



Electric Airwaves MD, **Andrew Caesar-Gordon** analyses how one corporate message has played out through the media

Self-inflicted reputation damage?

When an organisation's leader says something contentious in public, its PRs often cringe. A press release is issued to 'clarify' the comments in order to restore calm to troubled waters; the executive may be urged to take a holiday. But if the comments are not on the scale of BP's Tony Hayward "I want my life back" or going to upset the delicate equilibrium of stakeholder engagement, are organisations overly sensitive to how the public responds to controversy?

In a Daily Telegraph interview in February 2015, Stefano Pessina, CEO of Boots' parent company, opined that it would be a 'catastrophe' if the Labour Party was elected to govern in May's forthcoming General Election. This prompted Ed Miliband to state that a "tax exile in Monaco" should not "lecture" people on how to vote and "ought to pay his taxes" in the UK.

It stimulated debate about the wisdom of business leaders commenting on party political matters and coverage about the amount of tax both Boots and its CEO

pay in the UK (now that it is foreign-controlled).

Boots is a private company so we cannot judge by the proxy of change in shareprice whether the comments spooked 'sophisticated stakeholders'. But did they inflict any lasting damage on the strong public reputation of Boots? Electric Airwaves commissioned polling from Populus and discovered that more a third of the general public (37%) said they did not even notice the story despite widespread print and broadcast coverage; a further 32% said it had not made them either more or less favourable. Some 9% felt more favourable to Boots and 23% felt less favourable - a net negative score of -14% (significantly better than Ed Miliband's personal ratings!).

Thus the evidence suggests that the majority of people either didn't notice or didn't particularly care about Pessina's comments. Those who did notice or care were more likely to be unimpressed. But lasting damage? Probably not if Boots and Pessina continue to keep their noses clean.

“...did they inflict any lasting damage on the strong public reputation of Boots?”



Boots - how much reputation damage can a spokesperson inflict?

Learning Points

- ◆ If you have a strong corporate story and reputation, such controversies will usually be a storm in a teacup – as will probably be the case here with Boots.
- ◆ However, if spokespeople regularly make gaffes, it will be seen as part of a pattern of corporate behaviour. This will create negative sentiment and confirm any prejudices the audience already has about the organisation.
- ◆ Spokespeople need to be media trained in order to learn how to avoid cocking-up. But most interviews are about positively marketing your story. Therefore the real value of media training lies in coaching your spokespeople to learn how to exploit these media opportunities and thus shift the reputation metrics on which PROs are measured.

For more information go to www.electrictairwaves.com

A few media training tips? Or something more effective?



A few media tips and performance techniques won't get you very far.

Electric Airwaves' Media Training wraps performance around content to create compelling stories that engage your audience.