Is old news no news? The impact of self-disclosure by organizations in crisis

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A B S T R A C T

This study examines the impact of self-disclosing incriminating information in the context of organizational crises. Study one indicates that when an organization self-discloses a crisis, participants devote less attention to subsequent negative publicity and any attention this information receives has less impact on the organizational post-crisis reputation. An interaction between crisis timing strategy and crisis involvement in study two suggests that if an organization self-discloses a crisis, both participants’ attention to negative publicity and the impact of this attention on post-crisis reputation are low, irrespective of crisis involvement. If an organization does not self-disclose a crisis, however, crisis involvement affects consumers’ attention to negative publicity but not the impact of this attention on the organizational post-crisis reputation. These findings offer an important indication that organizations in crisis should self-disclose potentially incriminating information.

Best practices in corporate communication generally stress the importance of open and proactive crisis communication (Huang & Su, 2009), the reason for which is twofold. First, crisis communication practitioners argue that if organizations do not share information about a crisis openly, the public is likely to obtain the information from other sources and the organization loses the ability to manage the crisis message (Seeger, 2006). Second, and more importantly, self-disclosing important and potential incriminating crisis information allows organizations to behave ethically and emphasizes that they prioritize the needs of their stakeholders (Ulmer, 2012).

Despite the advantages for both organization and stakeholders, communication professionals have conflicting views regarding the appropriateness of this kind of openness in times of crisis (Kline, Simunich, & Weber, 2009). According to Ulmer (2012, p. 531), “we know that these communication approaches are appropriate yet they rarely are employed during a crisis.” In fact, organizations often fear that communicating openly will lead to potential litigation (Coombs & Holladay, 2008). This study aims to examine and explain the impact of self-disclosing crisis information on perceptions of an organization in crisis. In doing so, organizations might become more aware that an emphasis on the communication needs of stakeholders is in fact also beneficial for themselves.

While some prior studies have already illustrated that self-disclosure can be beneficial to organizations (Arpan & Pompper, 2003; Arpan & Roskos-Ewoldsen, 2005) or individuals (Wigley, 2011) in crisis, the range of this impact and the causes have received little research attention. Prior studies have been limited to examining straightforward effects of organizational self-disclosure in times of crisis on credibility (Arpan & Pompper, 2003; Arpan & Roskos-Ewoldsen, 2005; Claeys & Cauberghe, 2012) and consumer behavior (Einwiller & Johar, 2013; Fennis & Stroebe, 2014). While some of these findings touch upon certain theoretical explanations for the effectiveness of self-disclosure, none of these studies have explicitly examined the process behind these effects. The effectiveness of self-disclosure may be explained by commodity theory (Arpan & Pompper, 2003). Commodity theory proposes that people assign more value to objects, experiences or messages when they are less available (Brock, 1968; Cialdini, 2009; Verhallen, 1982). In other words, scarcity signals value and this effect may also apply to information. The value of scarce information may be reflected either in the attention to that information or in the impact of such information on related evaluations (Brock, 1968). As such, the current study investigates the effect of reducing the scarcity of crisis information (i.e. through self-disclosure) on both the information’s desirability in terms of attention and the impact on the reputation of the organization in crisis. In addition, this study examines the potential moderation of both effects by stakeholders’ involvement with the crisis.
This research contributes to the theory on organizational crisis communication in five ways. First, the study aims to demonstrate the positive impact of self-disclosing crisis information. In doing so, organizations should become aware of the benefits of so-called stealing thunder, not only for the sake of their stakeholders but for their own sake as well. Second, by means of two experimental studies this research examines the extent of the positive impact of self-disclosure by focusing on two outcomes: the attention to subsequent negative publicity about the events and post-crisis organizational reputation. Third, the study examines if consumers’ involvement with the crisis moderates the effect of organizational self-disclosure. Prior research shows that crisis involvement affects the impact of crises and crisis response strategies (e.g., apology, denial) on stakeholders’ perceptions of an organization (Claeys & Cauberghe, 2014; Trump, 2014). The findings from this study illustrate if and how the impact of crisis involvement relates to crisis timing strategies. Fourth, the findings indicate that commodity theory might offer an explanation for the impact of organizational self-disclosure. As such, this study answers the need for more theoretical research on the impact of crisis communication (Botan & Taylor, 2004). Finally, research on crisis communication in general and self-disclosure in particular has received very little attention in the business and management literature (Fennis & Stroebe, 2014) as compared to the public relations literature (e.g., Arpan & Pompper, 2003; Arpan & Roskos-Ewoldsen, 2005; Claeys & Cauberghe, 2012; Claeys, Cauberghe, & Leyens, 2013). Most studies indicate that organizations hesitate to reveal negative events out of fear of drawing unnecessary attention to the crisis, potential legal liability, etc. It is therefore crucial to examine self-disclosure in the business literature in order to convince not only public relations practitioners but executives as well of the value of self-disclosure for their organization.

1. Conceptual framework

1.1. Self-disclosure

Self-disclosing incriminating information can minimize that information’s value. Research in the context of social psychology, for instance, illustrates that people who are responsible for a negative event in their lives should self-disclose this information when they meet someone new (Archer & Burleson, 1980; Jones & Gordon, 1972). If not, a potential partner will consider them less attractive. Trial studies further indicate the potential positive impact of self-disclosing incriminating information. Indeed, when a defendant in trial attempts to hold back incriminating information, jury members may be more interested in this information and consider that information more severe when they find out (Dolnik, Case, & Williams, 2003; Williams, Bourgeois, & Croyle, 1993).

The importance of self-disclosure of detrimental information is, however, especially apparent for organizations in crisis. When organizations fear negative publicity, they have two options (Easley, Bearden, & Teel, 1995; Wigley, 2011): self-disclose a crisis or wait until crisis information is dispersed by a third party. The former crisis timing strategy is commonly referred to as stealing thunder and implies that an organization “breaks the news about its own crisis before the crisis is discovered by the media or other interested parties” (Arpan & Roskos-Ewoldsen, 2005, p. 425). In this case the organization self-discloses a crisis before external parties communicate about the events (Dolnik et al., 2003; Williams et al., 1993). The latter crisis timing strategy is often called thunder, in which case the crisis is announced by an external party. The general advice for organizations is to self-disclose crises whenever they can, since this reduces the negative impact of crisis information on stakeholders (Claeys & Cauberghe, 2012; Dolnik et al., 2003; Mauet, 2007). Self-disclosure is especially feasible when the spread of incriminating information is unavoidable (Easley et al., 1995). Research in social psychology additionally suggests that self-disclosing negative events is most crucial whenever one is highly responsible for them (Archer & Burleson, 1980; Jones & Gordon, 1972). Because in today’s corporate world secrets are likely to surface eventually, and revelations of such secrets can trigger new reputational crises (Coombs & Holladay, 2002), the self-disclosure of crises is indeed a reasonable option.

A number of theoretical frameworks have been offered to explain the effectiveness of an organizational self-disclosure in minimizing reputational damage. According to the disconfirmation of expectations theory (Arpan & Pompper, 2003), for instance, withholding information about a crisis confirms the biases that stakeholders have of organizational communication. Stakeholders expect organizations to only communicate what is in their own best interest. An organization that steals thunder, however, disconfirms stakeholders’ negative expectations, which results in greater credibility of the organization (Arpan & Pompper, 2003; Williams et al., 1993). Similarly, the change of meaning hypothesis suggests an organizational self-disclosure results in an inconsistency in the eyes of stakeholders, who will attempt to resolve that inconsistency by changing the meaning of the disclosure in order to make the revelation more consistent to their expectations of the organization (Arpan & Pompper, 2003; Williams et al., 1993). As such, they may consider self-disclosed information less severe, which is consistent to their expectation that organizations would not reveal severely negative information about themselves.

While research in the context of organizational crisis communication does not support the change of meaning hypothesis (Arpan & Pompper, 2003), research does offer some confirmation for the disconfirmation of expectations theory (Arpan & Pompper, 2003; Arpan & Roskos-Ewoldsen, 2005). No research, however, has examined the assumption that an organizational self-disclosure can also minimize the harms of negative publicity subsequent to a crisis. This premise relates to commodity theory, which is referred to as the old-news-is no-news hypothesis in reference to the self-disclosure of incriminating information (Dolnik et al., 2003).

1.2. Commodity theory

Commodity theory’s basic premise is that “any commodity will be valued to the extent that it is unavailable” (Brock, 1968, p. 246). Unavailability refers to scarcity and the amount of effort that is needed to obtain the commodity (e.g., limited editions of products) (Brock, 1968; Lynn, 1991). The term commodity can refer to anything (e.g., messages, experiences, objects) that is useful, transferable from one person to another and can serve as a possession. Many studies on the impact of unavailability of commodities focuses on information or messages. In this context, research focuses, among others, on censorship (Fromkin & Brock, 1973; Worcel, 1992). Researchers also focus on commodity theory in the context of marketing. Marketers often use so called scarcity appeals as an advertising technique (Eisend, 2008). They refer to the impact of unavailability on value as a scarcity effect which implies “the influence of perceived scarcity on the subjective desirability of an object” (Jung & Kellaris, 2004, p. 740).

Research often examines scarcity effects in terms of their impact on the subjective value of a commodity, which is the desire to obtain the commodity (Eisend, 2008; Jung & Kellaris, 2004). Commodity theory, however, does not limit the value of a scarcity-based commodity to subjective desirability. Besides the desirability of a commodity, commodity value can also refer to the meaning a commodity can create in the eyes of consumers (Brock, 1968). If the commodity is information, people may not only desire to read scarce information more and thus devote more attention to the message. Scarce information may also be more likely to impact people’s evaluation of the position in the message than would be the case if the information would not be scarce. Research by Worcel and Arnold (1973) for instance shows that censorship of information not only leads to an increase in attention for that communication, but additionally causes a potential audience to change their attitudes toward the position that the censored message advocates. So, people do not just consider censored information as more desirable;
they also seem to believe such information more than readily available information (Cialdini, 2009).

The distinction between scarcity's impact on the attention information attracts and on people's evaluations may also explain how self-disclosing incriminating information in light of a crisis minimizes that information's value. When an organization does not self-disclose negative information but an external party is the first to do so, consumers might believe that the organization tries to withhold information (Arpan & Pompper, 2003). In that case, the information provided by the external party is more scarce and consequently more valuable than when the organization self-disco

message scarcity can result in an increased attention to the information contained in any negative publicity brought forward by external parties. Stakeholders therefore might devote less attention to negative publicity from third parties when an organization in crisis self-discloses that incriminating information compared to when the company does not (H1). In addition, the attention for negative publicity from third parties might have a negative impact on the post crisis-reputation only when the organization does not self-disclose a crisis (H2).

1.3. The moderating effect of crisis involvement

Brock (1968) remarks that the scarcity principle applies to commodities, which should be useful to the potential possessor. Usefulness is defined as having potential relevance to the needs and interests of that possessor (Brock, 1968; Lynn, 1991). Based on this definition, the question remains if commodity theory is still applicable when the usefulness of an object to the possessor is low; in that situation one may doubt that the object is in fact a commodity (Brock, 1968). If for instance a message is scarce, but the recipient is not interested in the topic, scarcity alone might not augment the value of that message. However, in the context of information, scarcity may affect commodities' value despite a lack of usefulness to a potential reader. More specifically, even if someone does not pay attention to scarce information because the content does not appear to be useful, that message might turn out to have an evaluative impact in the end when those people read the information anyway.

People's expected usefulness of a commodity can be affected by their involvement with the commodity. High involvement implies that a message has a high degree of personal relevance, whereas low involvement means that the personal relevance of the message is perceived rather low (Petty & Cacioppo, 1981). People's level of involvement influences the amount and direction of their attention (Celsi & Olson, 1988). High issue involvement increases a person's motivation to engage in a thorough consideration of issue-relevant information that an organization presents, in order to form an attitude about that issue (Petty, Cacioppo, & Schumann, 1983). Under high involvement conditions, contrary to low involvement conditions, message content has a larger impact on people's attitudes (Petty & Cacioppo, 1979, 1981; Petty et al., 1983).

Similarly to information scarcity (Bozzolo & Brock, 1992), crisis involvement can influence the value of crisis related information. Brock and Brannon (1992) suggest that scarcity and personal involvement can result in similar outcomes. First, high crisis involvement and information scarcity can both lead to a greater attention to information on the one hand. Second, they can both lead to a larger impact of the information on people's evaluations. An important question that results from these similar outcomes of scarcity and issue involvement is how people's involvement with a crisis can moderate the scarcity effect. Whenever an organization self-discloses a crisis, stakeholders are likely to consider subsequent negative publicity old news (Arpan & Pompper, 2003; Dolnik et al., 2003; Williams et al., 1993). Consequently, irrespective of crisis involvement, when organizations self-disclose crisis information subsequent negative publicity becomes less valuable.

Whenever an organization waits for a third party to disclose a crisis, however, a different pattern might emerge due to the high level of perceived message scarcity of that negative publicity. A high level of involvement can motivate people to read the information and use the content to form their attitude (Petty et al., 1983) just as information scarcity does. So, when an organization fails to self-disclose crisis information (high scarcity of the negative information), consumers are likely to pay attention to negative publicity and this attention will affect their opinion about the organization in crisis if their involvement with the crisis is high. If, however, people's involvement with the crisis is low, they may be unlikely to pay much attention to negative publicity. In this condition, organizations might not benefit from stealing thunder. Still, if consumers would pay attention to the information, that information might nevertheless have a pronounced impact on their evaluation of that information because of the scarcity-induced commodity value. So, even if low crisis involvement causes consumers to pay less attention to negative publicity, the negative information may still result in reputational damage if they read the message anyway.

In sum, the involvement of stakeholders with a crisis affects the impact of a crisis timing strategy on consumers' attention for negative publicity from third parties (H3). To be specific, if an organization does not self-disclose a crisis, consumers' attention for negative publicity from third parties is likely to be higher when consumers' involvement with the crisis is high then when their involvement is low (H3a). However, if the organization in crisis self-discloses, crisis involvement will not affect the attention for negative publicity from third parties (H3b). Finally, the attention for negative publicity from third parties might affect the post-crisis reputation only if the organization does not self-disclose a crisis, irrespective of consumers' level of crisis involvement (H4).

2. Study 1

2.1. Method

2.1.1. Design and stimuli

The study used a single factor design, in which participants read either an organizational self-disclosure of a crisis or no organizational self-disclose of the crisis. In both conditions, the respondents subsequently saw negative publicity about the organization in crisis offered by a third party.

Both conditions exposed participants to information about a crisis in the form of newspaper articles. The crisis involved a fictitious company which produces soap products for the Dutch consumer market. The scenario described a fictitious organization in order to prevent any confounding effects of pre-crisis reputation (Laufer & Jung, 2010). The instructions indicated that all articles originated from a Dutch quality newspaper to avoid suspicion among the Belgian participants because they had not heard or read about these events before.

The crisis scenario involved the occurrence of serious burning injuries due to a wrong mixing of chemicals in the soap the organization sells, which resulted from a lack of safety controlling mechanisms issued by the organization. The company reduced safety control to cut costs. Some consumers suffered lifelong scars due to the product failure. This crisis scenario refers to a preventable crisis, a crisis for which the organization is fully responsible (Coombs & Holladay, 2002), because preventable crises pose the highest level of threat to organizations and their reputation (Coombs, 2007).

Two articles enabled the manipulation of self-disclosure. One article described the organizational self-disclosure of the crisis. The other article involved negative publicity from an external party about the crisis. In the self-disclosure condition participants first received the article in which the organization in crisis self-disclosed this information. Afterwards, they additionally received the article which offered that same information in the form of an attack by a consumer organization. In the no self-disclosure condition participants only received the article containing the negative publicity by the consumer organization. An actual...
newspaper article, unrelated to the crisis or the company, replaced the self-disclosure article.

2.1.2. Participants

Participants were 66 undergraduate students in communication sciences who participated for course credits and who had not yet received any classes on corporate communication. The sample consisted of student participants because of the time-consuming procedure related to the use of an eye-tracker. Participants were randomly assigned to one of the two conditions and participated individually. All students were Dutch-speaking Belgian men and women with an average age of 22 years (SD = 1.65; range = 21–31 years). Approximately 73% were females.

2.1.3. Procedure

An eye-tracking device enabled the measurement of the attention paid to the newspaper article containing negative publicity provided by the external party. The instructions asked participants to read two sets of articles on the screen of the eye-tracker (cf. Fig. 1). Each set consisted of two subsequent screens with each three articles. The first set of articles differed between both experimental conditions. Participants in the no self-disclosure condition received two screens with each three actual Dutch newspaper articles. Participants in the self-disclosure condition received the same articles, but saw one article containing the organizational self-disclosure as a replacement of one of the three articles on the first screen. The second set of articles was the same for both conditions and contained two screens with each three articles. Five out of the six articles came from a Dutch quality newspaper. One article was fictitious and contained the negative publicity; namely the article for which the eye-tracking device measured participants’ attention. All articles looked similar and were about the same length.

The instructions informed participants that the goal of the study was to examine the impact of online newspapers on reading behavior. To make sure that participants in the self-disclosure condition read the article with the self-disclosure, which was on the first screen, all participants received an instruction to read all three articles on that first screen. The researcher told them that this way they could get used to the procedure of reading the articles on the screen. For the subsequent screens, the researcher instructed participants to scan all three articles on each screen briefly and then select one article to actually read. By having participants scan all three articles before selecting one to read, they were able to assess the topic of each article. That way, the respondents in the self-disclosure condition could infer that the negative publicity referred to a situation about which they had read an article before. As such, they could subsequently infer that the information on that topic was not scarce. In between both sets of articles, all participants received a small questionnaire containing filler items on their use of e-readers. These filler items allowed us to hide the actual purpose of the study and to leave a short amount of time between the self-disclosure and the negative publicity.

2.1.4. Measures

First, the study measured the attention to the negative publicity. The eye-tracker determined participants’ observation length of the article containing the negative publicity communicated by an external party in seconds. Because the participants scanned each article and then selected one of the three articles on the screen to read, the attention for the heading and the introduction was about the same for all participants. The analyses therefore compared the observation length for the actual content of the article only.

A questionnaire measured organizational post-crisis reputation using the reputation quotient of Fombrun, Gardberg, and Sever (2000). According to these authors, reputation entails two factors, an emotional and a rational dimension which can be measured by twenty items. Since the crisis involves a fictitious organization, respondents experience difficulties in rating some of the items in the rational factor. For instance, “This organization looks like a low risk investment” or “This organization develops innovative products and services” are difficult to answer without some background knowledge about the organization. Therefore, the questionnaire excluded nine of the rational items. Participants evaluated the remaining items on 7-point disagree-agree Likert scales, alpha = 0.88. Examples of the remaining items are (1) “I...
have a good feeling about this company,” (2) “This company offers high quality products and services,” (3) “This company has excellent leadership,” (4) “This company maintains high standards in the treatment of people.” These items refer more to feelings and perceptions which participants can form even on the basis of little information.

2.2. Results

The first hypothesis states that self-disclosure impacts the attention consumers pay to subsequent negative publicity about a crisis (measured in seconds). The results of the main effect of crisis timing strategy on participants’ observation length for the article containing negative publicity show that when the organization self-disclosed the crisis ($M = 8.28, SD = 11.72$), participants paid less attention to the subsequent negative publicity from the third party than if no self-disclosure was present ($M = 22.41, SD = 19.36$; $t(64) = 3.59, p = 0.001$) (cf. Fig. 2). These findings support H1.

The second hypothesis states that the degree to which consumers pay attention to negative publicity about an organization in crisis relates negatively to their evaluations of the organization’s post-crisis reputation. However, this negative relation would only occur if the organization did not self-disclose the crisis. The results confirm that when an organization self-discloses the crisis, the attention that participants pay to the negative publicity does not relate to their evaluations of organizational post-crisis reputation ($r(32) = 0.021, p = 0.91$). If the organization did not self-disclose the crisis, however, a strong negative correlation exists between the attention participants paid to the negative publicity and their evaluation of the organization’s post-crisis reputation ($r(32) = −0.62, p < 0.001$). These results support the second hypothesis.

2.3. Discussion

The results of study one show that when an organization does not self-disclose crisis information, participants pay more attention to subsequent negative publicity from a third party than when the organization self-discloses the crisis. The results also illustrate that organizations in crisis should self-disclose negative information in order to decrease and even avoid reputational damage from subsequent negative publicity. Self-disclosure can minimize the value consumers attach to negative publicity, both in terms of that information’s desirability and impact. As such study one illustrates that organizations in crisis should self-disclose this information and communicate openly with their stakeholders. Finally, the findings indicate that commodity theory offers a viable explanation for the impact of self-disclosure on post-crisis organizational reputation.

3. Study 2

The purpose of study two is twofold. A first aim is to corroborate the results from study one. This second study manipulates self-disclosure in the same way as study one but involves a different crisis situation and a different organization. The second aim is to test whether crisis involvement moderates the effect of crisis timing strategy on the outcomes of negative publicity. More specifically, the study examines if self-disclosure matters if consumers’ involvement with a crisis is low. Study two therefore tests the third and fourth hypothesis. While the first study includes the description of a crisis which is relatively high in terms of involvement ($M = 4.33, SD = 1.41$), the current study manipulates the crisis to be either high or low involving for the participants in order to test the moderating impact of crisis involvement.

3.1. Methodology

3.1.1. Design and stimuli

In order to test the moderating impact of consumers’ crisis involvement on the effect of crisis timing strategy on both the attention to negative publicity and the impact of that information on organizational reputation, this second study used a $2 \times 2$ (crisis timing strategy: self-disclosure vs. no self-disclosure) × 2 (crisis involvement: low vs. high) between-subjects factorial design. Four fictitious crisis scenarios manipulated both crisis timing strategy and crisis involvement by using different newspaper articles.

The manipulation of crisis timing strategy was the same as in study one. In the organizational self-disclosure condition participants received an article in which an organization self-disclosed crisis information. They subsequently received an article which offered that same information under the form of negative publicity by a third party. In the no self-disclosure condition participants only received the article containing the negative publicity. The articles again described a fictitious crisis about a fictitious organization in order to prevent confounding effects of pre-crisis reputation (Lauffer & Jung, 2010). Participants were told the articles originated from a Dutch quality newspaper.

The scenarios manipulated crisis involvement based on the approach of Petty et al. (1983). They propose to make high involvement subjects believe that a certain issue affects them personally, whereas for low involvement subjects the issue has no personal impact. All participants were Belgian students. The high involvement group read about a bacterium on vegetables, which were mainly delivered to student restaurants and sandwich shops in the university cities in Belgium. They were told that the bacterium recently infected at least eleven students from the same city in which the participant sample studied. This bacteria can sometimes be fatal and is especially dangerous for young adults. Respondents in the low involvement condition received an article about that same bacterium on vegetables but received information that the company mainly delivered the vegetables to elderly homes in the Netherlands where the bacterium infected eleven elderly residents. The bacterium was especially dangerous to elderly people with weak immune systems.

3.1.2. Participants

Participants were 86 undergraduate students in communication sciences who participated for course credit. The students had not yet received any classes on corporate communication. Participants were randomly assigned to one of the four conditions and participated individually in the study. All students were Dutch-speaking Belgian men and women with an average age of 22 years ($SD = 1.85$; range = 20–36 years). Approximately 59% were females.

3.1.3. Procedure

The procedure and the participants’ processing goal were the same as in study one. They also read two sets of six articles on an eye-tracking device in order to measure the observation length of the article.
containing negative publicity about the company in crisis. Each participant received information about the low involving crisis or about the high involving crisis.

3.1.4. Measures

The eye-tracking measurement allowed establishing participants’ attention to negative publicity by measuring the observation length in seconds. Like in study one, the analyses compared the observation length for the actual content of the article and not for the heading and the introduction. After reading the articles on the eye-tracker the participants filled in a questionnaire which contained the measurement of organizational post-crisis reputation, a manipulation check for perceived crisis involvement and socio-demographical variables. The questionnaire measured post-crisis reputation, as in study one, by means of eleven items from the reputation quotient of Fombrun et al. (2000) on 7-point Likert scales, with 1 = completely disagree and 7 = completely agree, alpha = 0.93. The manipulation check contained a three-item measure of crisis involvement on 7-point disagree-agree Likert scales, alpha = 0.93. For example, “These events are very important to me” (Kopalle & Lehmann, 2001).

4. Results

4.1. Manipulation check

The manipulation of crisis involvement indicates a successful manipulation; crisis involvement is higher for respondents in the high crisis involvement condition than for those in the low crisis involvement condition (M_{low involvement} = 2.59, SD = 1.19 vs. M_{high involvement} = 3.67, SD = 1.57; t(84) = 3.61, p = 0.001).

4.2. Tests of hypotheses

The third hypothesis proposed that the impact of crisis timing strategy on consumers’ attention to negative publicity would be moderated by their level of crisis involvement. A univariate two-way ANOVA (general linear model) resulted in a significant interaction between crisis timing strategy and crisis involvement on the time participants devoted to the negative publicity (F(1, 82) = 3.92, p = 0.051, partial $\eta^2 = 0.046$). An independent-samples t-test shows that when an organization does not self-disclose the crisis before a third party, the observation length is significantly higher when crisis involvement is high ($M = 25.27$, $SD = 19.25$) than when crisis involvement is low ($M = 13.38$, $SD = 15.03$; $t(44) = 2.35$, $p = 0.023$), supporting H3a. When an organization self-discloses the crisis before a third party, however, the level of crisis involvement does not affect observation length ($M_{low involvement} = 17.06$, $SD = 15.10$ vs. $M_{high involvement} = 13.41$, $SD = 21.26$; $t(38) = -0.61$, $p = 0.54$). These results support H3b.

4.2. Tests of hypotheses

The fourth hypothesis proposed that the effect of crisis timing strategy on the impact of negative publicity does not differ as a function of the level of consumers’ crisis involvement. When a crisis is highly involving, the time participants paid attention to the negative publicity correlated significantly negatively to their evaluations of organizational post-crisis reputation if that organization did not reveal the crisis before a third party did ($r(25) = -0.53$, $p = 0.006$), but not correlated if the organization self-disclosed the crisis ($r(22) = -0.14$, $p = 0.53$). A similar pattern occurs for low crisis involvement. When a crisis is low in terms of involvement, the time participants paid to the negative publicity correlated marginally significantly negatively to their evaluations of organizational post-crisis reputation if that organization did not reveal the crisis before a third party did ($r(21) = -0.42$, $p = 0.058$), but did not correlate to the post-crisis reputation if the organization self-disclosed ($r(18) = -0.22$, $p = 0.38$). These results support hypothesis four.

5. Discussion

People’s level of involvement with an issue moderates the impact that self-disclosure of organizational crises has on the amount of attention paid to the crisis-relevant information, but not on the impact of that information on their evaluations. The results show that when an organization self-discloses a crisis, both the attention to negative publicity and the relation of this attention to post-crisis reputation are low, irrespective of the level of crisis involvement. So, if an organization reveals a crisis, consumers will neither feel inclined to read subsequent negative publicity, nor will they let such an attack influence their opinion about the organization in crisis, even when their involvement with the crisis is high. However, if information is scarce because an organization did not self-disclose the crisis, involvement with the content of the information (i.e., the crisis) matters. When an organization waits for the crisis to be revealed by a third party, stakeholders spend more time on an article containing negative publicity about the organization in crisis when their involvement with that crisis is high than when their involvement is low. When information about a crisis is scarce (no previous self-disclosure of the organization), low crisis involvement can thus cause consumers to lose interest in the crisis message, even if they might perceive that the organization tried to withhold information from them.

These results confirm research according to which involvement can impact people’s interest for message content (Celsi & Olson, 1988; Petty & Cacioppo, 1981; Petty et al., 1983). The findings also comply with prior research regarding the importance of stakeholders’ involvement with a crisis for the impact of organizational crisis communication (e.g., Claeyts & Cauberghe, 2014) and answers the need for research on self-disclosure that takes involvement into account (cf. Fennis & Stroebe, 2014). In addition, this finding partly confirms the consideration made by Brock (1968) that the scarcity effect will only be apparent when a commodity is considered useful. However, the results also indicate that the importance of the usefulness of commodities should be nuanced. Commodity theory originally states that the scarcity principle only applies to messages that are relevant to people, since only then one can strictly say that the message is a commodity (Brock, 1968; Lynn, 1991). Still, these findings show that if people have no interest in the topic of a scarce message and they have little desire to read information regarding that topic, that information might still affect their opinion if they read the information anyway. As such, organizations that chose to conceal potential incriminating information, take a huge risk, no matter how involving the crisis might be to stakeholders.

6. Limitations and further research

This research entails some limitations that provide guidelines for further research. First, while the level of involvement significantly differs between participants in the low involvement and the high involvement group, the average involvement for the high involvement group is...
still only moderately high. Participation for credits may lower the intrinsic interest of the student respondents for any of the articles. Second, the student samples used in both studies may limit the generalizability of these findings. However, due to the time consuming nature of eye-tracking research, a more systematic procedure to select the respondents is less feasible.

Third, the study took place in an artificial setting and future research should therefore examine the impact in more natural conditions. However, the setting was necessary in order to obtain eye-tracking data. Still, the reading process was as natural as possible. Participants took place in a comfortable seat and were instructed to scan all articles before selecting the one they would read entirely as they would do when reading the newspaper. Fourth, the studies describe two fictitious organizations in order to rule out any confounding effects of pre-crisis organizational reputation (Coombs & Holladay, 2001; Lauffer & Jung, 2010). Further research might, however, investigate if and how consumers’ pre-crisis evaluation of an organization in crisis impacts the commodity value.

Finally, the findings offer a strong indication that commodity theory, at least in part, explains the benefits of organizational self-disclosure. However, the results cannot rule out alternative explanations entirely. Perhaps subjects in the self-disclosure condition paid little attention to subsequent attacks because they felt like the first article offered enough information already. While information redundancy might indeed be at play, a number of elements in the research design aimed to minimize this possibility. Participants filled in a questionnaire with filler items between the self-disclosure article and the attack, in order to make sure there was some time between reading both articles. Also, study two manipulated participants’ involvement with the crisis because when a crisis topic is personally relevant the chance that people will want to read everything about the events increases. Finally, it is impossible to fully rule out a potential redundancy effect in this context. Prior research about commodity theory and self-disclosure often refers to this theoretical explanation as the old-news-is no-news hypothesis (Dolnik et al., 2003) simply because self-disclosure implies that additional crisis information by third parties becomes redundant to stakeholders.

Future research should nevertheless explore the findings from both studies further in order to rule out alternative explanations. The current research shows that not self-disclosing crisis information can result in more attention to that information and in a larger impact of that information on people’s evaluations. Further research could study what determines impressions of information scarcity in the context of organizational crisis strategies. For instance, whether negative publicity offered after a self-disclosure will be considered scarce if that message adds new information is unclear. In addition, research could explore to what degree commodity theory can account for the positive impact of self-disclosing a crisis for organizational post-crisis reputations in comparison to other mechanisms underlying the effect of a “stealing thunder” strategy. Finally, organizations can only self-disclose a crisis when they recognize a situation as such. Crises often escalate simply because they go unnoticed by organizational management (Ulmer, 2012). Further research should therefore examine how organizations perceive potential crisis situations.

7. Conclusions

This research illustrates the effectiveness of an organizational self-disclosure in minimizing crisis damage. In addition, the findings indicate that commodity theory offers a valuable theoretical explanation for the effectiveness of stealing thunder. In doing so, the findings contribute to the evolution of the research field of public relations from a corporate communication practice to a theoretically grounded and research-based area (Botan & Taylor, 2004). At the same time, these studies introduce the advantages of organizational self-disclosure in times of crisis to the business literature. As such, the findings show executives that they should not hesitate to ‘steal thunder’ when they are faced with the dilemma between disclosing the negative event themselves or risking discovery by a third party (Fennis & Stroebe, 2014). In particular, both studies offer a strong indication that self-disclosing incriminating crisis information results in reduced attention of the public for subsequent negative publicity. In addition, any attention that the public might pay to such external attacks after an organizational self-disclosure does not relate to post-crisis reputational damage, irrespective of stakeholders’ level of crisis involvement. Therefore, even when crisis events are highly relevant to the public, an organizational self-disclosure minimizes crisis damage.

Organizations should therefore realize that the self-disclosure of crisis information is in their own interest. Companies in distress might hope that they will be able to keep incriminating information from leaking, but they should accept that secrets will surface eventually (Coombs & Holladay, 2002). The use of social media by both internal and external stakeholders has further increased the chance that crises will end up getting revealed (Miles & Mangold, 2014). Organizations in crisis should not, however, conclude that self-disclosure should merely be used as a reputation restoring strategy when the spread of incriminating information is unavoidable (Easley et al., 1995). Self-disclosure should rather be an opportunity for organizations to emphasize their willingness to prioritize stakeholders’ needs (cf. Veil, Sellnow, & Petrun, 2012). As such, these findings illustrate that organizations should provide information to stakeholders openly and will hopefully guide them to make ethical choices in their crisis communication (cf. Ulmer, 2012).

References


