decide whether or not to disclose the crisis. Especially, the type of crisis should be taken into account in the decision phase in order to minimize the harm to the brand evaluation of the organization.

Consequently, in this study, disclosure of a crisis (self-disclosure vs. disclosure by third party) and the interaction with two crises types (value-related crisis vs. performance-related crisis) on brand attitude, brand trust and purchase intention has been researched. A 2x2 experiment was performed to collect the data by using an online questionnaire. 186 Participants were randomly assigned.

Results showed a main significant effect of self-disclosure on purchase intention. Besides, results demonstrated a marginally significant interaction effect of disclosure and type of crisis on brand attitude and brand trust. A self-disclosure of a value-related crisis has a more positive effect on brand attitude than disclosure by a third party, whereas a performance-related crisis has a more positive effect in case of disclosure by a third party on brand attitude compared to self-disclosure.

In this study, anger and blame were predicted as mediating variables between disclosure type, crisis type on the brand evaluations. Blame was found to be partially mediating between the significant relations of crisis type and brand evaluations. Results showed no significant effects of anger as mediating factor between disclosure type and crisis type. However, anger has a direct marginally significant effect on brand attitude and a significant effect on brand trust and purchase intention.

Key words: disclosure, performance-related crisis, value-related crisis, brand type, anger, blame, brand attitude, brand trust and purchase intention.
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Introduction

Brand attitude, brand trust and purchase intention are key elements of the value consumers place on brands. Nevertheless, these brand outcomes could be harmed by an organizational crisis. For instance, the discussion about the mistreatment of employees after factories in China and Bangladesh collapsed killing a number of employees (Science time, 2013). As a result, brands such as Primark and Mango were soon associated with and criticized by consumers and third parties (The Guardian, 2013). Another case in point was the recall of thousands of Coca Cola drinks in Belgium, because children became ill due to drinking the cola (Read Abstracts, 1999). As these examples illustrated, a crisis could be related to values of the brand (mistreatment of employees) or performance of the product (faulty quality).

An issue for organizations is to predict the impact of their crisis and the risks the organization takes whether to self-disclose or use the stonewalling technique and keep the crisis internally by not measuring anything or shift the blame to another party (Lyon & Cameron, 1998).

It has been suggested that self-disclosing of a crisis is an efficient corporate response strategy that reduces harm to the organization. This is illustrated by the stealing thunder experiment of Arpan and Pompper (2013). This theory could be explained by the concept of breaking the news about a crisis by the public relations department of organizations calling the journalist, before another party contacts the journalist. Thus, stealing thunder is “an admission of a weakness (usually a mistake or failure) before that weakness is announced by another party, such as an interest group or the media (Arpan & Pompper 2013).” The experiment results in the fact that the respondents of the experiment attributed more credibility to the actors of the organization itself that stole thunder and read the story with more interest than when the crisis story was written by a third party. Other research suggests that self-disclosure leads to less loss of intent to purchase (Arpan & Roskos-Ewoldsen, 2005).
Besides it is has been proved as strategy to restore organizational reputation (Wigley, 2011). However, what organizations could expect from disclosure of different crisis types on brand evaluations such as brand attitude, brand trust and purchase intention has been neglected.

In addition, previous research suggests that brand type positions and type of crisis could create a buffer against an organizational crisis (Petty & Wegener, 1998; Pullig, Netemeyer & Biswas, 2006). Pham and Muthukrishnan (2002) introduced the match-alignment model; a match between crisis type and brand type led to a more negative brand evaluation compared to a non-match. For instance, a defect of a quality characteristic on a cell phone brand, which positions itself as a high quality brand is more harmful than when the brands positions itself as value-related or symbolic brand. Hence, one purpose of this study was to assess to what extent brand type positioning interacts with disclosure and crisis type on brand evaluations.

Introducing two important mediating factors, anger and blame, extends prior research of brand evaluation. Previous research in the field of crisis has shown that anger was a predictor of future behaviour of the consumer (Kim & Cameron, 2011) and that attribution of blame has an impact on overall brand attitude (Dean, 2004).

In this study is proposed that self-disclosure of an organizational crisis is more effective on overall brand evaluation than disclosure by a third party of an organizational crisis, while self-disclosure of a value-related crisis causes less harm to purchase intention, and self-disclosure of a performance-related crisis causes less harm to brand attitude and brand trust. The theoretical background shows series of hypotheses of how self-disclosure or disclosure by a third party could impact two crisis types and how brand positioning could create a buffer. Furthermore, the roles of anger and blame are predicted in the theoretical background. The hypotheses are tested in an experiment.
Theoretical background

This theoretical framework will provide understanding and definitions of various concepts. First the concepts and key elements of brand evaluations are discussed. These elements include brand attitude, brand trust and purchase intention. Secondly, the independent variables disclosing a crisis and types of crises will be described. Then it will move on to the moderator brand type. Conclusively, the theoretical background will discuss the mediating factors anger and blame.

Brand evaluation

In order to investigate the effect of disclosure and crisis types on brand evaluations, a clear explanation of the concept of brand evaluation has to be given. The concept and the key elements of brand evaluation are discussed in this paragraph.

Prior literature showed the effects of disclosure on brand evaluation whereas other literature showed the effects of crisis types on brand evaluation (Klein & Dawar, 2004; Dawar & Pillutla, 2000; Dawar & Lei, 2009). For example, Klein and Dawar (2004) researched the impact of product–harm crises on consumers’ brand evaluations. Besides, they suggest that crisis information is integrated with brand associations. As a matter of fact, brand attitude and brand trust form brand associations (Keller, 1993). These evaluative associations are consumers’ overall evaluation of a brand.

Actually, brand attitude, brand trust and purchase intention are key elements of brand evaluations as well as brand equity. Brand equity is a measure of the overall value of a brand, which includes brand attitude, brand trust, quality of the product, and purchase intention (Keller, 1998). In short, brand equity refers to “the set of brand assets and liabilities linked to a brand, its name and symbol, that add to or subtracts from the value provided by a product or service to a firm and/or to that firm’s customers” (Aaker, 1991).
There are two general reasons for studying those particular brands assets. One is financially based to estimate the value of a brand more precisely for accounting purposes e.g. due to high brand equity; brands can charge higher prices (Aaker, 1991). A second reason arises from a strategy-based motivation to improve marketing productivity. In case if a brand adds new brands, these would likely be adopted quickly (Aaker, 1991). One of a firm’s most valuable assets for improving marketing productivity is the knowledge that has been obtained about the brand in consumer’s minds from the firm’s investment in previous marketing programs (Keller, 1993). Consequently, companies with high brand evaluations provide their owners with competitive and financial benefits (Aaker, 2008). Therefore, it is important for companies to create and maintain high brand equity. In the following paragraphs, the key elements of brand equity are being described.

**Brand attitude**

Chung, Lee & Heath (2013) described briefly the concept of brand attitude: “Customers’ brand attitude consists of positive/negative evaluations that predispose choice behaviours (behavioural intentions) towards brands, strong/weak attachment to them and value-added results such as purchases.” “The assumption of such theory is that brands as attitudes have equity (Chung et al. 2013)”

In fact, brand attitude is an evaluation of consumers’ perspective of a brand. Furthermore, brand attitude is predicted by positions of the brand. A brand has attributions that have an overall degree of favourability. This depends on how an organization acts, communicates, symbolizes and represents the brand. The brand attributive dimensions consist of good-bad, harmful-beneficial pleasant-unpleasant and likable-dislikeable.
Consumers feel connected towards the brand whenever the behaviour matches with their own norms and values. As a result, when brands behave incorrectly, consumers will deny the company’s responsibility towards the brand or community (Kim & Cameron, 2002).

Brand attitudes are based on marketing strategies and activities that are related to social, ethical and political issues. Ajzen (2001) concluded that an “attitude represents a summary evaluation of a psychological object captured in such attribute dimensions as good-bad, harmful-beneficial, pleasant-unpleasant, and likable-dislikeable” that can be calculated as “overall degree of favourability” (Meijer & Kleinneijenhuis, 2006). Attitude is a predictor of behavioural intention, which indicates how consumers plan to act (Fishbein & Ajzen, 1975). Fishbein and Ajzen (1975) define attitudes as our evaluations of something and our belief strength, what consumers think what is important.

**Brand trust**

As stated before, brands create associations and beliefs and based on these characteristics and brands associations, consumers build brand trust (Darke, Ashworth & Main, 2010). Chaudhuri and Holbrook (2001) defined trust as: “the willingness of the average consumer to rely on the ability of the brand to perform its stated function”. Sung and Kim (2010) allocated brand trust in trustworthiness and expertise. Quality performance, perceived skills and knowledge cause consumer confidence towards trustworthiness and expertise.

Other literature suggests that emotion is also an element of predicting brand trust (Barbalet, 1996). In addition, several literatures refer brand trust to reliability, honesty and benevolence (Coulter & Coulter, 2002; Doney & Canon, 1997; Darke et al. 2010). In order to hold consumers’ interest and motivation, doing the right thing is important. Therefore, brand trust is an interesting dependent variable in this study, because of the harmed elements of brand trust when a company deals with a value-related crisis or performance-related crisis.
Purchase intention

Part of this study addressed the (future) purchase intention. Previous studies indicated emotions and responsibility are predictors of purchase intention and behavioural intention (Folkes, 1984). Furthermore, the research of Park and Lee (2013) shows that emotions and distrust lead to a decrease in purchase intention. Next, Lin, Chen, Chui and Lee (2011) researched the effect of a product harm crisis, including negative publications, on purchase intention. They showed that negative publicity and their mediators trust and affective identification on purchase intention, should be measured including corporate ability and corporate social responsibility. This indicates that the features of corporate ability, capability in producing qualitative products and corporate social responsibility features including e.g. moral obligations, are both important for a brand. So, this indicated that value-related and performance-related crisis as well as hedonic versus utilitarian brand type would have effect on purchase intention.

Disclosure of a crisis

Coombs and Holladay (1996) described a crisis as “a threat that is a potential issue for reputational damage.” Later on, Coombs (2004) used another definition: “an event for which people seek causes and make attributions”. The definition of crisis used by An and Growen (2008) suits this study best: “any problem or disruption that triggers negative stakeholder reactions that could impact the organization’s business and financial strength” (An & Growen, 2008).

Media prefer publishing negative news rather than positive news. The weight of evaluation of consumers on negative news is more than the weight of positive news (Herr, Farquhar & Fazio, 1996) In addition, a crisis communication strategy causes consumers’ negative brand attitude and evaluation while associated with negative publishing (Pullig et al., 2006). If a crisis is associated with a company, the company has the choice whether to
disclose the crisis or try to keep the crisis away from the media or other third party. In this study, a third party refers to people or companies who experienced the negative event and form an impression of organizational injustice. This could trigger cognitive and emotional reactions (Skarlicki & Kulik, 2004). When the company decides to disclose the negative event itself or to keep the negative event away from the media, it has to consider the second option carefully. A third parties’ consideration whether or not to disclose a crisis depends on the following factors. Third parties consider the climate of the organizations and the procedures (Miceli & Near, 1985). Furthermore, in general, third parties take into account: characteristics of the crisis, victim traits, observers and organizational environment (Cremer & van Hiel, 2006). Third parties will attribute the responsibility on the basis of the facts, they will blame the organization or they will protect the organization from blame (Cropanzano, Byrne, Bobocel & Rupp, 2001).

In order to get insight into the dilemma for a company to self-disclose or not, it has to be aware of three elements that are important to take into account during the decision phase of communication activities (Arpan & Pompper, 2003). Firstly, the company should be aware of risk. Management teams should consider the consequences of the organizational transgression with legal judgments and the public opinion. Communication advisers often had a strategy that involves an overview of the policy on the issue, research the claims, straight forwards to the media, admit the issues and communicate corrective measures. However, legal strategy often implies stonewalling: keep the issues internally, do not measure anything or shift the blame to another party (Smithson & Venette, 2013). Consequently, communication advisers were often dictated before they formed the organizational policy during the crisis. Secondly, the factor timing is important to manage the effect of the communication. The organization could delay the communication to allow the crisis to abate or it breaks the news of a crisis. However, the media could be the first breaking the news, if the organization waited too long.
(Arpan & Pompper, 2003). Third, the control of the communication flow should be taken into account. If an organization reacts on accusations of the media, they lost a degree of control (Arpan & Pompper, 2003). Stealing thunder was experimented with by the study of Arpan and Pompper (2003) as a strategy that relied on making rapid, full disclosure first.

Easley, Bearden and Teel, (1995) did research on the inoculation theory as an explanation for the efficacy of self-disclosure. The mechanism of inoculation is a perfect method for crisis communication for communication advisers who think they would be challenged by negative information in media. Easley et al. (1995) found out that self-disclosure by divulging negative information minimizes the harm of consumers’ perception of the organization. With an inoculation message companies could develop stories to combat arguments of the attack of a third party (Banas & Rains, 2010). Easley et al. (1995) support the conclusion that the information component of a self-disclosure, combined with appropriate refutations, is most effective regarding attitudes toward purchase intentions (Pfau, 1997).

Several advantages arise for companies who self-disclose the negative event. First, third parties have fewer arguments to discuss and conflict about. Second, because consumers do not expect that organizations will report negative information about their company, organizations create credibility towards the consumers. Next, consumers interpret the meaning of the story on another level when the company discloses the story. For example, the company could frame it in a way that would make it seem like the effect of the crisis is not that important. Besides, the company could change the meaning of the crisis, because it would create it’s own story (Arpan & Pompper, 2003). The facts will then melt together with their own point of view of the crisis.
Third parties could possibly frame the issue and create their own story. This could be explained by the framing theory and agenda setting theory. McCombs and Shaw (1972) hypothesized that the media’s success in telling viewers and readers “what to think about” stems from the media’s ability to frame issues. Even despite the media’s ability to attack or save an organization, individuals’ thoughts, opinions, and actions are not predetermined by the media’s agenda. Agenda setting theory states that gatekeepers selectively determine an agenda for what is news by selecting, excluding, emphasizing and elaborating certain aspects of the news, public opinions are inevitably shaped. The news media forces its audiences to think about selected issues in a certain light. Based on previous research, the following prediction is offered:

H1: Self-disclosure of a negative event leads to less harm on consumers’ brand attitude, brand trust and purchase intention than disclosure by a third party of a negative event.

Types of Crises

In this research, a distinction will be made in value-related crises and performance-related crises. The performance-related crisis involved defective products, which has effect on the quality of the product the brand delivers and the ability to provide functionality solving problems (Dutta & Pullig, 2011). For example, a technical fault in the production of a product. Negative brand performance-related information affects brand evaluations related to quality (Pullig et al. 2006).

Product harm crisis is a high frequency example of a performance-related crisis. Product harm crises have been defined as “well-publicized instances of defective or dangerous products” (Dawar & Pillutla, 2000). A product harm crisis could really damage a company’s image and performance (Cleeren, Dekimpe, & Helsen, 2008). By extension, it leads to a drop in consumers’ trust (Dawar & Pillutla, 2000). A product harm crisis is in
literature associated with higher risk. Consequently, first purchase decisions suffer a loss after a product harm crisis (Cleeren et al. 2008).

It is plausible that if a product harm crisis included a product that lead to illness or death that the purchase intention decreased. For example, Coca Cola Enterprises Belgium had to make a recall after children became ill due to drinking the cola (Read Abstracts, 1999). After this crisis the brand name ‘Coca Cola’ is probably harmed. Likewise, consumers’ purchase intentions are decreased. Therefore, it seems likely that in case of a performance-related crisis wherein consumers get personally attacked, purchase intention is the factor of brand evaluations that could be the least protected.

However, through time consumers’ purchase intention restores after a performance-related crisis. Vassilikopoulou, Siomkos, Chatzipanagiotou, and Pantouvakis (2009) illustrated that by showing purchases increased again a few months after a product harm crisis, because consumers tend to forget about the crisis. Only a few days after the crisis, a product recall seriously harmed consumers’ purchase intention. Surprisingly, the extent of damage of the product harm crisis did not seem to harm consumers’ attitude and reaction. Besides, Vassilikopoulou et al. (2009) suggest that it might be helpful to voluntarily recall the product to minimize the harm. As a result, this indicates that a self-disclosure of the recall seems to be a strong communication response strategy to minimize loss of brand attitude and first purchase intention.

In contrast to a performance-related crisis, a crisis can be categorized as value-related crises. These crises are related to social responsibility and norms and values of an organization. Value-related crisis violates a brand’s ability to deliver symbolic benefits and reflection of self-image. Dutta and Pullig (2011) use the term value-related crisis to refer to
“social and ethical issues, such as revelation of sexual harassment or racial discrimination by members of an organization.”

Negative information has often more impact on consumer attitudes than positive information (Herr et al., 1996). However, between consumer attitude and actual behaviour a theoretical gap often arises. Carrigan and Attella (2001) illustrated that: “It has been suggested that many people believe there is a responsibility not to do harm (child labour). “57% Said we should stop buying a product made by children (child labour) and 21% supported actions against companies they perceive as unethical. However, a notable difference was recorded between supporting an action and actually carrying it out oneself.” This example can be referred to some personal conflicts.

Keeping up a good individual image and avoiding feelings of blame are two factors that are associated with the beliefs and norms of justices (Turillo, Folger, Lavelle, Umphress, & Gee, 2002). Self-interest, interest for other people or getting motivated by moral norms and standards are other motives to behave according to moral standards (Cropanzano, Goldman & Folger, 2005). Self-interest concerns are consistent with social exchange theory. People expect to be treated on the same social level as they do to other people. Moral motivation such as “the right thing to do” is an evolutionary based reaction on emotions such as anger, which appear in cases of value-related crises (Cropanzano et al. 2005). As a result, consumers’ brand attitude towards ethical issues will be harmed because of these reasons.

Several predictors that exist between a consumer-brand relationship over time could harm brand trust: honesty, benevolence, reliability and sincerity (Doney and Cannon, 1997; Mayer et al. 2005). The factors reliability and sincerity could be harmed by both types of crises, because this refers to the ability to realize promises, to adequate knowledge, expertise skills and leadership (Singh, Iglesias & Batista-Foguet, 2012).
Furthermore, according to Doney and Cannon (1997) trust involves “an inference regarding the benevolence of the firm to act in the best interests of the customer based on shared goals and values.” Thus, companies could have the motivation to do well and have the interest for consumers to take care of being benevolent and respect consumers in order to increase brand trust. In case of a value-related crisis e.g. an oil spill in the working environment, the intention of doing the right thing is harmed. Furthermore, mistreatment of employees also indicates acting unethical or malevolent. On the other hand, product safety incidents cause property damage more often, without losing benevolence and respect towards the organizational working environment.

In addition, Singh et al. (2012) argued that consumers’ brand trust depends on a brands’ honest and reliable behaviour. In other words, behaving ethical and thus being honest, responsible and accountable towards stakeholders, is in the best interest of the brand (Story & Hess, 2010; Brunk, 2010). Next to this, Morgan and Hunt (1994) describe trust as a factor that includes credibility and integrity. It is likely that a value-related crisis does harm the integrity and benevolence more than a performance-related crisis, because of the harm of the principals by ethical issues (Singh et al. 2012). All in all, it is predicted that brand trust is more harmed by a value-related crisis than a performance-related crisis.

The most important reasons for purchasing behaviour according to Carrigan and Attella (2001) are price, values, trends and brand image. For example, ethical issues could undermine values of individuals. Leung, Chiu and Au (1993) found that mistreatment of employees had effect on a cognitive and emotional level. As a result, Leung et al. (1993) perceived a decrease in consumer purchase intention. However, according to Simon (1995): “consumers are more likely to support positive actions than punish unethical actions.” And according to Creyer and Ross (1997): “consumers will still buy products from unethical firms, but only at a lower price, the cost of poor ethics.” Moreover, as mentioned before, the gap
between attitude and actual behaviour is an important reason why a value-related crisis creates less harm on purchase intention than brand attitude and brand trust (Carrigan & Attella, 2001).

Furthermore, Carrigan and Attella (2001) mentioned that personal reasons are more important to purchase a product than societal ones. To illustrate, when products of a particular brand are harmed with toxin, consumers would think of personal reasons of well-being and consequently not to purchase the brand. Hence, it might be likely that a performance-related crisis could be more harmful to the purchase intention than a value-related crisis.

In view of all that has been mentioned so far, the following predictions are made:

H2a: A value-related crisis leads to more harm on consumers’ brand attitude and brand trust than a performance-related crisis.

H2b: A value-related crisis leads to less harm on consumers’ purchase intention than a performance-related crisis.

**Interaction effect between crisis type and disclosure**

The focus of this study is to better understand the effects between disclosure and crisis types. Arpan and Pompper (2003) analysed the data of journalism students who judged a news article announced by a PR correspondent of the company and a crisis disclosed by a third party. In their study, they used the same crisis scenario in their stimuli to measure the effect of stealing thunder. The crisis scenario was about a clothing factory that spilled chemical substances in the river, which was indicated as a technical relevant crisis scenario. However, this crisis could also be categorized as a value-related crisis. Self-disclosure leads to higher credibility to the spokesperson of the organization. Consequently, it is likely that self-disclosure of a value-related crisis also leads to a more positive brand attitude and brand trust than disclosure of a value-related crisis by a third party.
Arpan and Pompper (2003) discussed the need to understand the effect of stealing thunder among a specific crisis type, because rhetorical communication strategies are also discussed on crisis types. This is illustrated by the research of Marcus and Goodman (1991). In their research, they compared accidents, scandals and product safety and health issues with an accommodative signal and defensive signal. An accommodative signal included that managers admit and take responsibility for the incident and take actions, like self-disclosure. A defensive signal means that managements insists that no issue occurred, hide or alleviate doubts and take action to resume with other operations. As a result, no significant results between accommodative or defensive signalling at the product safety or health problem came across. However, Marcus and Goodman (1991) advise managers to use the accommodative response technique, in order to act on moral conviction. Thus, similar to self-disclosure, a proactive communication strategy is being advised whenever a performance-related crisis occurs.

Furthermore, Marcus and Goodman (1991) concluded that in case of an accident, the victims prefer an accommodative strategy, whereas the shareholders prefer a defensive strategy. In case of an accident, property damage is more usual, than human injury. Victims are identifiable and therefore the corporate responsibility to serve the victims is concrete and direct. So, in case of a performance-related crisis it is advisable to not fully disclose the crisis, but only disclose the crisis to the victims.

On the other hand, in case of a scandal, stakeholders prefer the accommodative strategy. In that case, victims and reputation damage is hard to deny or avoid (Marcus & Goodman, 1991). Thus, if a value-related crisis included a lot of victims and human injury, self-disclosure of the crisis is effective in order to weather reputation. Due to the fact that organizations and brands often are closely linked (Berens, van Riel & van Bruggen, 2005), it is plausible that self-disclosure also protect losses on brand attitude and brand trust.
Furthermore, Arpan and Roskos-Ewoldsen (2005) did research on stealing thunder as a crisis response strategy of a performance-related crisis. In their stimulus material, they let participants judge a crisis scenario that includes a familiar cola brand with a new preservative that made people feel sick. Participants gave more credibility towards organizations that steal thunder than the situation in which a third party disclosed the crisis. Arpan and Roskos-Ewoldsen (2005) seem to find that high credibility of the stealing thunder condition leads to greater product attitude and purchase intention on the familiar brand compared to disclosure of the crisis by a third party. Stealing thunder seems to result in greater acceptance of that message and the crisis is perceived as less severe. Specifically, they also suggest that stealing thunder is even a strategy whenever a performance-related crisis occurs that leads to consumer illness. However, highly involved participants of the product and brand in their stimuli material increased attitude and purchase intention. Therefore, it could be discussed whether or not self-disclosure of a performance-related crisis is also effective in case consumers are not highly involved in the product or brand.

As a matter of fact, participants might categorize the performance-related crisis as a category specific crisis and less as a brand crisis (Roehm & Tybout, 2006). The cause of a category-specific crisis might be intuitively perceived as applicable to the category in general. Cleeren et al. (2008) discussed the category crisis as an industry-wide problem. Consumers could lose interest in the category and could switch to another category. The category is then not closely linked to the brand. As a result, self-disclosure did not have much impact on the brand outcomes, brand attitude and brand trust, whereas participants appreciate the self-disclosure. As a result consumers could be more positive towards purchase intention.

Due to the consequence of the performance-related crisis, to protect losses in purchase intention self-disclosure seems to be effective. On the other hand, a value-related crisis causes
image losses, and therefore brand attitude and brand trust by self-disclosure. Therefore, the hypotheses that will be tested are the following:

H3a: Self-disclosure of a value-related crisis has a more positive effect on a) brand attitude compared to disclosure by a third party, whereas a performance-related crisis has a more positive effect in case of disclosure by a third party on a) brand attitude, compared to self-disclosure.

H3a: Self-disclosure of a value-related crisis has a more positive effect on b) brand trust compared to disclosure by a third party, whereas a performance-related crisis has a more positive effect in case of disclosure by a third party on b) brand trust, compared to self-disclosure.

H3b: Self-disclosure of a performance-related crisis has a more positive effect on c) purchase intention, compared to disclosure by a third party, whereas a value-related crisis has a more positive effect in case of disclosure by a third party on c) purchase intention, compared to self-disclosure.

**Positioning of brands: Utilitarian vs. hedonic**

In 2002, Pham and Muthukrishnan designed the alignment model, which shows that a match between type of crisis and type of brand positioning leads to stronger effects than non-alignment. What is not yet clear is the impact of alignment of type of crisis and type of brand positioning and the effect of stealing thunder. To better understand the alignment model, the brand positioning will be described first.

Brands can position themselves as utilitarian and hedonic brands (Chitturi et al. 2008). Utilitarian brands are referred to as brands that position themselves as functionality and quality related. This means, according to Bridges and Florsheim (2008) that consumers may
obtain utilitarian value if “they are goal-focused and receive convenience, accessibility, selection, availability of information, and no requirement for commitment, features which are associated with perceived ease of use, freedom, and control.” In fact, the functional element of the product is important for the utilitarian brand positioning.

On the contrary, consumers could feel strongly connected to hedonic brands, because consumers identify themselves with the symbolic factor of the brand (Park, Jaworski & Mclnnis, 1986). Actually, consumers receive intrinsic rewards and not extrinsic rewards, because of the self-identification with the brand. In brief, whenever a product of a brand contributes to a consumer’s self-expression, it refers to symbolic values of the brand. Actually, hedonically positioned brands add to the self-ideal of consumers (Park et al., 1986). This leads to positive feelings for hedonic brands and these feelings could even lead to brand love. These feelings are stronger for hedonic brands than for utilitarian brands (Carroll & Ahuvia, 2006).

Apart from this, when consumers are buying products for love or fun, they experience more fun when the products are being justified (Okada, 2005). In short, hedonic consumption more often generated feelings of guilt. Feelings of guilt could be minimized by for example, putting effort to the acquisition of hedonic consumption or contribute money to a charity (Okada, 2005). Intuitively, a value-related crisis could contribute to the feelings of guilt. In brief, brands offering hedonic goods should in particularly be aware of value-related crisis.

The impact of a match between the positioning of an hedonic brand and a value-related crisis is also illustrated by the experiment of Pullig et al. (2006). Half of the participants of their study judged a value-related crisis scenario with the prior knowledge that the brand had a good work environment and work conditions for their employees (hedonic position). The other half of the participants read a performance-related crisis scenario, after
reading that the products of the brand had good quality and stability (utilitarian position). As predicted, the version with hedonic characteristics was judged as more negative on brand attitude after the participants read the value-related crisis, than whenever the participants read the performance related crisis. To conclude, a value-based brand positioning tends to ward off a value-related crisis.

On the contrary, a performance-related crisis scenario was tested in order to examine the effect of a match between utilitarian brand positioning and a performance-related crisis (Pullig et al. 2006). This situation leads also to more negative brand attitude change than when the performance related crisis scenario occurred at the hedonic positioned brand.

Previous study showed that alignment of crisis types and brand positioning leads to a more negative attitude change, than non-alignment (Pullig et al. 2006). Part of this study was conducted to identify the findings of Pullig et al. (2006) and to measure the effect of alignment next to brand attitude, on brand trust and purchase intention. Furthermore, this study would examine the effect of disclosure on the alignment model. Based on previous studies, it seems likely that revealing the crisis by a third party and a crisis that matches the brand positioning has an even more negative effect on the brand evaluation than whenever the company reveals the crisis itself.

H4a: A hedonic brand matched with a value-related crisis leads to a more negative brand evaluation compared to a utilitarian brand with a value-related crisis.

H4b: A utilitarian brand matched with a performance related crisis leads to a more negative brand evaluation compared to a hedonic brand with a performance related crisis.

H4c: A hedonic brand matched with a value-related crisis disclosed by a third party leads to a more negative brand evaluation compared to a hedonic brand matched with a self-disclosure of a value-related crisis.
H4d: A utilitarian brand matched with a performance-related crisis disclosed by a third party leads to a more negative brand evaluation compared to a utilitarian brand matched with a self-disclosure of a performance-related crisis.

**Anger**

A primary concern of crisis communication is the emotional response of consumers. Emotional responses are at the heart of our understanding of consumers’ behaviour on a crisis scenario. A case in point is the following example of an emotion of a participant in the research of Romani, Sadeh, & Dalli (2009): “I feel anger and indignation toward Adidas, but also sadness. I saw a documentary in Germany, about how Pakistani children of three years and up make Adidas shoes and other items that I could never buy.”

Roseman, Wiest and Swartz, (1996) pointed out that anger is a classical emotion that is oriented by others and is a result of rejecting other activities and consequences. In particular, whenever activities of brands were questionable or were labelled as unfair, anger is a high frequency emotion that follows (Fournier, 1998). Apart from this, Kim and Cameron (2011) found out that anger-inducing news tended to have more negative change in attitude toward the responsible company compared to sadness inducing news.

What is not yet clear is the impact of feelings of anger between disclosure of different types of crises scenarios and brand evaluations.

Liu, Austin and Jin (2011) researched the public’s emotions on types of disclosure. In detail, they experimented with different types of forms (traditional vs. social media) with types of disclosure (company vs third party) on the public’s emotions. They divided emotions into attribution independent crisis emotions (anxiety, apprehension and fear) and attribution dependent crisis emotions such as anger, contempt and disgust. Liu et al. (2011) concluded
that a news story disclosed by a third party, reported via traditional media, induced feelings of anger and disgust the most. Those feelings were least induced when the public heard about the crisis by traditional media and were self-disclosed. In summary, self-disclosure seems to be in particular an important factor to induce feelings of anger. As a result, less feelings of anger could probably lead to less negative brand evaluation.

Apart from this, types of crises would also have different impact on anger and as a result on brand evaluation. Various factors influence the level of anger in a crisis scenario.

Little research is done towards performance-related crisis and the effect on feelings of anger. It is likely that feelings of anger depend on the causes of product failure (Weiner, 1980). Furthermore, the distinction between firm-related and consumer-related causes could have an impact. In fact, firm-related causes of product failure lead to more anger and desire to hurt business. Besides, another finding of a performance-related crisis scenario is illustrated by the research of Choi and Lin (2009). They researched the effect of the Mattel product recall in 2007. They conducted content analyses of all reactions of consumers on the product recall. As a result, feelings of anger had the highest frequency of associations of the product recall. Another factor of a cause of anger is blaming the wrongdoer (Jin, Pang & Cameron, 2012). As a matter of fact, when the organization could prevent the crisis or is the responsible party, it is likely that feeling of anger increase.

In conclusion, several causes have impact on the level of anger of a performance-related crisis. These causes of performance-related crises are beyond the scope of this study. However, these examples indicate that a performance-related crisis leads to anger. On the other hand, literature showed that a value-related crisis also increases feelings of anger.

A case in point is the research of An (2011). He researched the immorality and unethical behaviour of a crisis. These factors seem to be the major causes of emotional
influencers of anger and blame. Namely, moral values, feelings of wellbeing and respect to others are factors that increase consumers’ identity. Consequently, unethical behaviours of an organization harms the identity of consumers. As a result, consumers’ feelings of anger increased.

Accordingly, feelings of anger in turn leads to negative outcomes for the organization as well as the brand. Actually, consumers are not always aware of the differences between brands and organizations, they are almost seen as a synonym (Aggarwal, 2004). Obviously, it is to be expected that whenever consumers had feelings of anger towards an organization, they also have feelings of anger towards the brand.

Kim and Cameron (2011) illustrated the effect of emotions on brand attitude. Emotions such as anger affect the information processing, attitude and judgement of the organization. Thus, emotions are predictors of behavioural attitudes and intentions toward the organization. Additionally, as Nabi (2003) notes: “discrete, context-relevant emotions selectively affect information processing, recall, and judgment”. In other words, a negative emotion will plausibly negatively affect the judgment and this could possibly in turn lead to a negative attitude towards the organization. Besides, Roseman et al. (1994) found that anger is an emotion that leads to harm and injures people or organizations. Anger is being considered as an emotion whereby consumers had the desire to attack the source. In that case, consumers will also have a negative attitude towards the organizations.

Secondly, Singh et al. (2012) illustrated the effect of emotions on brand trust. Singh et al. (2012) suggest that brand trust could be influenced by cognitive elements as well as emotions. Furthermore, Schoorman, Mayer and Davis (2007) discussed the emotional side of trust. They wrote the following statements: “the effect of emotions on trust could start as temporary influence and develop into cognitive/relational response. Emotions update prior
perceptions of trustworthiness dimensions.” In other words, emotion such as anger could really have an important influence on brand trust. This means that anger is predicted as a mediator between disclosure, crisis type and brand trust.

Not only has anger impact on brand trust, but also on post-purchase consumer behaviour (Romani et al. 2009). Romani et al. (2009) found in their study that faults of service providing leads to anger, which in turn leads to demanding an apology and refund. However, in case of a value-related crisis, consumers could feel the need to distance themselves from the brand. Consumers create distance whenever the brand creates symbolic associations with stereotypes or a social group with which consumers do not want to be associated. In that case, consumers could then communicate these negative feelings towards the brand and public (Banister and Hogg 2001; Hogg, Banister & Stephenson, 2009).

Overall, it is likely that anger leads to negative brand attitude, brand trust and purchase intention. Hence, the following hypothesis is formulated:

H5a: Anger is mediating in the relationship between disclosure, crisis type and brand evaluation

**Blame**

Previous research of Cho and Gower (2006) stated that anger mediates between blame and negative behavioural outcomes. Part of this study focuses on the influence of blame as a mediator between disclosure, crisis type and brand outcome.

In case of the Attribution theory of Coombs and Holladay (2007), consumers would search actively for information. Consumers would then like to attribute the failure to the involved actor or vendor. Consumers are motivated to get informed about the crisis, because of the need to make sense of their environment (Folkes, 1984). On the contrary, there is another theory that influences the perceived blame: the Impression management theory of
Folkes (1984). This theory involves consumers who form an image of the negative event, based on received passive information.

In case of a crisis, it is complicated for those who are concerned with collecting all the information that is necessary to completely understand the crisis. Typically, consumers receive passive information of the crisis published by the media. They form their opinion just on the basis of the information the media spreads. After publishing a product failure of a company, consumers will likely attribute the negative event to the company. This theory is called the discounting principle (Kelly, 1973). Thus, the opinion of this consumer maybe comprehended (Dean, 2004).

If a crisis occurs, consumers and the public feel the need to identify who to blame and who should take responsibility for the act (Dean, 2004). Journalists prefer to attribute the blame for the crisis to an individual in the organization or the organization itself whenever the organization could prevent the crisis (An and Gower, 2009). In addition, when an organization had control or intentionality caused the crisis, the media would focus on the attribution of blame. Consequently, journalists would use techniques such as morality and human-interest frames in order to intensely blame the individual CEO or organization and upset consumers. The media creates a mind set for consumers that will differ from self-disclosure of companies.

The level of blame will increase if the media used framing techniques. Whether the crisis was preventable through management’s action, media tends to use the attribution responsibility, human interest and moral frames. Media would then blame the CEO of the organization. Organizations could also use this strategy to blame an individual instead of the organization, and position themselves as a victim. The organization itself could use the human-interest and moral frames (An and Gower, 2009).
Third parties will frame the news story by what to communicate and what to keep out (Lyangar, Kinder, Peters & Krosnick, 1984). Framing was based on the third party’s own point of view, beliefs and identities (Cornelissen, Holt & Zundel, 2011). As a result, a third party could create the mindset of the consumers (Hallahan, 1999). Secondly, third parties can manipulate the story in a way such that the company is the one and only who is responsible for the negative event. News stories could be manipulated in a way that the negative event is a problem at a governmental level. Conversely, journalist can decide to manipulate the story as a responsibility of the company. Next, third parties could also decide that it is a social responsibility. The manipulation of who to blame is an important factor of shaping the mindset of the consumers (Matthes, 2009).

Topa, Moriano & Morales (2013) demonstrated the effect of external attributions of organizational mistreatment of employees. They gave coherence to the idea of higher organizational responsibility, when the employees were treated with respect. Injustice to the victims would increase, if other options for organizations explored.

On the contrary, Dean (2004) experimented in his crisis scenario product harm crisis. He expected that responsibility was the factor that leads to the highest variance in the brand outcome, next to reputation of the organization and response whether a product harm crisis occurs. This hypothesis was confirmed, consistent with the attribution theory. Responsibility of the negative crisis event is an important predictor of the brand outcome.

Dean (2004) showed that responsibility of the negative event had a highly significant effect on the overall brand attitude. In Dean’s experiment the outcome of the product harm was death, therefore the study of Dean (2004) involved a tragic negative event. As a result of the tragic negative event, determined by a third party, leads to strong attributes and high attitudes that overwhelm the prior positive bias towards the company. Organizations that are
involved in such tragic negative events experience low attitude towards the organization unless the blame is accepted (Bradford and Garrett, 1995). Whether a performance related crisis or a value related crisis leads to tragic outcomes like death or not, it is predictable that level of blame leads to negative brand outcome.

H5b: Blame is mediating in the relationship between disclosure of a crisis, crisis type and brand evaluation.
Method

Procedure

Two independent variables are applied in this research: disclosure (company vs. third party) and crisis type (quality related vs. value related). The moderator variable brand type also had two values: utilitarian vs. hedonic positioning. The mediating factors anger and blame were also applied in this research. The dependent variable consists of three values of brand evaluation (brand attitude, brand trust and purchase intention). This research consists of a 2 (disclose by company vs. disclosure by third party) x 2 (quality related crisis vs. value related crisis) x 2 (hedonic brand vs. utilitarian brand) between-subjects factorial design (Table 1). The main study reduced brand type (hedonic vs. utilitarian) to the between subjects design as a moderating factor (table 2) through pre-test (Table 2).

A quantitative research method has been conducted in order to collect a large data set and to measure various views and opinions of a sample of 186 participants. Four versions of questionnaires (disclosure by company vs. disclosure by third party and value related crisis vs. quality related crisis) were conducted. Appendix C shows the scales and items being used in the main online questionnaire. All questions could be answered on a 7-point Likert scale.
Research design

Table 1

*Design model 1: Disclosure x crisis type x brand type*

<table>
<thead>
<tr>
<th></th>
<th>Hedonic</th>
<th></th>
<th>Utilitarian</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PRC</td>
<td>VRC</td>
<td>PRC</td>
<td>VRC</td>
</tr>
<tr>
<td>Self-disclosure</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Third party</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
</tbody>
</table>

Table 2

*Design model 2: Disclosure x crisis type*

<table>
<thead>
<tr>
<th>Crisis type</th>
<th>PRC</th>
<th>VRC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-disclosure</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Third party</td>
<td>X</td>
<td>X</td>
</tr>
</tbody>
</table>

*Figure 1. Research design for measuring the effect of disclosure and crisis type on brand evaluations*
**Stimulus material**

In order to develop a news article including types of crisis and brand types, the product had to meet some conditions. The first important condition is the type of crisis that could occur should be realistic and recognizable for a performance related crisis or a value related crisis. Second, the company could position the product as a utilitarian brand and as a hedonic brand. Finally, the product should be recognizable and easy to understand for participants. A mobile phone fulfils all these conditions. A cell phone incident is used in literature before (Kim and Cameron, 2011), because the participants should be involved and familiar with the product. Furthermore, the brand name should not be familiar or associated with other mobile phone companies in order to control the memory or prior information of the brand. If people receive new information that challenges prior attitudes about the brand, they engage in an active memory search for information that supports their prior attitudes (Pullig et al. 2006). If people face negative brand publicity, people will mentally compare the new information with the accessible pro attitude information. As a solution, a fictitious brand name is used.

First independent variable disclosure of a crisis was checked. In the first sentence a brand crisis is disclosed by a CEO of the company or by a third party. The third party used in this study is an independent party. Whenever a third party is closely linked to the organization, it is likely that respondents will take into account their responsibility for the mistreatment of the organization (Topa et al. 2013). If third parties are competitors of the criticized companies, Meijer and Kleinneijenhuis (2006) described that the reputation of the parties who criticized the companies had influence.

In this study, the news articles are framed without response of the company (Brown & Dacin, 1997). The presence of emotional or rational appeals of the organization could influence the response of the public. Consequently, in the news article it is stated that the company will not repair or refund.
The stimulus material of the pre-test consists of a news article manipulating the independent variables and the moderator. A clear difference was made between a hedonic and utilitarian brand. The second paragraph of the news item included an independent brand review company that gave reviews on this company. Two editions of reviews were made. For the utilitarian brand edition, examples of the items were given in the news item with utilitarian benefits of the product. In the other edition, hedonic benefits of the product were described. The hedonic and utilitarian dimension of the scale of Voss, Spangenberg and Grohman (2003) were implemented to measure the manipulation of a utilitarian brand and hedonic brand. Next to the news item, a visual of the review was placed, to strengthen the brand position (Appendix B shows the stimulus material for the pre-test). However results indicated no effects of the manipulation. In the main study the manipulation of brand types was removed.

**Instruments**

Most scales that were used in the online questionnaire had been retrieved from other researchers. First, depth of message processing was measured on a 7-point Likert scale in order to check whether or not participants process the news item (Kim & Cameron, 2011). As a result, participants were attendant on the reading process. Next, the feelings of anger were measured in order to disclose other emotions that also could have an effect on negative brand evaluations. Next, the involvement of the participants were measured, in order to measure to what extent the participants find the crisis serious and relevant (Dutta & Pullig, 2011). Furthermore, the credibility of the message was measured, in order to check whether or not participants perceived the stimulus material as credible. The scale was retrieved from Kim and Cameron (2011). The scale disclosure consisted of two items. Participants were asked whether the crisis was disclosed by company and second, if the crisis was disclosed by a third
party. Furthermore, participants were asked whether they point out the crisis as value related or performance related. Those items were retrieved from Dutta and Pullig (2011). Next, the degrees of blame attribution were measured on a three-item scale (Kim & Cameron, 2011; Klein & Dawar, 2004). Next the brand evaluations values were measured. Brand attitude was retrieved from (MacKenzie & Lutz, 1989), the scale brand trust was retrieved from Klein and Dawar (2004) and purchase intentions from Ahluwalia (2002), and future purchase intention from Kim and Cameron (2005).

The 7-point Likert scale is used for credibility of the message (Ahluwalia, Burnkrant & Unnava, 2000). In order to force participants to be attendant while participating, the first four 7-point likert scales were turned back. Credibility of the message was measured at a 7-point Likert scale (1= totally agree, 7= totally disagree). To check symbolic and functional brand elements, the HED/UT scale of Voss et al., (2003) was used. Both scales consisted of five possibilities. Hedonic consist of: not fun/ fun, dull/exciting, not delightful/delightful, not thrilling/thrilling, and not enjoyable/enjoyable. Additionally, the utilitarian scale consists of five items effective/ineffective, helpful/unhelpful, functional/not functional, necessary/unnecessary, and practical/impractical. Disclosure of the crisis by company or third party is also questioned by using a 7-point Likert scale. In order to check participants were assigning the crisis towards the quality of the product or the value of the brand (Dutta & Pullig, 2011), also on a 7-point Likert-type scale was used (1= totally agree, 7= totally disagree). The scales seriousness of crisis and relevance of crisis were also measured on 7-point Likert scale (1= totally not agree, 7= totally degree).

In the dataset the first four items (credibility of the message, hedonic and utilitarian, disclosure and crisis type) were recoded into the same variables (1 = 7, 2 = 6 etc.).

In order to check the internal reliability, Cronbach’s alpha analyses were performed; the outcomes were demonstrated in table 3. The scale motivation of processing had a high
Cronbach’s alpha score of $\alpha = .800$. The scale of Kim and Cameron (2011) was retrieved to measure anger. The Cronbach’s alpha score was high on anger, namely $\alpha = 8.60$. Next, the scale involvement consisted of two items: seriousness of the crisis and crisis relevance. The scale involvement had an internal reliability of $\alpha = .841$. The credibility of the message was measured and had a low reliability of $\alpha = .407$. Cronbach’s alpha if item one was deleted, was $\alpha = .705$, consequently, item one is deleted.

The items of the disclosure were not measured for internal reliability, because the items were joint items. Likewise, the items that measured if participants point out the crisis as a value-related crisis or a performance-related crisis, were not measured for internal consistency.

The seven items of brand type did not prove to have a high internal reliability ($\alpha = .535$). Based on the Cronbach’s alpha outcomes, three items were deleted and four items that left have a sufficient internal reliability score of $\alpha = .683$.

Furthermore, purchase likelihood had only one item and therefore had a low reliability. Thus, the purchase likelihood and future intention were put together. However, the first item of purchase intention had no high internal consistency with the future purchase intention. As a result, item 1 was removed from the results.
Table 3.

*Cronbach’s alpha scores*

<table>
<thead>
<tr>
<th>Scales</th>
<th>Number of items</th>
<th>Cronbach’s alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Control questions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depth of processing</td>
<td>3</td>
<td>.800</td>
</tr>
<tr>
<td>Involvement of the crisis</td>
<td>2</td>
<td>.841</td>
</tr>
<tr>
<td>Credibility of the message</td>
<td>5</td>
<td>.407</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>.705</td>
</tr>
<tr>
<td>Mediating variables</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Anger</td>
<td>3</td>
<td>.860</td>
</tr>
<tr>
<td>Blame</td>
<td>3</td>
<td>.866</td>
</tr>
<tr>
<td>Moderator variable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand type</td>
<td>7</td>
<td>.535</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>.683</td>
</tr>
<tr>
<td>Dependent variables</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand Attitude</td>
<td>3</td>
<td>.955</td>
</tr>
<tr>
<td>Brand trust</td>
<td>3</td>
<td>.882</td>
</tr>
<tr>
<td>Purchase intention</td>
<td>5</td>
<td>.866</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>.861</td>
</tr>
</tbody>
</table>

**Pre-test study**

The purpose of the pre-test was to develop a manipulation that checked eight conditions for the main study.

The sample consisted of ten participants. They were asked to completely fill out an online questionnaire via Qualtrics.com. The participants were all highly educated and had an average age of 29.3 years. The personal network of the researcher was used to collect participants.

Participants were asked to read eight news items to check all manipulated factors in the news article. First, participants were asked to judge the article on credibility. Second, they had to identify if the brand was considered as utilitarian or as a hedonic brand. Then the participants were asked whether the participant related the incident to the quality of the company’s products, or related the incident to the values of the company. In order to measure
a quality related crisis, a product harm crisis was manipulated. In addition, the value related crisis was manipulated with mistreatment of employees. Next, the participants were asked to identify who disclosed the brand crisis. Finally the participants had to judge the extent of seriousness and relevance of the incident (Appendix A shows the online questionnaire).

**Respondents of main study**

In order to collect data, 186 participants were asked to fill in the online questionnaire. The personal network of the researcher was used to collect the first respondents. Participants were asked by social network sites and face to face, and a part of the respondents were addressed by e-mail. Snowball effect is used in order to spread the online questionnaire, participants were asked to spread the questionnaire. The participants were randomly assigned to one of the four versions of the questionnaire. Table 6 shows the demographic data of the participants.

Table 4.

**Demographic data of participants**

<table>
<thead>
<tr>
<th>Scale</th>
<th>Items</th>
<th>M</th>
<th>SD.</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Man</td>
<td>105</td>
<td></td>
<td>56.5</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Women</td>
<td>81</td>
<td></td>
<td>43.5</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>186</td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>Age</td>
<td>28.78</td>
<td>9.13</td>
<td>92</td>
<td>49.5</td>
</tr>
<tr>
<td></td>
<td>Missing</td>
<td>94</td>
<td></td>
<td>50.5</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>186</td>
<td></td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>Lower sec. prof. education</td>
<td>1</td>
<td></td>
<td>0.5</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Intermediate voc. education</td>
<td>6</td>
<td></td>
<td>3.2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>University of applied science</td>
<td>49</td>
<td></td>
<td>26.3</td>
<td></td>
</tr>
<tr>
<td></td>
<td>University</td>
<td>36</td>
<td></td>
<td>19.4</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>1</td>
<td></td>
<td>0.5</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Missing</td>
<td>49</td>
<td></td>
<td>26.3</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>186</td>
<td></td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>
The participants of the experiment were assigned to one of the four experimental groups. After reading the crisis story, the participants were being asked to evaluate the crisis story. A composite measurement of motivation of processing, emotional response, credibility of the message, degrees of blame, disclosure of crisis and crisis type were measured at a 7-point item scale. Next, the participants evaluated the relevance and seriousness of the crisis story on a seven-point scale (“very reliable” and “not at all reliable”) in order to determine if the crisis story is reliable (Ahluwalia et al., 2000). A composite measurement of brand evaluation is used, including dimensions of brand attitude, brand trust and purchase intention. Finally, the participants were asked to indicate how they perceive a cell phone, particularly as a hedonic product or as utilitarian product. In the questionnaire it was mentioned that the research was conducted for science purposes and all examples of brand crises were fiction. Participants were then debriefed and thanked.

**Manipulation check of main study**

To check whether the crisis scenario of value-related crisis (child labour) is seen as a crisis that relates to a value of the company, and the performance-related crisis (technical product fault) is seen as related to the quality of the product, a manipulation check was carried out. The manipulation check was analysed by using a t-test. The condition value-related crisis (M = 5.63; SD = 1.36) was perceived as significantly affecting the values of a company more than a performance-related crisis (M = 5.00; SD = 1.54; t-value= -2.939; \( P < .05 \)). The condition performance-related crisis (M = 5.04; SD = 1.56) was perceived as affecting the quality of the product significantly more than the value-related crisis (M = 2.63; SD = 1.50; t-value = 10.670; \( P < .05 \)).

Second, an independent t-test was performed in order to check whether a company or a third party discloses a crisis. On the item ‘the crisis is announced by the CEO of the
company’, the condition disclosure by the company \( (M = 4.25; SD = 2.03) \) is perceived significantly higher compared to the condition third party \( (M = 2.17; SD = 1.049; t\text{-value} = 8.738; P < .05) \). On the item ‘the crisis is announced by a research corporation’, the condition disclosure by a third party \( (M = 5.35; SD = 1.45) \) is perceived significantly higher compared to the condition company \( (M = 4.00; SD = 1.92; t\text{-value} \ -5.416; P < .05) \).

Table 5.

*Overview Means and Standard Deviations of disclosure and crisis type.*

<table>
<thead>
<tr>
<th>Items</th>
<th>M</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disclosure by company</td>
<td>3.21</td>
<td>1.92</td>
</tr>
<tr>
<td>Disclosure by third party</td>
<td>4.68</td>
<td>1.83</td>
</tr>
<tr>
<td>Performance related crisis</td>
<td>3.91</td>
<td>1.94</td>
</tr>
<tr>
<td>Value related crisis</td>
<td>5.31</td>
<td>1.49</td>
</tr>
</tbody>
</table>

Next, manipulation check was in order to measure the depth of message processing. The scale depth of message processing shows that participants were sufficiently processing the message \( (M=4.88; SD=1.22) \). Furthermore, the scale of anger was measured. Anger had a mean score on both crisis scenarios \( (M=4.37; SD=1.39) \), no significant effects were found between the two crisis scenarios.

Next to this, the involvement of the participants was measured as a control variable and had a sufficient score \( (M=4.55; SD=1.42) \). Finally, the credibility of the message was measured also as a control variable on both crisis scenarios; the symbolic crisis scenario \( (M=4.07; SD = .95) \) scored higher compared to the functional crisis scenario \( (M = 3.58, SD = 1.07) \).
Results

Main effects

The Univariate Analysis of Variance was performed to measure the main effects of disclosure and crisis type on the dependent variables brand attitude, brand trust and purchase intention. Both independent variables, disclosure (F = 4.382, P < .005; F = 4.994 P < .005) and crisis types (F = 5.508, P = .020; F = 31.011, P < .001) had statistically significant main effects on brand attitude, brand trust and purchase intention. Results of the main effects of disclosure and crisis types are presented in table 6.

Table 6.

Univariate Analysis of Variance – results of the main effects

<table>
<thead>
<tr>
<th>Dependent variables</th>
<th>Disclosure</th>
<th>Crisis type</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
<td>P</td>
</tr>
<tr>
<td>Brand Attitude</td>
<td>1.728</td>
<td>.190</td>
</tr>
<tr>
<td>Brand trust</td>
<td>2.398</td>
<td>.123</td>
</tr>
<tr>
<td>Purchase intention</td>
<td>4.244</td>
<td>.041*</td>
</tr>
</tbody>
</table>

Note: * p < .05, ** p < .001

In order to show which condition is significantly higher than the other, the means and standard deviations of the conditions disclosure and crisis type are presented in table 7. The effect of self-disclosure is significantly higher on purchase intention than disclosure by a third party (supporting hypothesis 1). However, results on brand attitude and brand trust were not significant.

In contrast of what was predicted, a value-related crisis scores significantly higher on brand attitude and brand trust, than a performance-related crisis. This outcome is not supporting hypothesis 2a. Furthermore, no significant results were found for hypothesis 2b, a value-related crisis does not lead to less harm on consumers’ purchase intention than a performance-related crisis.
Table 7.

**Means and Standard Deviations of the main effects**

<table>
<thead>
<tr>
<th>Dependent variables</th>
<th>Disclosure Type</th>
<th>Crisis type</th>
<th>Brand attitude</th>
<th>Brand trust</th>
<th>Purchase intention</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N=93</td>
<td>N=93</td>
<td>N=87</td>
<td>N=99</td>
<td></td>
</tr>
<tr>
<td></td>
<td>M</td>
<td>SD</td>
<td>M</td>
<td>SD</td>
<td>M</td>
</tr>
<tr>
<td>Brand attitude</td>
<td>2.94</td>
<td>1.14</td>
<td>2.74</td>
<td>.93</td>
<td>3.02</td>
</tr>
<tr>
<td>Brand trust</td>
<td>2.98</td>
<td>1.17</td>
<td>2.73</td>
<td>.99</td>
<td>3.28</td>
</tr>
<tr>
<td>Purchase intention</td>
<td><strong>3.00</strong></td>
<td>.65</td>
<td><strong>2.83</strong></td>
<td>.56</td>
<td>2.98</td>
</tr>
</tbody>
</table>

Interaction effects

The Univariate Analysis of Variance results showed that disclosure and crisis types interact marginally statistically significant on brand attitude (F= 3.284, *p* = .071) and brand trust (F= 3.508, *p* = .063), as demonstrated in table 8.

Table 8.

**Univariate Analysis of Variance – results of the interaction effects between disclosure, crisis type on brand attitude, brand trust and purchase intention**

<table>
<thead>
<tr>
<th>Dependent variables</th>
<th>Disclosure x crisis type</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
</tr>
<tr>
<td>Brand attitude</td>
<td>3.284</td>
</tr>
<tr>
<td>Brand trust</td>
<td>3.508</td>
</tr>
<tr>
<td>Purchase intention</td>
<td>2.065</td>
</tr>
</tbody>
</table>

*Note. * *p* < .05, ** *p* < .001*

In order to show the direction of the interaction effect, means and standard deviations are presented in table 9. A value-related crisis that is disclosed by a company interacts marginally significant on brand attitude and brand trust. No significant results were found on purchase intention. Figure 2 shows the profile plot of the interaction effect on brand attitude.
Means and Standard Deviations of the interaction effects

<table>
<thead>
<tr>
<th>Dependent variables</th>
<th>Value-related crisis</th>
<th>Performance-related crisis</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Self-disclosure</td>
<td>Third party</td>
</tr>
<tr>
<td></td>
<td>N=41</td>
<td>N=46</td>
</tr>
<tr>
<td>Brand attitude</td>
<td>3.29 1.18</td>
<td>2.78 .99</td>
</tr>
<tr>
<td>Brand trust</td>
<td>3.59 .95</td>
<td>3.01 .98</td>
</tr>
<tr>
<td>Purchase intention</td>
<td>3.15 .67</td>
<td>2.82 .56</td>
</tr>
</tbody>
</table>

Figure 2. Graph of marginally interaction effect of disclosure and crisis type on brand attitude.

Interaction effects on brand attitude

The profile plots shows the nature of the interaction between disclosure and crisis type on the dependent variable brand attitude. Under the performance-related crisis, the disclosure by third party was performing a little bit better on brand attitude than self-disclosure. Under value-related crisis, self-disclosure was performing much better than disclosure by a third
party. Consequently, Hypothesis 3a is supported; a self-disclosure of a value-related crisis had a more positive effect on a) brand attitude (M=3.29) and b) brand trust (M=3.59) than disclosure by a third party on a) brand attitude (M=2.78) and b) brand trust (M=3.01), whereas a performance-related crisis had more positive effect in case of a disclosure by a third party on a) brand attitude (M=2.70) and b), but not on brand trust (M=2.46), than self-disclosure of a performance-related crisis on a) brand attitude (M=2.66) and b) brand trust (M=2.49).

**Interaction effects on brand trust**

Secondly, a profile plot of the interaction effect on brand trust is shown in figure 3, in order to show the direction of marginally significant interaction effect. It is noticeable that the interaction effect on brand trust had the same direction as brand attitude.

![Graph of marginally interaction effect of disclosure and crisis type on brand trust.](image)

*Figure 3. Graph of marginally interaction effect of disclosure and crisis type on brand trust.*
Hypothesis 3b could not be supported; a self-disclosure of a value-related crisis has a more positive effect on b) brand trust (M=3.59) than disclosure by a third party on b) brand trust (M=3.01), whereas a performance-related crisis did not have more positive effect in case of a disclosure by a third party on and b) brand trust (M=2.46), than self-disclosure of a performance-related crisis on b) brand trust (M=2.49).

Interaction effects on purchase intention

No (marginally) significant interaction effects were found on purchase intention. So, Hypothesis 3c is not supported; a self-disclosure of a performance-related crisis is more positive on c) purchase intention (M= 2.89) than disclosure of a third party on c) purchase intention (M=2.83), whereas a value-related crisis does not have a more positive effect in case of disclosure of a third party on c) purchase intention (M=2.82), than self-disclosure on c) purchase intention (M=3.15).

Moderator effect

No significant interaction effects were found with disclosure, crisis types and brand types on brand evaluations (F = 2.700, ρ = .102; F = .930, ρ = .336; F= .349, ρ = .556). These results were not supporting hypotheses 4a and 4b, brand positioning does not interact with crisis type in this study. As a result, brand type also does not interact with crisis type and disclosure on brand evaluation. Consequently, hypotheses 4c and 4d were also not supported. In this study, consumers’ preference for hedonic or utilitarian brands does not play a moderating significant role between disclosure, crisis types and brand evaluations. These results are presented in table 10.
In order to get insight into the direction of the effect of disclosure, crisis types and brand types, the means and standard deviations are presented in table 11. In contrast with what was expected (hypothesis 4a), the value-related crisis and hedonic brand types also scored higher on brand evaluation than a value-related crisis and utilitarian brand types. In other words, hypotheses 4a was not supported, hedonic brand types did not lead to more negative brand attitude (M=3.10; SD=1.12), brand trust (M=3.37; SD=1.03) and purchase intention (M=3.01; SD=5.83) if a value related crisis occurs, compared to a value-related crisis and utilitarian brand type on brand attitude (M=2.96; SD=1.11), brand trust (M=3.21; SD=.99) and purchase intention (M=2.95; SD=.68). In fact, the means showed an opposite direction.

Hypothesis 4b is not significantly supported. However, a performance-related crisis for a utilitarian brand leads to more negative brand attitude (M=2.62; SD=.99), brand trust (M=2.38; SD=.97) and purchase intention (M=2.76; SD=.53), compared to performance related crisis for a hedonic brand on brand attitude (M=2.76; SD=.92), brand trust (M=2.61; SD=1.10) and purchase intention (M=2.99; SD=.63).

<table>
<thead>
<tr>
<th>Dependent variables</th>
<th>Crisis type x brand type</th>
<th>Disclosure x Crisis type x brand type</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
<td>P</td>
</tr>
<tr>
<td>Brand attitude</td>
<td>.001</td>
<td>.980</td>
</tr>
<tr>
<td>Brand trust</td>
<td>.077</td>
<td>.782</td>
</tr>
<tr>
<td>Purchase intention</td>
<td>.894</td>
<td>.346</td>
</tr>
</tbody>
</table>
Finally, the means and standard deviation of the interaction effects of disclosure, crisis type and brand type on brand evaluations are presented in table 12. It was predicted by As presented in table 12, this combination did score lower on brand attitude (M=3.05; SD=1.06), brand trust (M=3.19; SD=1.04) and purchase intention (M=2.77; SD=.38) compared to a self-disclosure of a value-related crisis on a hedonic brand, on brand attitude (M= 3.14; SD= 1.20) brand trust (M=3.52; SD= 1.01) and purchase intention (M=3.23; SD= .66). However, the results of hypothesis 4c were not significant.

Furthermore, it was predicted (hypothesis 4d) that the match with performance-related crisis, utilitarian brand, disclosed by a third party also should score lower on brand attitude (M=2.70; SD=.94), brand trust (M=2.41; SD=1.04) and purchase intention (M=2.76, SD= .58) compared to a self-disclosure of a performance-related crisis on utilitarian brand on brand type (M=2.53; SD=1.06), brand trust (M= 2.33; SD= .87) and purchase intention (M=2.77; SD=.47). This direction of interaction effect of hypothesis 4d is not supported. The results even showed an opposite connection.

**Table 11.**

*Means and standard deviations of the interaction effects brand types and crisis types*

| Dependent Variables | Hedonic | | | Utilitarian | | |
| | VRC | PRC | VRC | PRC |
| | N=40 | N=43 | N=47 | N=56 |
| | M | SD | M | SD | M | SD | M | SD |
| Brand attitude | 3.10 | 1.12 | 2.76 | .92 | 2.96 | 1.11 | 2.62 | .99 |
| Brand trust | 3.37 | 1.03 | 2.61 | 1.10 | 3.21 | .99 | 2.38 | .97 |
| Purchase intention | 3.01 | 5.83 | 2.99 | .63 | 2.95 | .68 | 2.76 | .53 |
Table 12.

Means and standard deviations of the interaction effects disclosure, crisis type and brand type on brand evaluations.

<table>
<thead>
<tr>
<th></th>
<th>Hedonic brand</th>
<th></th>
<th>Utilitarian brand</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Self-disclosure</td>
<td>Third party</td>
<td>Self-disclosure</td>
<td>Third party</td>
</tr>
<tr>
<td>VRC N=21</td>
<td>3.14 (1.20)</td>
<td>2.71 (.73)</td>
<td>3.45 (1.17)</td>
<td>2.70 (.94)</td>
</tr>
<tr>
<td>PRC N=28</td>
<td>2.79 (1.01)</td>
<td>3.05 (1.06)</td>
<td>2.53 (.94)</td>
<td>2.59 (.93)</td>
</tr>
<tr>
<td>PRC N=15</td>
<td>2.71 (.73)</td>
<td>3.05 (1.06)</td>
<td>2.70 (.94)</td>
<td>2.59 (.93)</td>
</tr>
<tr>
<td>VRC N=19</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PR C N=15</td>
<td>2.71 (.73)</td>
<td>3.05 (1.06)</td>
<td>2.70 (.94)</td>
<td>2.59 (.93)</td>
</tr>
<tr>
<td>PR C N=15</td>
<td>2.71 (.73)</td>
<td>3.05 (1.06)</td>
<td>2.70 (.94)</td>
<td>2.59 (.93)</td>
</tr>
<tr>
<td>PR C N=24</td>
<td>2.71 (.73)</td>
<td>3.05 (1.06)</td>
<td>2.70 (.94)</td>
<td>2.59 (.93)</td>
</tr>
<tr>
<td>VR C N=27</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Mediating effects

To test whether or not anger and blame intervenes between the independent variables crisis type and disclosure, and the dependent variables of brand evaluations a multivariate general linear regression test is conducted. Anger and blame both proposed to be a mediator between the independent variables and the brand outcome. In order to measure the mediators individually, the mediation model of Baron and Kenny (1986) is used. A multiple regression analyses and a simple regression analyses are used in order to estimate the effects, as demonstrated in table 13.

Baron and Kenny (1986) created four steps in establishing mediation. First step, the relation between the independent variables and dependent variables are determined in order to show an effect that can be mediated. Consistent with the results of the Univariate regression analysis, results show that crisis type has a significant effect on brand attitude ($B = .351; P<.05$) and brand trust ($B=.821; P<.001$). Moreover, disclosure has a significant effect on purchase intention ($B=-.190; P<.05$) and marginally significant effect on brand trust ($B= -.291; P=.051$).
Table 13.

Multiple regression analyses of the independent variables on the brand evaluation

<table>
<thead>
<tr>
<th>Dependent variable</th>
<th>Parameters</th>
<th>B</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand attitude</td>
<td>Disclosure</td>
<td>-.220</td>
<td>-1.453</td>
<td>.148</td>
</tr>
<tr>
<td></td>
<td>Crisis type</td>
<td>.351</td>
<td>2.320</td>
<td>.021*</td>
</tr>
<tr>
<td>Brand trust</td>
<td>Disclosure</td>
<td>-.291</td>
<td>-1.963</td>
<td>.051</td>
</tr>
<tr>
<td></td>
<td>Crisis type</td>
<td>.821</td>
<td>5.518</td>
<td>.000**</td>
</tr>
<tr>
<td>Purchase intention</td>
<td>Disclosure</td>
<td>-.190</td>
<td>-2.140</td>
<td>.034*</td>
</tr>
<tr>
<td></td>
<td>Crisis type</td>
<td>.127</td>
<td>1.249</td>
<td>.155</td>
</tr>
</tbody>
</table>

Note: * p < .05, ** p < .001

Second step, a simple linear regression was used to measure the effects of the independent variables disclosure and crisis type on the mediators anger and blame separately. A significant result of crisis type on blame is measured (B=-.229; P<.05) (supporting hypothesis 5a). A crisis type has no significant negative effect on blame. Moreover, disclosure and crisis type has not significant effects on anger (not supporting hypothesis 5b).

Table 14.

Linear regression analyses of the independent variables on the mediators

<table>
<thead>
<tr>
<th>Dependent Variables</th>
<th>Independent Variables</th>
<th>B</th>
<th>Std. error</th>
<th>Beta (std. coefficients)</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blame</td>
<td>Disclosure</td>
<td>0.088</td>
<td>0.072</td>
<td>0.088</td>
<td>-1.220</td>
<td>.224</td>
</tr>
<tr>
<td></td>
<td>Crisis type</td>
<td>-0.229</td>
<td>0.072</td>
<td>-0.228</td>
<td>-3.179</td>
<td>.002*</td>
</tr>
<tr>
<td>Anger</td>
<td>Disclosure</td>
<td>0.008</td>
<td>0.074</td>
<td>0.008</td>
<td>0.109</td>
<td>.914</td>
</tr>
<tr>
<td></td>
<td>Crisis type</td>
<td>0.051</td>
<td>0.074</td>
<td>0.051</td>
<td>0.686</td>
<td>.494</td>
</tr>
</tbody>
</table>

Note: * p < .05, ** p < .001

Third step, the effects of independent variables and the mediator on the dependent variables are measured with a multivariate regression analyses. The mediators anger and blame are measured separately from each other. The results show that anger marginally effects brand attitude, and had significant direct effects on brand trust and purchase intention. In addition, blame had significant effects on the brand outcomes.
Table 15.
Regression analyses of the mediator anger on the dependent variables.

<table>
<thead>
<tr>
<th>Dependent Variable</th>
<th>Parameters</th>
<th>B</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand attitude</td>
<td>Anger</td>
<td>-.169</td>
<td>-1.896</td>
<td>.059</td>
</tr>
<tr>
<td>Brand trust</td>
<td>Anger</td>
<td>-.411</td>
<td>-2.602</td>
<td>.010*</td>
</tr>
<tr>
<td>Purchase intention</td>
<td>Anger</td>
<td>-.509</td>
<td>-3.419</td>
<td>.001*</td>
</tr>
</tbody>
</table>

Note: * p < .05, ** p < .001

Table 16.
Regression analyses of the mediator blame on the dependent variables

<table>
<thead>
<tr>
<th>Dependent Variable</th>
<th>Parameters</th>
<th>B</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand attitude</td>
<td>Blame</td>
<td>.769</td>
<td>5.390</td>
<td>.000**</td>
</tr>
<tr>
<td>Brand trust</td>
<td>Blame</td>
<td>.817</td>
<td>5.476</td>
<td>.000**</td>
</tr>
<tr>
<td>Purchase intention</td>
<td>Blame</td>
<td>.297</td>
<td>3.405</td>
<td>.001*</td>
</tr>
</tbody>
</table>

Note: * p < .05, ** p < .001

The last step measures the mediators and independent variables together on the dependent variables with a multivariate general regression analysis. As presented in table 16, crisis type still has a significant effect on brand trust (B=.673; p<.001). Moreover, blame is a mediator between the relationship of the independent variables and brand attitude and purchase intention. Blame is not mediating between disclosure, crisis type and brand trust, therefore it is likely a partial mediation.

Finally, the mediator anger is measured with the independent variables on the brand outcome. Crisis type still has a significant result on brand attitude (B=.378; P<.05) and also on brand trust (B=8.44; P<.001). Furthermore, disclosure still has a significant effect on brand trust (B=-.288; P<.05). Next, disclosure still has a significant effect on purchase intention (B=-.188; P<.05). As a result, a partial mediation of anger between disclosure, crisis type and brand evaluations is likely.

In order to show the partial mediation, a Sobel test (1982) is performed; the results are shown in appendix E. The Sobel test presumes a symmetric distribution. The distribution of
disclosure has a value of zero on skewness (symmetric distribution) and the distribution of crisis type had a positive value on skewness (.130). This means that the end of the scope had high values. A normal probability plot is carried out to show an overview of the distribution. The distribution of the residues of disclosure and crisis type was nearly consistent with the symmetric distribution.

As presented in the tables in appendix E, blame is a mediating variable between crisis type and brand attitude ($z=2.69; P<.05$), brand trust ($z=-2.71; P<.05$) and purchase intention ($z=2.29; P<.05$), as demonstrated in table 17 and 19. In conclusion, the Sobel test presented the partial mediation of blame was highly significant between the significant relations of crisis type and brand evaluations, so hypothesis 5b is partially supported. In addition, anger is not a mediating factor according to this Sobel test, as presented in table 18 and 20 (not supporting hypothesis 5a).
Discussion

The purpose of this study is to measure the direct and interaction effects of disclosing a crisis and crisis type on various brand evaluations. In addition, the effects of brand type on brand evaluation are studied and the mediating effects of anger and blame are measured. A number of significant results have been found, even though not all hypotheses were confirmed.

In the main study, one significant result was found. Self-disclosure had significantly more positive effect on purchase intention than disclosure by a third party. Despite the same directions on brand attitude and brand trust, these outcomes were not significant. This can be explained by several reasons.

First reason could be that self-disclosure does not have enough effect on unfamiliar brands. Participants had no prior attitude towards the brand. Dawar and Pullitla (2000) suggests that prior brand attitude with low certainty may exacerbate the effects of negative events. Furthermore, because the brand was unfamiliar, consumers had no loyalty towards the brand in the stimulus material. Dawar and Pullitla (2000) suggest also that loyalty and positive expectations have positive influence on negative information. Perhaps participants would be more motivated by reading a case of a familiar brand, in order to be more interested or loyal.

Next hypotheses, 2a and 2b, were not significantly supported. Although it was predicted that a value-related crisis had a more negative effect on brand attitude and brand trust, this was not supported by this study. In contrast to the prediction, performance-related crises had a significantly more negative effect on brand attitude and brand trust than value-related crisis. As predicted, a value-related crisis also scores higher on purchase intention than a performance-related crisis. However, no significant results were found.

Crisis on board: The effect of disclosure and crisis type on brand evaluations – University of Twente
First explanation could be that ethical issues do not seem to affect consumers’ attitude, consistent with the experiment of Carrigan and Attalla (2001). They suggest that participants get confused, for example, who is involved in the crisis and who is not. Another explanation is consistent with perceived behavioural control. This includes the elements of self-efficacy, belief to perform and controllability. The value-related crisis could be perceived as out of control for the participants and also for the company or brand. Child labour could be perceived as a governmental problem and therefore outside the control of companies whereas product faults might be seen less out of the control for companies. Therefore participants might perceive the value-related crisis still as a company with competence and quality.

Next explanation is consistent with the social judgment theory. According to Dainton and Zelley (2011) “it proposes that people make evaluations, judgments about the concept of messages based on their anchors, or stance, on particular topic messages.” This theory measured individuals’ involvement on a topic. For example, child labour is a topic that individuals could perceive as farther away from the position of the participant. The position of the message is far away of the position of the Dutch participant. The participant then exaggerates the difference and is not highly ego-involved, in other words the participant does not believe that the topic is important, and the person typically holds an intense position. Then, the participant is not committed or could ‘reject’ the message (Dainton & Zelley, 2011).

The results of hypothesis 2b were not significant supported. Even though, as predicted, a value-related crisis leads to less harm on purchase intention than a performance-related crisis. In contrast to the value-related crisis, the performance-related crisis used in the stimulus material in this position of the topic is more likely close to the position of the participant. Perhaps participants are more highly ego-involved, because the cell phone problem is a realistic problem. Based on pre-existing attitudes participants make a judgment
about the message. Participants could not judge on the brand, but they could have pre-existing attitudes towards cell phone displays that are broken or not working properly.

A reason that the value-related crisis seems to be less harmful for participants might be that the questionnaire was anonymous. Participants in a focus group or interview could be triggered to ‘do the right thing’. Consumers plan to act in a particular way (Fishbein & Ajzen 1977; Dainton & Zelley, 2011). What are the perceptions of what others in your social network expect you to do, is an important predictor of behavioural intention. Because the participants could answer anonymous, they had no peer pressure and therefore the participants were probably not triggered to ‘do the right thing’.

Furthermore according to Carrigan and Attella (2001) older and younger consumers would be more ethically discriminating. The average age of the participants in this study was 28.78. Perhaps, these students belief cell phones are important in life and therefore evaluate the performance-related crisis with stronger beliefs and harmed this scenario more than the value-related crisis scenario. As stated by Dainton and Zelley (2011), people evaluate something on strength of beliefs.

According to Boulstrigde and Carrigan (2000), unethical behaviour of companies only affects consumers who are personally attached and have interest in the product or company. Then consumers would take action or boycott the product. However, in case of the value-related crisis, participants were not personally attacked and could not have much interest in the company, because of the fictitious brands.

Next, hypothesis 3a was supported. A self-disclosure of a value-related crisis has a more positive effect on brand attitude than disclosure by a third party, whereas a performance-related crisis has a more positive effect in case of disclosure by a third party on brand attitude compared to self-disclosure. So, self-disclosure does not seem to be an effective
communication strategy in all cases. It could be suggested that in this study, the performance-related crisis was more harmful for participants’ attitude, even when the company discloses it. Like previously mentioned arguments stated before, it is likely that participants are more highly ego-involved; the topic is more recognizable and less out of the control of the company.

Furthermore, hypothesis 3b was not supported. A self-disclosure of a value-related crisis has a more positive effect on brand trust, than disclosure by a third party, however, performance-related crisis disclosed by a third party did not have a more positive effect on brand trust as self-disclosure. According to Marcus and Goodman, (1991) stakeholders advise to keep the crisis internal in case of accidents; this is not supported by this research. Probably, the participants appreciated the self-disclosure, and perceived the organization as reliable and honest. This probably leads to a more positive brand trust in the self-disclosure condition, than the third party condition.

Besides, hypothesis 3c was not supported. However the results were not significant, results indicated that a self-disclosure of a performance-related crisis does have a more positive effect on purchase intention than disclosure by a third party. In consistency with hypothesis 3b, a value-related crisis disclosed by a third party does not have more positive effect on purchase intention compared to self-disclosure. Participants seems to appreciate the self-disclosure of the value-related crisis and this result in a more positive attitude towards purchase intention than in case the crisis is disclosed by a third party. It is likely that participants sees the child labour in the stimulus material as a scandal, which organizations should not deny or avoid (Marcus and Goodman, 1991). The gap between attitude and behaviour could be discussed again, because it was predicted that participants fill in social desirable answers. Because in real live the purchase intention of consumers after a value-
related crisis still could increase. A case in point is Primark, which had a “magnificent year” (the Guardian, 2014) a year after the brand was associated with and criticized by consumers and third parties due to poor work circumstances (the Guardian, 2013).

Following hypotheses include the predicted interaction effect of brand type, which is not supported. Reason for not finding significant effects for brand type as moderator between the independent variables and the stimulus material might explain the brand outcome. The brand types were manipulated in the pre-test as hedonic or utilitarian brands.

It seems that participants were not aware of the brand types characteristic. These features probably did not get enough attention. Participants had to divide their attention between text and the features. Therefore in the main study, the features of brand types were not included so that participants could focus on the article. In order to measure the brand type, participants were asked whether they see the product cell phone as a utilitarian product or hedonic. Perhaps, the focus for participants was on product type and not so much on the brand type.

The brand type scale could be more persuasive and stronger by including advertisements and company information with features of both brand types (Pullig et al. 2006). In addition, the hedonic features of the scale emphasized the pleasure, fun and experience features and illustrated that these features did not include good working conditions and concerns for the environment (Pullig et al., 2006). Including those factors could possibly lead to a significant effect of the moderator between crisis types, disclosure and brand evaluations.

Next, the predictors for mediating were measured. A significant effect of the mediator blame on brand evaluation is measured. Blame is a mediator between the relationship of the
independent variables disclosure, crisis type and brand attitude and purchase intention. Blame is not mediating between disclosure, crisis type and brand trust, it is likely a partial mediator.

Finally, no significant mediating effects of anger were found. However, the direction shows anger as a predictor of negative brand evaluations. The absence of feelings of anger could also be due to participants’ low involvement in the article.

Firstly, the stimulus material did not have a high credibility. The credibility of the message measured on both crisis scenarios was not highly rated but scored average; the value-related crisis scenario scored a little bit higher compared to the performance-related crisis scenario. This could be ascribed to the package of the message. Elsbach and Elofson (2000) researched how to communicate in a trustful manner. The language and the explaining of the process of the crisis can influence the credibility of the message. Plain language is perceived as more trustful than complicated language. Furthermore, a labelled crisis process will increase the consumers’ perceived trust. In this study the crisis process was not included in the crisis scenario.

Secondly, there was an absence of strong framing techniques. However, it was intentionally not to influence consumers’ thoughts by dramatically framing, it could also be the problem of the absence of high emotions on anger and as a result on the value-related crisis scenario. The stimulus scenario of the value related crisis was not dramatically framed with strong human-interest or moral frames. Similarly, the performance-related crisis did not have a forcing outcome such as death. These crisis scenarios could possibly be categorized into the forgettable category in consumer’s minds (Fishman, 1999). Furthermore, these are not increasing feelings of anger.

Furthermore, anger could be triggered by other factors. In 1980, Weiner reported a convenient system to classify product failure causes. He classified the factors controllability,
locus and stability. Firstly, high controllability leads to increasing feelings of anger whereas less controllability leads to reduce feelings of anger (Romani et al. 2009). Secondly, stability referred to a temporary or permanent cause of a crisis. Lastly, locus referred to the location of the causes, whether the cause is pointed out to consumer or manufacturer.

Later on, Folkes (1984) developed the categorization of Weiner in more detail. Folkes (1984) showed that during product failure, controllability and locus could exacerbate consumers’ feelings of anger and need for revenge. A main significant locus effect was determined, in case the manufacturer was responsible for the product failure compared to whenever the consumer was pointed out as the wrongdoer. This indicated high likelihood of anger and revenge. Another important finding of Folkes (1984) was the significant effect found on lack of controllability of the manufacturer or store. Participants expect high frequency of anger whenever organizations fail in manufacturing or in store, for example whenever their employees are incompetent. Due to the lack of these factors, it is likely that the crisis scenario did not have enough impact on anger.

Finally, although the results of involvement into the crisis were sufficient, it is likely that in real life the involvement into the crisis is higher and therefore the feelings of anger more extended. As a result of using a fictitious brand and crisis scenarios, level of relevance for participants could be higher in real live than during an experiment. Similarly, the depth of message processing would be highly intensive in real life, when consumers are in possession of a product that is harmed.
Managerial implications

Based on the results of this study, communication advisors could influence the decision whether or not to disclosure the crisis. Using the findings of this study it is advisable to disclose value-related issues, before a third party does. The result of this study shows that self-disclosure in case of a value-related crisis directly has a significantly better effect on brand attitude and brand trust than disclosure by a third party.

The effect of a value-related crisis with social and ethical issues on brand evaluations does not have a more negative influence on brand attitude, brand trust and purchase intention compared to a performance-related crisis. This indicates that consumers found a product that is broken more harming than whenever a product is made in poor working conditions, even when child labour is pointed out. Besides, when the brand positioning with hedonic features is prominent and the company had to deal with a value-related crisis, it is better to self-disclose this than to take the risk a third party would disclose.

It is stated by Romani et al. (2009) that consumers intend to recreate a brand relationship with the brand, even the brand was related to a crisis. Consumers feel the need to rectify the negative events (Romani et al., 2009). In addition, it is important for brands to disclose their issues before third parties do in order to minimize the impact on the brand. An important advantage of disclosure of the organisational related issue is the fact that the organization could frame the crisis scenario. Furthermore, the organization could package the story in its advantage. For example, the organization could show the process of the crisis scenario. It is showed by Elsbach and Elofson (2000) that whenever the process of the issue is unambiguous, consumers feel less harm towards the company.

Apart from this, the company could direct the blame towards other parties. This part of the study offers some important insights into the effects of blame as a mediator on disclosure,
crisis type and the brand outcomes brand attitude, brand trust and purchase intentions. Whenever the blame is accepted, and this acceptance will grow whenever the company self-discloses the crisis, the attitude towards the organization will turn positively (Bradford and Garrett, 1995).

Certain issues are more likely to influence the audience’s thoughts, and certain individuals are more likely to be influenced by these issues (Dainton & Zelley, 2011). First, the media are particularly effective in chronic social issues such as human rights violations or chronic disease. Individuals have different needs for external advice or direction, also known as the need for orientation. This need for orientation depends both on a topic’s relevance as well as on a person’s uncertainty about the issue at hand. Childcare issues are typically more relevant to viewers who are parents. Therefore, it depends on the crisis type and the audience whenever it seems to be effective to disclose or not.

According to Simon (1995) “boycotting is unlikely when consumers are familiar with the brand and they rely on the brand”. Furthermore, prior brand attitude and expectations are an important basis for a brand to build a buffer (Aaker, 1991). In addition, value-related benefits and performance-related benefits are both important to act as a buffer for a crisis, also supported by previous literature (Pullig et al. 2006; Dawar & Lei, 2011).
Limitations and recommendations

This study gives rise to interesting avenues and approaches beyond the scope of this study, as a result of limitations.

The first limitation is that there was not enough capacity for the stimulus material to strengthen the conditions of brand types. Perhaps, in conclusion of advertorials and advertisements of the brand could create a better marketing positioning for the two brand types. Pullig et al. (2006) manipulated the brand types with booklets, including a company profile and ads that emphasized product features versus non-attribute features (concerns for environment). These are suggestions for a new approach to future research.

The second limitation is the result of sadness as an influencing factor. This study indicated that sadness is an emotion that also could exacerbate brand evaluations. Sadness had a significant result on the crisis types, sadness scored high on value related crisis type (M=4.98; SD=1.29; t= -7.02; p < .00) compared to performance related crisis (M= 3.61; SD=1.38). As a consequence of lack of capacity, time limit and workforce, measuring sadness as a mediator is a topic for future research.

The third limitation of this study is the use of snowball sampling. The personal network of the researcher included participants with the same traits. By using snowball sampling, participants had an average age of 28.78. The disadvantage of this method is that it does not allow generalization; it is hardly representative for the population.

Furthermore, in this study, only the first emotion is measured. For future research it would be interesting to measure the second ‘attribution dependent emotions’, after reading additional information about the company. Weiner (1980) introduces two types of emotions
that are dedicated to the attribution theory. First emotion is called the ‘outcome dependent attribution independent’ emotion. This emotion is generated based on reading the news scenario in the media. Then, consumers would search for additional information to attribute and then they would reveal ‘attribution dependent emotions’ (Choi & Lin, 2009). Weiner (1980) stated that the first and second emotion could not elaborate and both will harm the brand outcome.

In addition, the attitude certainty could be measured for future research (Pullig et al., 2006). As one dimension of attitude strength, attitude certainty is associated with biased information processing (Huskinson & Haddock, 2004). Degree of certainty in prior attitudes can affect the manner consumers evaluate brands after facing negative publicity.

This study does not include a different organization and brand name in the stimulus material. It could be tested whether or not the monolithic brand and a separate brand name is less harmful for a brand (Pullig et al, 2006). If the brand name is closely linked to the organization, it is likely that consumers also feel anger towards the brand (Berens et al., 2005). In addition, the study could be extended with a familiar brand. As a matter of fact, loyalty and familiarity form a buffer against a product harm crisis. Additionally, heavy users of the product were likely to purchase the product after a product harm crisis, as heavy users were familiar with the benefits of the product (Lim et al. 2005). Cleeren et al. (2008) illustrated that by examining two peanut butter brands (a well-known brand and an unknown brand) of a parent company (Kraft Foods Australia). Both were associated with salmonella poisoning (Sydney Morning Herald, 1996). The company (Kraft Foods Australia) had the worst crisis in its history. Cleeren et al. (2008) discovered that brand advertisement is effective for a stronger, well-known brand, but not for a weaker, unknown brand.
Other important contaminated confounding variables are the absence of measurement in the long term. Reputation is built up in years. Results of research are based on short-term results, and this is no guarantee that these results are also relevant on the long term. For instance, Marcus and Goodman (1991) show two examples of self-disclosing companies with a product safety problem. Ford firstly did not disclose the crisis but later on the company was forced to. Consequently, Ford harmed it’s own cause. In this study, the long-term reputation could not be measured. However, it is an interesting issue for further research.

Finally, this research could serve as a foundation for future research in crisis communication for familiar brand. It is interesting to test whether or not the stealing thunder strategy leads to a better brand evaluation compared to an unfamiliar brand. Brand familiarity creates positive attitude towards brands. As a consequence, consumers will defend the brand whenever negative information arises. Consumers familiar with a brand will search for positive information (Pham and Muthukrishnan, 2002). Consumers’ attitude towards a familiar brand will conquer the primary information about the brand and as a result, the negative impact about the crisis will reduce. If consumers are unfamiliar with the brand, the negative information flow is the primary information based on the evaluation of the brand; moreover consumers are willing to upgrade their information to evaluate the brand (Haugtvedt and Wegener, 1994).
References


Roehm, M., & Tybout, A. 2006. When will a brand scandal spill over, and how will competitors respond? *Journal of Marketing Research, 43*(3), 366-373.


Appendix A: Online Questionnaire Pre-test (English version)

Welcome,

Thank you for participating the pre-test for my Masterthesis of the Master Marketing communication at the University of Twente.

This questionnaire will take 10 minutes. In the first part there are some statements about the news article. There are 8 different versions of news articles. The news articles seem to be the same, so read carefully. In the second part there are some demographic questions.

It is important to fill in all questions. There is a possibility to quite the questionnaire in any given moment. It is about your opinion, so there are no good or wrong answers. The answers will be processed anonymously. If you have any questions, or want to receive a summary, you may send me a mail to r.hulzink@student.utwente.nl.

Kind Regards, Ruth Hulzink

To what extent do you agree with the following statements? (1 = totally agree, 7 = totally disagree)

Credibility of the message: (Ahluwalia et al., 2000)
Cred 1 Trustworthy
Cred 2 Reliable
Cred 3 Dependable

Utilitarian and hedonic brand type: (Voss et al., 2003)
UTI 1 effective / ineffective
UTI 2 helpful/ unhelpful
UTI 3 functional / not functional
UTI 4 necessary / unnecessary
UTI 5 practical / impractical.

HED 1 fun – not fun
HED 2 exciting - dull
HED 3 delightful – not delightful
HED 4 thrilling – not thrilling
HED 5 enjoyable – unenjoyably

Crisis type: (Dutta & Pullig 2011)
PRC The incident is related to the quality of the company’s products.
VRC The incident is related to the values of the company.

Disclosure:

Crisis on board: The effect of disclosure and crisis type on brand evaluations – University of Twente
Company: The incident is announced by the company
Third party: The incident is announced by a research company

To what extent do you agree with the following statements? (1 = totally disagree, 7 = totally agree)

Seriousness of the incident (Dutta & Pullig, 2011)
Seriousness: Not at all serious / very serious

Relevance of the incident (Dutta & Pullig, 2011)
Relevance: Not at all relevance / very relevance

Demographics
Gender: What is your gender?
Age: What is your age?
Education: What is your level of education?
Appendix B: Stimulus material pre-test (Dutch)

1. Performance related crisis – hedonic brand - disclosure by company
2. Performance related crisis - hedonic brand - disclosure by third party
3. Performance related crisis - utilitarian brand - disclosure by company
4. Performance related crisis - utilitarian brand - disclosure by third party
5. Value related crisis – hedonic brand – disclosure by company
6. Value related crisis - hedonic brand – disclosure by third party
7. Value related crisis - utilitarian brand – disclosure by company
8. Value related crisis – utilitarian brand – disclosure by third party
DISPLAY PROBLEEM CHAD C4 SMARTPHONES

De CEO van Chad meldt dat er een software probleem is met de Chad C4 serie. Het scherm van Chad C4 heeft problemen met schermen die plotseling uitvallen. Een zwart scherm is een probleem dat zich wekelijks voordoet. Chad vervangt de schermen niet.

TECHNISCH SOFTWARE PROBLEEM
Een scherm is een elektronisch component van een mobiele telefoon en wordt gecontroleerd door de CPU. De Chad C4 heeft een Interface Display tussen het display en de CPU. Een display dat uitvalt is een gebruikelijk probleem in de mobiele telefoon industrie. Desalnootsommend, 73% van de gebruikers van Chad C4 hebben wekelijks te maken met ein display dat uitvalt. In enkele gevallen is het voorgekomen dat de Interface Display defect is. Het display wordt niet vervangen door Chad en ook niet vergoed.

NIEUWE MERKEN REPORT

Chad heeft een hoge score van 4.3 op Imago en een lage score van 1.7 op Functionaith.
Crisis on board: The effect of disclosure and crisis type on brand evaluations – University of Twente

DISPLAY PROBLEEM CHAD C4 SMARTPHONES
18 JUL 2014

De CEO van Chad meldt dat er een software probleem is met de Chad C4 serie. Het scherm van Chad C4 heeft problemen met schermen die plotseling uittunen. Een zwart scherm is een probleem dat zich wekelijks voordoet. Chad vervangt de schermen niet.

TECHNISCH SOFTWARE PROBLEEM
Een scherm is een elektronisch component van een mobiele telefoon en wordt gestuurd door de CPU. De Chad C4 heeft een Interface Display tussen het display en de CPU. Een display dat uittuwt is een gebruikelijk probleem in de mobiele industrie. Datenscherm, 73% van de bezoekers van Chad C4 hebben wekelijks te maken met een display dat uittuwt. In veel gevallen is het Interface Display een jaar defect. Het display wordt niet vervangen door Chad en ook niet vergoed.

NIEUWE MERKEN REPORT
Ontlangs heeft Brandbureau.com een Nieuwe Merken Report voor de mobiele telefoon industrie gepubliceerd. De merken worden beoordeeld op het gebied van Imago en Functionaaliteit. De Imago reviews zijn gebaseerd op de mate waarin het merk als plezierig, aantrekkelijk of spannend wordt ervaren. De Functionaaliteit reviews zijn gebaseerd op de mate waarin het merk als effectief, functioneel en praktisch wordt ervaren. Beiden zijn gereten op schaal 1 (heel laag) tot 5 (heel hoog). Chad heeft een lage score van 1.7 op Imago en een hoge score van 4.3 op Functionaaliteit.
Crisis on board: The effect of disclosure and crisis type on brand evaluations – University of Twente
CHAD C4 SERIE GEMAKT DOOR KINDEREN

De CEO van Chad meldt dat er onderdelen van de Chad C4 worden aangeleverd door een toeleverancier in China waarvan de rechten van de werknemers worden geschonden en kinderhanden worden gebruikt.

ONDERZOEK CHINA LABOUR WATCH
Volgens onderzoeksbureau China Labour Watch zijn de werkvloeren gemiddeld 66 uur en werken 21 kinderen in de fabriek waar de display van Chad C4 worden gefabriceerd. In de fabriek werken zij lange dagen, onder extreme condities en riskante omstandigheden. De kinderen hebben er de hele zomervakantie gewerkt. Het is illegaal in China om kinderen aan te nemen, maar onder speciale omstandigheden kan dit toch gebeuren. De overheid noemt het dan 'Educational Labour'.

NIEUWE MERKEN REPORT

CHAD C4 SERIE GEMAKT DOOR KINDEREN

Het Chinese onderzoeksbureau China Labour Watch maakt bekend dat de Chad C4 uit de markt wordt gehaald. Het schema wordt aangeleverd door een toeleverancier in China waarvan de rechten van de werknemers worden geschonden en kinderhanden worden gebruikt.

ONDERZOEK CHINA LABOUR WATCH
Volgens onderzoeksbureau China Labour Watch zijn de werkvloeren gemiddeld 66 uur en werken 21 kinderen in de fabriek waar de display van Chad C4 worden gefabriceerd. In de fabriek werken zij lange dagen, onder extreme condities en riskante omstandigheden. De kinderen hebben er de hele zomervakantie gewerkt. Het is illegaal in China om kinderen aan te nemen, maar onder speciale omstandigheden kan dit toch gebeuren. De overheid noemt het dan 'Educational Labour'.

NIEUWE MERKEN REPORT
Appendix C: Main online questionnaire

Welcome,

Thank you for participating the pre-test for my Masterthesis of the Master Marketing communication at the University of Twente.

This questionnaire will take 10 minutes. In the first part there are some statements about the news article. There are 8 different versions of news articles. The news articles seem to be the same, so read carefully. In the second part there are some demographic questions.

It is important to fill in all questions. There is a possibility to quite the questionnaire in any given moment. It is about your opinion, so there are no good or wrong answers. The answers will be processed anonymously. If you have any questions, or want to receive a summary, you may send me a mail to r.hulzink@student.utwente.nl.

Kind Regards, Ruth Hulzink

To what extent do you agree with the following statements? (1 = totally disagree, 7 = totally agree)

Depth of message processing: (Kim & Cameron, 2011; Chow & Luk, 2006; Fitzsimons & Shiv, 2001).

Message proc. 1 I thought about the news story
Message proc. 2 I spent enough time on thinking about the news story
Message proc. 3 The amount of attention I paid to the news story was sufficient

To what extent do you feel the following emotions?

Emotions: (Kim & Cameron, 2011)

Anger 1 Angry
Anger 2 Irritated
Anger 3 Aggravated

To what extent do you agree with the following statements?

Seriousness of the incident: (Dutta & Pullig, 2011)

Seriousness Not at all serious / very serious

Relevance of the incident: (Dutta & Pullig, 2011)

Relevance Not at all serious / very serious
Credibility of the message: (Ohanian, 1990, Kim and Cameron 2011)

| Credibility | \begin{itemize} \item Unbiased - biased \item Accurate – inaccurate \item Unconvincing – convincing \item Trustworthy – untrustworthy \item Not telling the whole story – Telling the whole story \end{itemize} |

Crisis type: (Dutta & Pullig 2011)

| Type | \begin{itemize} \item PRC: The incident is related to the quality of the company’s products. \item VRC: The incident is related to the values of the company. \end{itemize} |

Disclosure:

| Disclosure | \begin{itemize} \item Disclosure company: The incident is announced by the company \item Disclosure third party: The incident is announced by a research company \end{itemize} |

Index of blame: (Klein & Dawar, 2004; Shaver & Drown, 1986; Malhotra & Kuo (2009)

| Blame | \begin{itemize} \item Blame 1: Chad should be blamed for the incident \item Blame 2: Chad would be held accountable for the incident \item Blame 3: This incident is the fault of Chad \end{itemize} |

Brand attitude: (Dawar & Lei, 2009; Dawar & Pilla 2000)

| Brand attitude | \begin{itemize} \item Brand attitude 1: Good – bad \item Brand attitude 2: Favorable – unfavorable \item Brand attitude 3: Pleasant – unpleasant \end{itemize} |

Brand trust: (Klein & Dawar, 2004)

| Brand trust | \begin{itemize} \item Brand trust 1: Trustworthy \item Brand trust 2: Reliable \item Brand trust 3: Concerned about customers \end{itemize} |

Purchase likelihood: (Ahluwalia, Burnkrant & Unnava, 2000)

| Purchase likelihood | \begin{itemize} \item Purchase likelihood 1: Not at all likely – very likely \end{itemize} |

Future behavioral intentions: (Kim & Cameron 2011)
Purchase intention 1  I would consider a Chad in the future
Purchase intention 2  I would purchase the products of Chad if I have the opportunity in the future
Purchase intention 3  I would invest in Chad if I have the opportunity in the future
Purchase intention 4  I would recommend Chads’ products to a friend if I have the opportunity in the future

Brand type: (Lett, 2006)

Brand type 1  *Is functional/not functional*
Brand type 2  *Performs a task/ is pleasurable*
Brand type 3  *Affords enjoyment/ performs a task*
Brand type 4  *Is useful/ is fun*
Brand type 5  *Is a sensory experience/ does a job*
Brand type 6  *Is a necessity/ is an indulgence*
Brand type 7  *Is a must in life/ is One of life’s rewards*

Demographics

Gender  What is your gender?
Age  What is your age?
Education  What is your level of education?
Appendix D: Stimulus material Main study (Dutch)

1. Performance related crisis & disclosure by company
2. Performance related crisis & disclosure by third party
3. Value related crisis & disclosure by company
4. Value related crisis & disclosure by third party
CEO OF CHAD MELDT KINDERARBEID BIJ FABRIEK VOOR CHAD SMARTPHONES
19-06-2011

Michaël Ruele, CEO van Chad meldt dat er onderdelen van de Chad C4 worden aangeleverd door een toeleverancier in China waarvan de rechten van de werknemers worden geschonden en kinderhanden worden gebruikt.

ONDERZOEK CHINA LABOUR WATCH
Volgens onderzoeksbureau China Labour Watch zijn de werkweken gemiddeld 68 uur en werken 21 kinderen in de leeftijd van 15 t/m 17 jaar in de fabriek waar de schermen van Chad C4 worden gefabriceerd. In de fabriek werken zij lange dagen, onder extreme omstandigheden en risicante omstandigheden. De kinderen hebben er de hele zomervakantie gewerkt. Het is illegaal in China om kinderen aan te nemen, maar onder speciale omstandigheden kan dit toch omzeild worden. De overheid noemt het dan ‘Educational Labour’.

CHINA LABOUR WATCH MELDT KINDERARBEID BIJ FABRIEK VOOR CHAD SMARTPHONES
16-08-2011

Het Chinese onderzoeksbureau China Labour Watch meldt dat er onderdelen van de Chad C4 worden aangeleverd door een toeleverancier in China waarvan de rechten van de werknemers worden geschonden en kinderhanden worden gebruikt.

ONDERZOEK CHINA LABOUR WATCH
Volgens onderzoeksbureau China Labour Watch zijn de werkweken gemiddeld 68 uur en werken 21 kinderen in de leeftijd van 15 t/m 17 jaar in de fabriek waar displays van Chad C4 worden gefabriceerd. In de fabriek werken zij lange dagen, onder extreme omstandigheden en risicante omstandigheden. De kinderen hebben er de hele zomervakantie gewerkt. Het is illegaal in China om kinderen aan te nemen, maar onder speciale omstandigheden kan dit toch omzeild worden. De overheid noemt het dan ‘Educational Labour’.
Appendix E Sobel Test

Table 17

Multiple regression analyses of the mediator blame and independent variables on the dependent variables.

<table>
<thead>
<tr>
<th>Dependent variable</th>
<th>Parameters</th>
<th>B</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>BA</td>
<td>Blame</td>
<td>-.715</td>
<td>-4.875</td>
<td>.000**</td>
</tr>
<tr>
<td></td>
<td>Disclosure</td>
<td>-.157</td>
<td>-1.097</td>
<td>.274</td>
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<td></td>
<td>Crisis type</td>
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<tr>
<td>BT</td>
<td>Blame</td>
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<td>-4.458</td>
<td>.000**</td>
</tr>
<tr>
<td></td>
<td>Disclosure</td>
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<td>-1.653</td>
<td>.100</td>
</tr>
<tr>
<td></td>
<td>Crisis type</td>
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<td>4.622</td>
<td>.000**</td>
</tr>
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<td>Blame</td>
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<td>.003*</td>
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<td>Disclosure</td>
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<td></td>
<td>Crisis type</td>
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<td>.731</td>
<td>.466</td>
</tr>
</tbody>
</table>

Note: * p < .05, ** p < .001

Table 18

Multiple regression analyses of the mediator anger and independent variables on the dependent variables.

<table>
<thead>
<tr>
<th>Dependent variable</th>
<th>Parameter</th>
<th>Sobel z value</th>
<th>Std. dev.</th>
<th>Sig.</th>
</tr>
</thead>
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</tr>
<tr>
<td>BT</td>
<td>Disclosure</td>
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<td>0.061</td>
<td>0.313</td>
</tr>
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<td>0.068</td>
<td>0.006*</td>
</tr>
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<td>PI</td>
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<td>0.022</td>
<td>0.325</td>
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<tr>
<td></td>
<td>Crisis type</td>
<td>2.29</td>
<td>0.028</td>
<td>0.021*</td>
</tr>
</tbody>
</table>

Note: * p < .05, ** p < .001
Table 19

Summary Sobel Z-test with blame as mediator between disclosure and crisis type and brand evaluations.

<table>
<thead>
<tr>
<th>Dependent variable</th>
<th>Parameter</th>
<th>Sobel z value</th>
<th>Std. dev.</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>BA</td>
<td>Disclosure</td>
<td>-0.15</td>
<td>0.038</td>
<td>0.881</td>
</tr>
<tr>
<td></td>
<td>Crisis type</td>
<td>-0.68</td>
<td>0.038</td>
<td>0.499</td>
</tr>
<tr>
<td>BT</td>
<td>Disclosure</td>
<td>-0.15</td>
<td>0.030</td>
<td>0.882</td>
</tr>
<tr>
<td></td>
<td>Crisis type</td>
<td>-0.66</td>
<td>0.031</td>
<td>0.505</td>
</tr>
<tr>
<td>PI</td>
<td>Disclosure</td>
<td>-0.14</td>
<td>0.012</td>
<td>0.882</td>
</tr>
<tr>
<td></td>
<td>Crisis type</td>
<td>-0.64</td>
<td>0.013</td>
<td>0.517</td>
</tr>
</tbody>
</table>

*Note: * p < .05, ** p < .001

Table 20

Summary Sobel Z-test with anger as mediator between disclosure and crisis type and brand evaluations.

<table>
<thead>
<tr>
<th>Dependent variable</th>
<th>Parameters</th>
<th>B</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>BA</td>
<td>Anger</td>
<td>-.526</td>
<td>-3.590</td>
<td>.000**</td>
</tr>
<tr>
<td></td>
<td>Disclosure</td>
<td>-.215</td>
<td>-1.471</td>
<td>.143</td>
</tr>
<tr>
<td></td>
<td>Crisis type</td>
<td>.378</td>
<td>2.573</td>
<td>.011*</td>
</tr>
<tr>
<td>BT</td>
<td>Anger</td>
<td>-.451</td>
<td>-3.106</td>
<td>.002*</td>
</tr>
<tr>
<td></td>
<td>Disclosure</td>
<td>-.288</td>
<td>-1.984</td>
<td>.049*</td>
</tr>
<tr>
<td></td>
<td>Crisis type</td>
<td>.844</td>
<td>5.797</td>
<td>.000**</td>
</tr>
<tr>
<td>PI</td>
<td>Anger</td>
<td>-.174</td>
<td>-1.973</td>
<td>.050</td>
</tr>
<tr>
<td></td>
<td>Disclosure</td>
<td>-.188</td>
<td>-2.141</td>
<td>.034*</td>
</tr>
<tr>
<td></td>
<td>Crisis type</td>
<td>136</td>
<td>1.539</td>
<td>.126</td>
</tr>
</tbody>
</table>

*Note: * p < .05, ** p < .001