

Sheila's Chocolates Crisis Communication Plan

Prepared for: Sheila's Chocolates

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STATEMENT OF THE PROBLEM:

Sheila's Chocolates has come under fire for allegedly contributing to childhood obesity. A well-known, successful lawyer has gathered plaintiffs and filed a class-action lawsuit against the company. Bob, Bob, & Bob Law Firm currently has only three plaintiffs (a minimum of 20 are needed to make for a solid class-action suit in the state of California). A reporter has reached out for comments and the story is likely to make headlines, thus recruiting the necessary number of plaintiffs.

GOALS & OBJECTIVES:

- Manage the story by getting Sheila's message in-front of stakeholders, customers, and the media first. Regularly communicate with the media and provide updates as they become available.
- Monitor the risk and take action when deemed necessary.
- Mitigate reputational damage to the brand and chocolate industry as a whole.
- Regain any lost trust of our customers, stakeholders and employees.
- Manage profit loss by returning to business as usual as quickly as possible.

Resiliency Timeline



STRATEGY & TACTICS: Prepare, Respond, Recover, & Regroup

In this section, we will review our strategy for managing the crisis and outline tactics for handling audience inquiries, mitigating reputational damage, and getting back to business as usual.

PHASE 1: PREPARE

- Crisis team - The crisis management team consists of higher level executives, public relations practitioners, a legal advisor, and key members of the communications and marketing teams.

Name:	Job Title:	Role/Responsibility:
Sheila Jones	CEO and Co-Founder	CEO
Thomas Coleman	Co-Founder and COO	COO and Spokesperson
Jennifer Stanton	Director of Public Relations	Director of Public Relations, Spokesperson
Katy Sputo	Public Affairs Officer	Crisis Communications Manager, Media Contact, Spokesperson
Lily Smith	Communications and Social Media Director	Social Media Coordinator, Media Contact
Angelica Iger	Chief Human Resources Officer	Human Resources Director
Jeremy Flannigan	Head Marketing Manager for Sheila's Chocolates	Marketing Expert
William Ford	Senior Attorney	Legal Advisor

- External partners, stakeholders, and audiences:
 - Stakeholders including investors, suppliers, and non-profit partners
 - Customers

- Employees
- Media
- Prepare messages for each audience type (See Appendix for a sample message to employees)
- Setup monitoring tools- Immediately utilize social listening systems such as Google Alerts to alert team of new information on the situation. This also includes monitoring company social media handles and trending hashtags as well as traditional and online news outlets.

PHASE 2: RESPOND

In responding to a crisis, the crisis management team will immediately start performing their designated roles. The first 48-minutes are critical and we will take an “all-hands-on-deck” approach. (See Guidelines for Prioritizing Crisis Communications During The First 48 Minutes Infographic in Appendix)

For media inquiries, Katy Sputo and Lily Smith will be the first point of contact for the media. As a team, they will work to return all calls and emails as soon as possible to remain transparent and ensure that the correct information is being distributed to the media.

Additionally, our communications channel distribution plan (in the chart found below) will be activated to ensure that all of our communications channels are being utilized in the correct manner and are being targeted to the correct audience.

Communication channel:	Rationale:	Target Audience:
Phone tree, personal phone call/ Skype	On the onset of a potential crisis, and before we go directly to the media, we will activate a phone tree system (and/or conduct Skype video calls) to immediately inform our major investors and partners about the situation. We will continue to provide updates as they become available. This ensures that our biggest partners hear about the crisis from us first and not through other channels such as the media or through word of mouth.	Investors, partners
Press conference	Immediately following the situation, we will issue a short press release about the situation. As we receive more information, ideally within the first few hours of the crisis, we will hold a press conference for the media at Sheila’s Chocolates Headquarters to provide them with the most up to date information. This is to ensure that there is no incorrect information circulating in the media.	Media outlets
Sheila’s Chocolate website, press releases	Continue to post updates to the Sheila’s Chocolate website when they come available. We will have a separate page, linked to the main websites, to guide the press and consumers to the latest updates and press releases. Media outlets will have immediate access to these press releases and they will be available to download. This will minimize the number of direct inquiries our public relations and media departments receive initially. Contact information for the public relations department will be provided if further information is needed.	Consumers, media outlets
Company Intranet	Updating the company wide Intranet system with pertinent information and updates for our employees allows us to provide them with up to date information quickly. It will be updated regularly when new information becomes available. This will also help to guide employees on proper ways to respond to questions that the public (customers) may ask.	Employees

Social Media (Facebook, Twitter, etc.)	This allows us to get our message out quickly to a large audience who can also share information with others. Allows two-way-communication between Sheila’s Chocolates and its consumers. It is also a way for the media to get quick information while waiting for a more detailed press release.	Consumers, media outlets
Dedicated hotline, webpage and online chat	In the event of the crisis going public, a webpage dedicated to the class action lawsuit will be launched providing details including a timeline, statements, resources and hotline/ online chat to contact for more information. This allows customers and other concerned parties to contact Sheila’s Chocolates directly to have their questions answered. Our staff members will be regularly updated on the crisis and will have the proper training to answer questions and alleviate concerns.	Consumers

For our employees, a video message from the leadership team will be recorded to post on the company Intranet system with positive overtones (we will pivot and overcome, we will stick together, etc.). CEO Thomas Coleman will be featured in the video recorded at headquarters. An anonymous feedback system such as an email form will be created for employees to submit concerns. Angela Iger will be responsible for monitoring and responding to the messages and rolling up any feedback to the entire crisis communication team.

PHASE 3: RECOVER

- Use advertising channels, social, and word-of-mouth (brand ambassadors/ employees) to disseminate messages related to restoring Sheila’s Chocolates’ reputation.
- Reach out to industry leaders for advice and support as well as relevant research to enhance messaging including the:
 - Fine Chocolate Industry Association
 - National Confectioners Association
 - World Cocoa Foundation
- Sample messages include:

- Educational tips on the healthy benefits of chocolate and how to incorporate it as part of a healthy, balanced diet or savor it as a sweet treat for special occasions.
- Blog posts about Sheila's corporate social responsibility initiatives: giving back to the community, details on responsible sourcing of ingredients (fair-trade or local), green supplier chain (eco-friendly, low-emission delivery trucks), Sheila's annual chocolate mud run benefiting the Children's Miracle Network.
 - Ask medical experts, suppliers, and CMN reps to provide direct quotes to enrich the stories and boost credibility.
 - Repurpose this content for possible use in mass media (op-eds, letters to the editor, etc.).
- Nutritional information about Sheila's product line including the purity of ingredients (non-GMO, etc.), wide variety (calorie counts ranging from 100 to 450 per treat).
- If sales have suffered as a result of the crisis, work alongside the marketing and advertising departments to develop a promotion that gets customers back into the store.
 - Case Study for reference: Chipotle Chiptopia Rewards Program
 - Case Study for reference: Snapps Restaurant and the AIDS Rumor

PHASE 4: REGROUP

Post-crisis, the entire crisis management team will come together and take an in-depth look on what caused the crisis, if our response was appropriate, and what we could change for any future crises that may arise. Additionally we will:

- Follow-up with the media with any promised information or answer additional questions that may arise. Furthermore, continue to update the Sheila's Chocolate website with press releases and news alerts as necessary.
- Continue to update Sheila's Chocolate social media channels with any information and keep the hotline and online chat available until it is determined that it is no longer needed.
 - When inquiries reach less than 10 per week, we can reroute calls to the media relations phone number and email.
- Continue to update the company Intranet system to keep employees aware of the situation and any changes that may occur.
- Continue to update our partners and stakeholders on information.
- Conduct post-crisis surveys with our audiences (stakeholders, employees, and customers) to quantify reputational damage (if any) and gather feedback on message strategy.
- Evaluate current and in-progress marketing campaigns with the marketing team to ensure they properly align with our strategy and messaging initiatives following this crisis.
- Revise the crisis communication plan as needed and adjust crisis training program accordingly.
 - Include a review of the Issue Management Response Flowchart (See Appendix)
 - Teach proactive crisis management through study of relevant case studies - especially related food industry crises
 - Case Study for reference: Nestlé and the Palm Oil Crisis (Greenpeace)

APPENDIX

- A. Sample Memo to Internal Employees
- B. Issue Management Response Flowchart
- C. Guidelines for Prioritizing Crisis Communications During The First 48 Minutes
Infographic
- D. References

MEMO TO INTERNAL EMPLOYEES

For distribution through the company Intranet, email listserv, break room bulletin boards, etc.

To the entire Sheila's Chocolate Family –

As you may be aware, Sheila's Chocolates is in the middle of a legal battle that has gained national news coverage. The plaintiffs of the class action lawsuit have claimed that consumption of our products led to obesity in their children and subsequent health problems.

Childhood obesity is a serious issue plaguing our country - one that we at Sheila's do not take lightly. However, in no way do we feel that an occasional treat from our stores is the sole cause or that attacking the sweet manufacturers is the cure.

In the coming weeks, you may hear about this lawsuit in the news and see our leadership team refuting it on cable talk shows. Our goal is not to dismiss the case entirely but to redirect the conversation. We want to support community leaders and develop holistic solutions to fight childhood obesity. These include offering healthy lunch options at schools, promoting activity, limiting screen-time, and monitoring sweet intake.

I am confident that everyone in the Sheila's Chocolates family – from our store managers to our chocolatiers and even our suppliers – believes that chocolate is not the problem and I ask that each of you stand with us and advocate for our company, so that we can continue to thrive.

As always, I encourage all employees to report any concerns to their supervisor. Sheila's Chocolates also operates a 24/7 anonymous hotline for employees. The number is 888-888-8888.

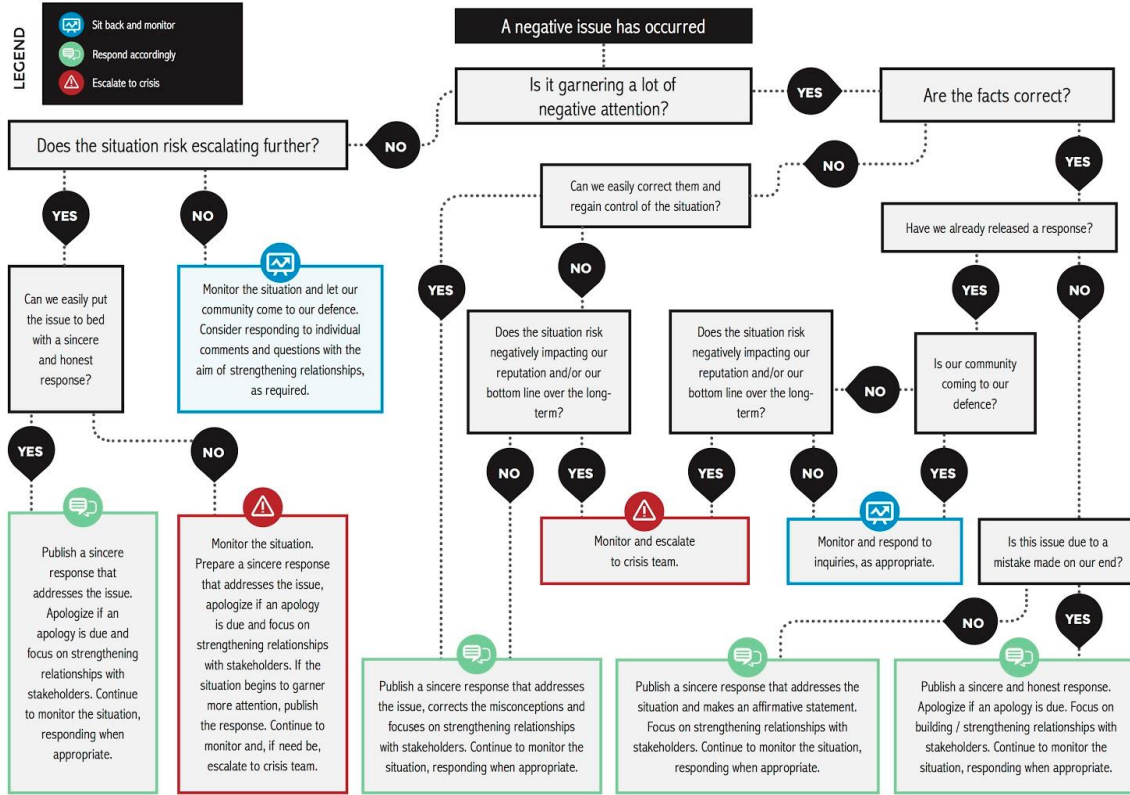
Now, let's get back to serving up the best chocolates in town.

Respectfully,

Sheila Jones
Founder & CEO, Sheila's Chocolates

Thomas Coleman
Founder & COO, Sheila's Chocolates

Issue Management Response Flowchart



Guidelines for Prioritizing Crisis Communications During The First 48 Minutes Infographic

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Guidelines for prioritizing
CRISIS
communications
during the first **48** minutes

External Communication

Remind staff about news media & social media policies

- Who is authorized to serve as spokesperson/s?
- Who is authorized to post on official social media channels?

Equip front-line teams to handle the first wave of inquiries

- Website
- Social media
- Customer service/hotline/front office

Share information with media

- Develop statement with known facts and provide timely updates as the situation unfolds

Priority

Is anyone's safety at risk? Immediately activate the emergency notification system.

- Provide key facts:** What is happening? What are the relevant known facts?
- Define the audience:** Who is directly affected? Who is in a position to help?
- Focus on action:** What should people do to reduce/eliminate risk and help victims, law enforcement, emergency personnel?
- Provide a timeline:** When can people expect the next update?
- Identify official sources:** Where can people turn to for the most accurate and current information?

Internal Communication

Activate Crisis Communications Team

- Designate internal and external spokesperson/s
- Establish communications control center
- Consider alerting outside counsel:
 - Legal
 - Public Relations
 - Industry alliances, certifying agencies
 - Subject matter experts/consultants

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