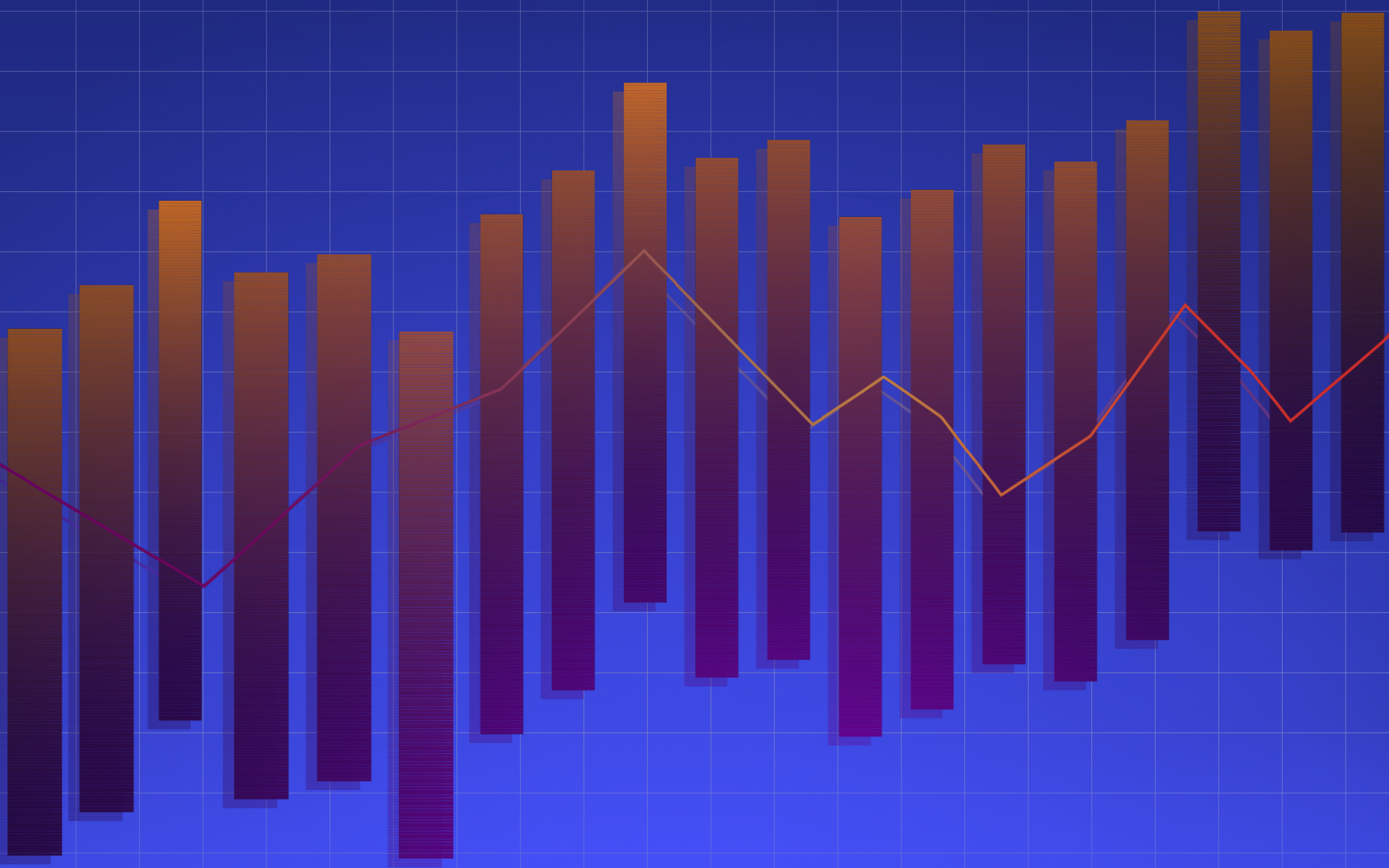




# 2023 Crisis Index





# Introduction

Brand reputation takes years, decades, sometimes centuries to build. Yet, it can all come crumbling down in a matter of minutes.

Memo examined how people engaged with news of major brand crises over the last 12 months —from some of the world’s most prominent banks and retailers, to popular fast food chains and car manufacturers.

The 2023 Crisis Index covers the factors that influenced readership (unique visitors to an article page) across different types of crises and the role of comms through it all.

Through research, we gathered learnings from some brand wins and stumbles, giving you some actionable, readership-backed insights to inform your media strategy should a crisis arise in your world. *Knock on wood.*

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## Key Takeaways

- 1 **Respond swiftly.** Responses from brands taking over a week to respond to a crisis drew criticism from media and attracted more readers to negative coverage.
- 2 **Celebrities can make or break a brand in crisis.** In cases like Adidas, Nike, and Bud Light, fame is what brought on the crisis to begin with. Any time a celebrity weighs in, readership spikes.
- 3 **Stay consistent.** Brands that backed up their decisions fared better than those that didn't (i.e. Target and Bud Light).
- 4 **One reduction in force is better than multiple rounds.** Multiple rounds of layoffs (even if impacting different business functions) create a rebound in readership. Keep it to one round if at all possible to minimize the impact on employee morale *and* wear and tear on the brand.
- 5 **Social media silence doesn't mean a crisis isn't brewing.** Not all crises create social chatter, which might make them harder to spot. Car and car part recalls are the perfect example of negative brand news that attract readers but not social engagement.



## Terms to Know

### Readership

the number of unique visitors to an article.

### Impressions

measure of potential views. It's the total number of unique monthly visitors to a publication (across the entire site) or the number of times content was shown in social media browsers. It doesn't count people who click or engage with content, just the number potentially exposed to it if every visitor views every post or article on the site.

### Reach

an estimated number of people that could have contact with an article according to the website's unique monthly visitors (UMVs) or a social post based on the number of followers, fans, subscribers, connections, and the platform's estimated visibility percentage.

### Share of Voice (SOV)

the total impressions or volume of coverage and/or social mentions for one brand compared to other designated brands (usually within the same industry). A brand's SOV is the total amount of coverage that mentions them compared to the total coverage for all the brands tracked.

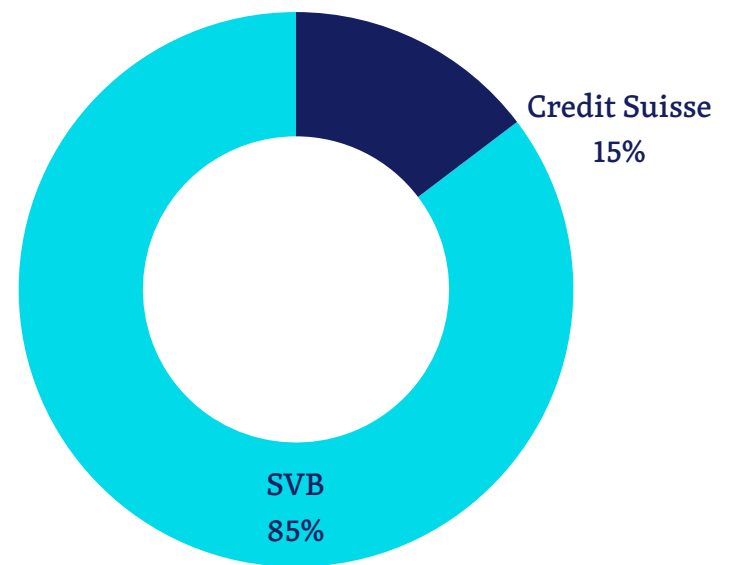
# Financial Communications: Narrative Matters

**Credit Suisse had 6x the assets of Silicon Valley Bank (SVB).** Yet, the Credit Suisse collapse made up **only 15% of readership** across both bank crises.

Readership around the SVB failure was driven by celebrity commentary, politicization of the collapse, and stories of impact on well-known consumer brands. It's the narrative around impact and the story of the crisis that drove readership more than the sheer economic impact of the failure.

Top-read coverage around the Credit Suisse collapse focused on larger ramifications for the U.S. and European banking systems, but lacked many of the salient stories and names that arose during the SVB collapse.

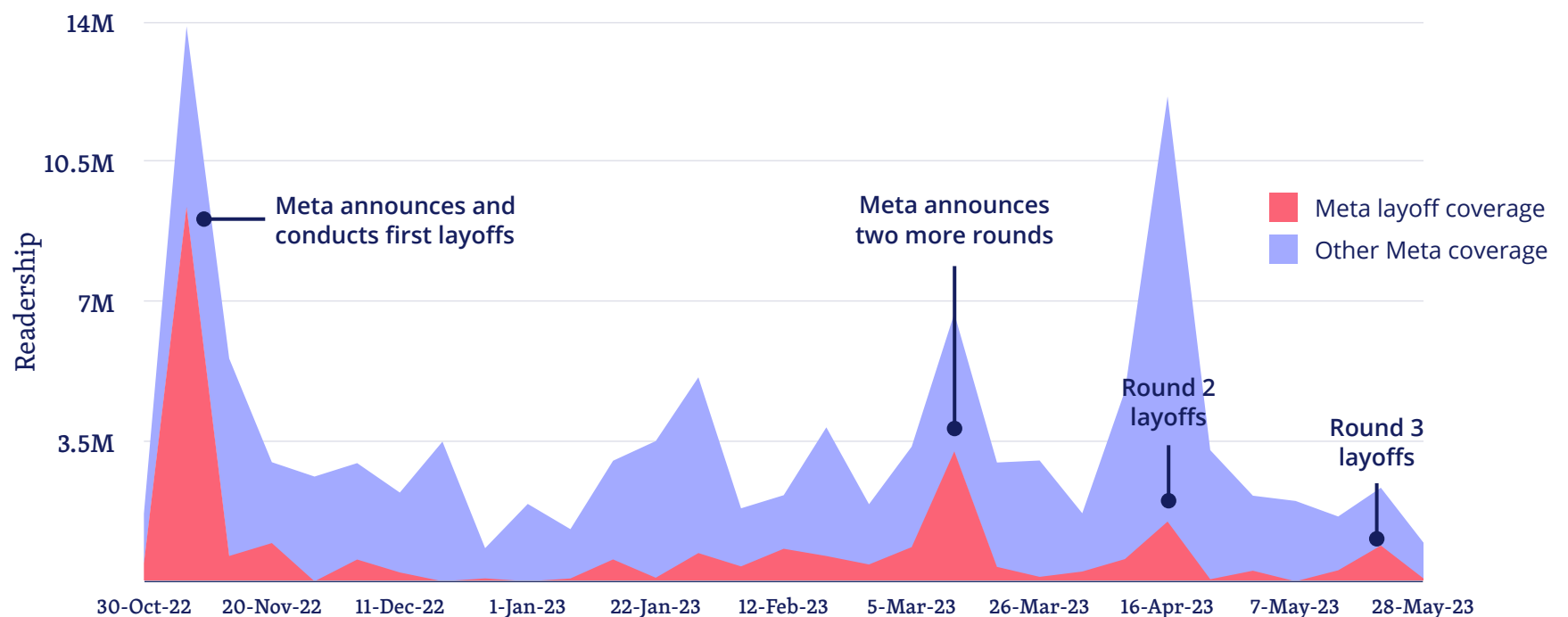
Share of Readership  
(Bank collapse, Mar 6-Apr 5, 2023)



## Layoffs

Meta announced 3 rounds of layoffs between the second half of 2022 and first half of 2023. Each announcement and round of job cuts created a new rush of readership. That said, each with fewer readers than the last.

Meta Readership Over Time



Not only does multiple rounds of layoffs impact employee morale (even if across different departments each round), it results in cumulatively more readership around the negative news. In Meta's case, layoff rumors and announcements that began in March 2023 increased their readership on the issue by 53% from earlier coverage.

(Chart note: April 2023 was a double whammy for Meta: On April 18, a judge approved a \$725M Facebook settlement.)



# Labor Issues | Unionization Efforts

We examined readership around three major union drives over the past year: 1) Apple Store retail workers, 2) Trader Joe's grocery store employees, and 3) Starbucks baristas.

By comparison, Starbucks unionization attempts dominated news cycles, accruing more than 7.8 million readers compared to Apple's 1.7 million and Trader Joe's 526 thousand over the past 12 months.

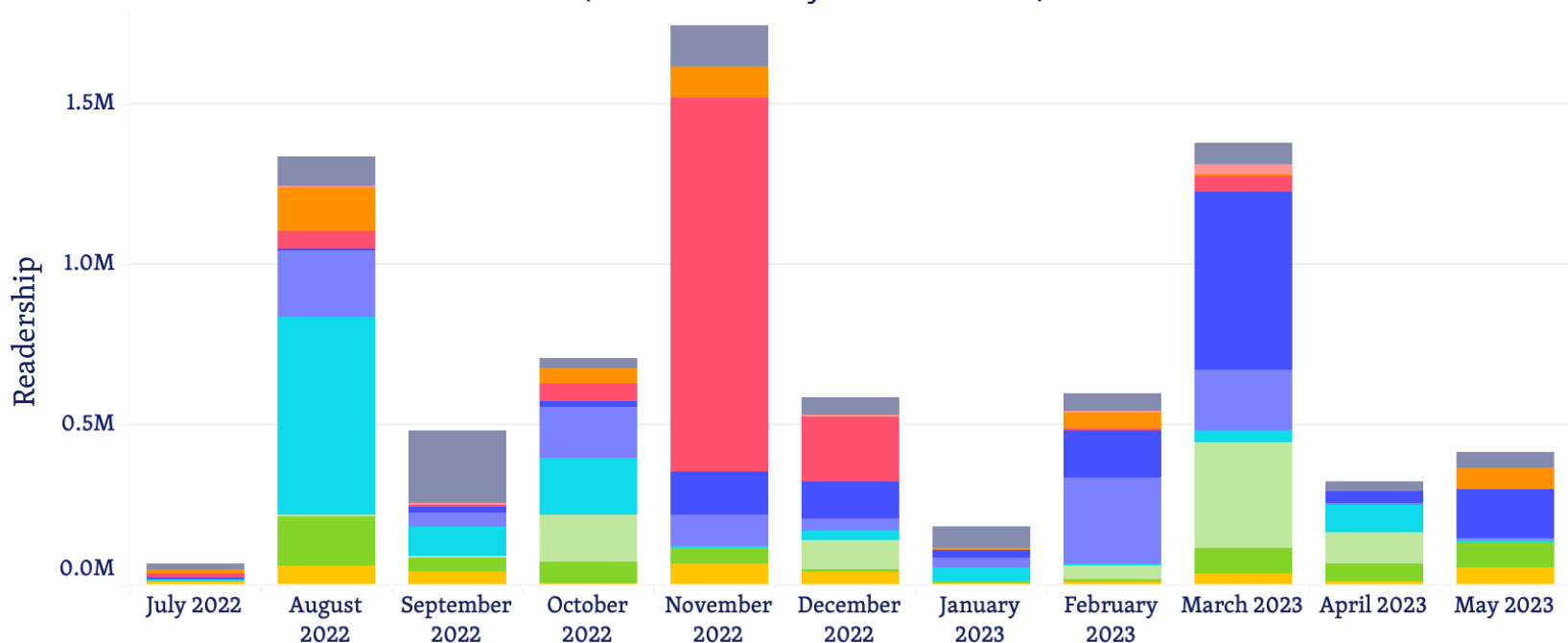
Taking a deeper look...

- 1 News of stores petitioning and voting to unionize got very little readership. **Starbucks' response and CEO Howard Schultz's Senate Committee testimony amplified the story**, particularly when eliciting claims of retaliation and union busting.
- 2 Workers' "Red Cup Rebellion" in November, when thousands of workers walked on one of Starbucks' busiest days of the year, was successful in drawing awareness of unionization efforts. **Over 1.2 million people read news of the walkout.**

## TL;DR

How a company responds to a labor movement is what can generate massive readership and dominate the narrative.

Starbucks Unionization Readership Over Time  
(Color coded by article theme)



**Unionization Efforts & Voting:** Stores announcing intention to and conducting votes to unionize

**Starbucks Corporate Response:** Actions Starbucks took in unionization negotiations

**Starbucks leadership:** Statements from CEOs Howard Schultz and Laxman Narasimhan

**Union Busting & Retaliation Claims:** Workers claiming retaliation and union busting tactics

**Politics, Legislation, & Hearings:** Articles about politicians' response and congressional hearings

**Worker Strikes:** Starbucks worker protests and walkouts.

**Store Closures:** Articles about Starbucks closing cafes that had unionized.

**Investigations & Litigation:** Lawsuits and Labor Relations Board investigations against Starbucks

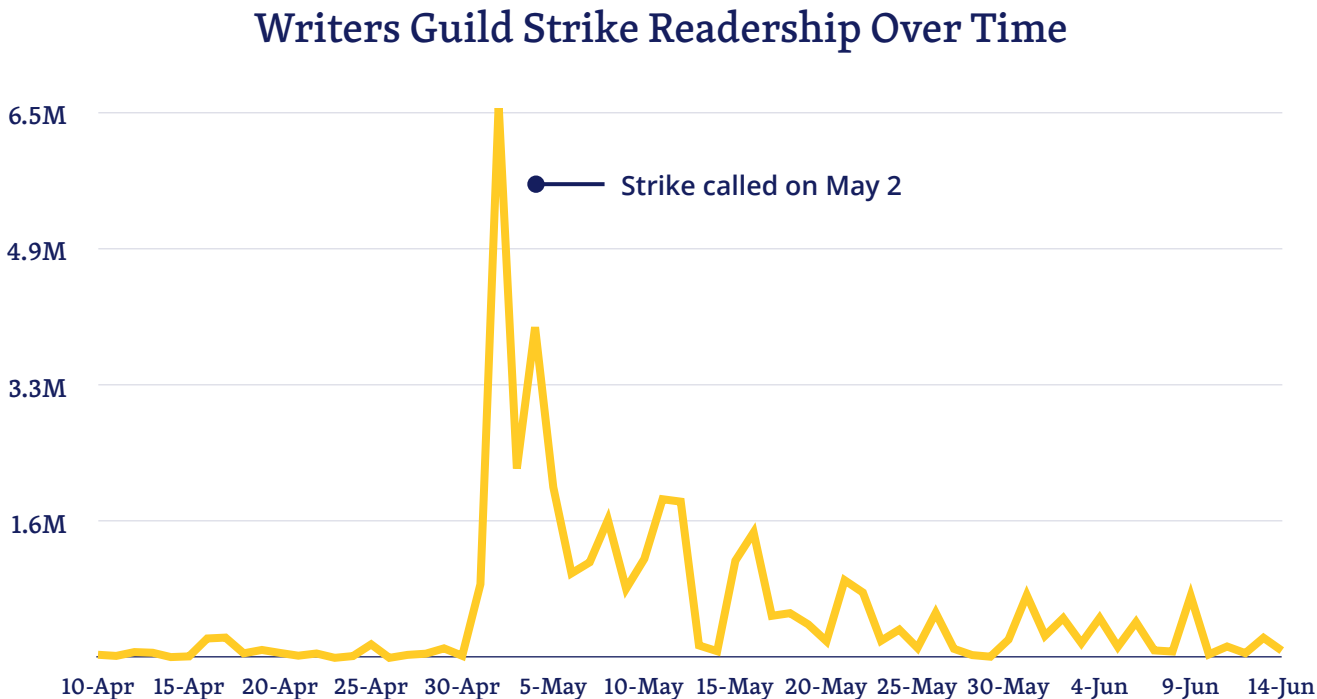
**Shareholder Activism:** Articles about shareholders, or about workers pressuring shareholders

**Labor Movement Trends:** Broader articles about unionization trends in the U.S.

# Labor Issues | WGA Strike

The 2023 Writers Guild of America (WGA) — representing 11,500 writers — is in an ongoing labor dispute with the Alliance of Motion Picture and Television Producers.

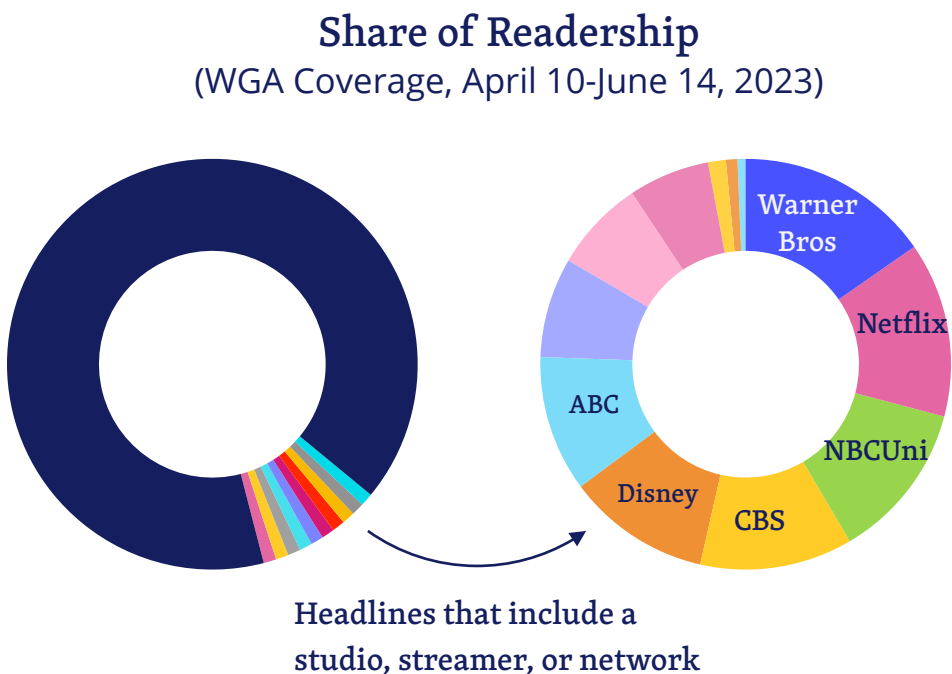
When the strike was called, celebrities spoke out, production delays were announced, and humorous jokes from the picket line emerged – all driving a spike in readership that dwindled in the following weeks.



But has any one studio, streamer, or network taken a reputational hit?

Only 10% of readership went to articles that mentioned one specifically in the headline, with Warner Bros (616K readers) coming in first and Netflix (554K readers) second.

When you compare this to Netflix’s readership of 11.4 million related to account sharing (aka the password crackdown) over this time, it’s a relatively lower hit.



20x

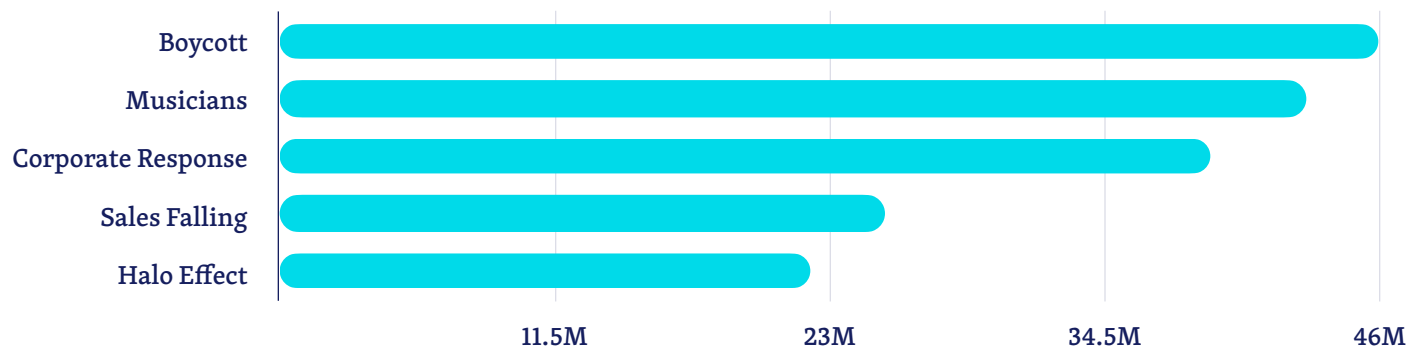
More people read articles focused on Netflix’s account sharing policy than articles focused on its role in the strike.

# In the World of Brand Boycotts, Consistency Matters.

Bud Light faced a boycott by conservative beer drinkers for featuring a trans influencer in its Pride Month ad campaign. Momentum built and set forth a domino effect with other brands getting wrapped up in a rise of “anti-woke” conservative protests around everything from Pride apparel to a VP of Diversity, Equity, and Inclusion (DEI) hire.

[The Bud Light boycott alone garnered over 46 million readers nation-wide](#) as of May 23. Millions more read about the country musicians, including Kid Rock and Travis Tritt, that kickstarted the boycott, the company’s response, and resulting sales falling, and coverage around more brands getting caught up in the culture clash.

Total Bud Light Readership by Sub-topic

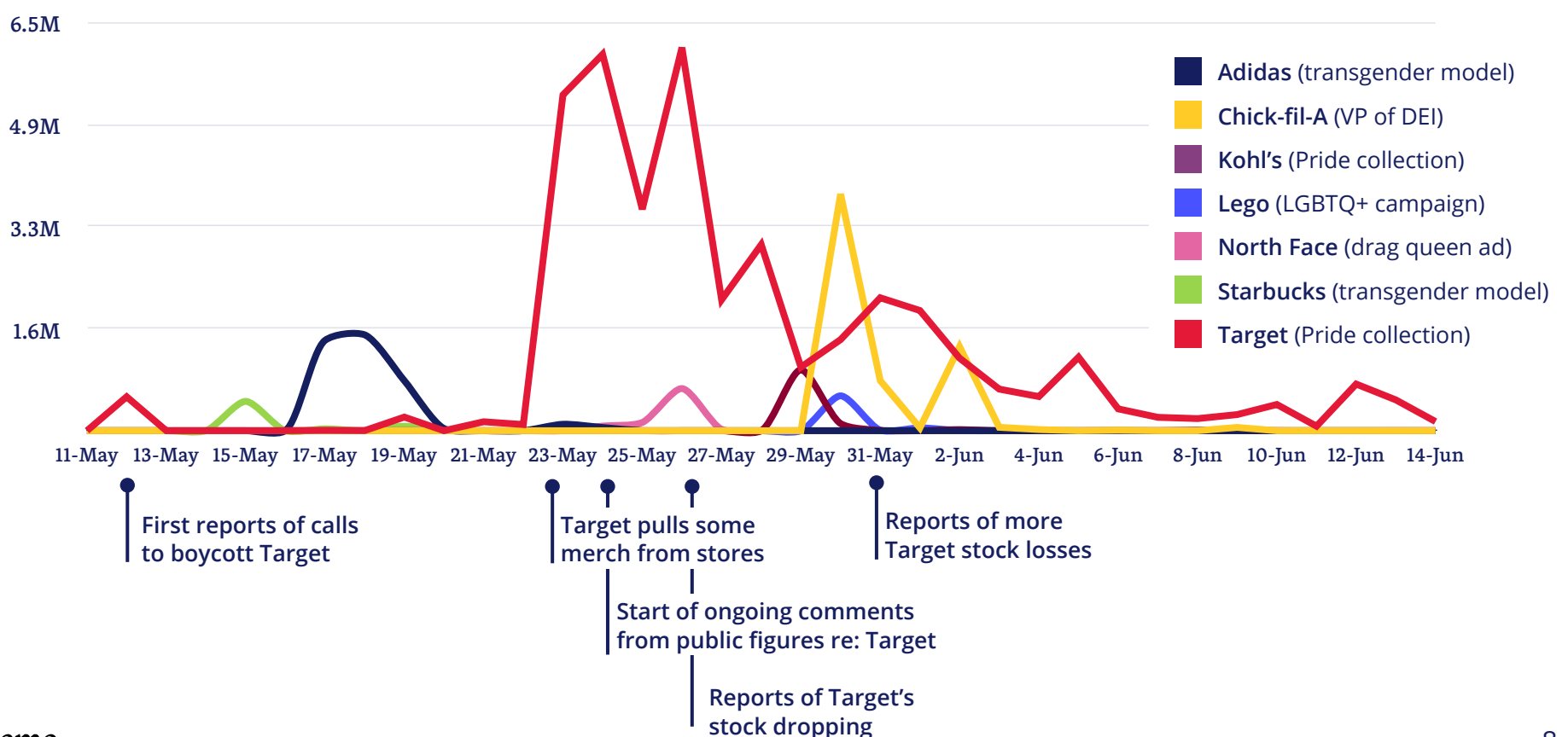


## Learnings from the Halo Effect

Among Adidas, Bud Light, Chick-fil-A, Kohl’s, Lego, The North Face, Starbucks, and Target, it’s the **readership around Bud Light and Target that stood apart. Why? Even the slightest waver drives readership.** No one else wavered.

When Bud Light apologized for upsetting some, it renewed the news cycle by upsetting Pride supporters for backpedaling ([read the full report](#)). Target initially reinforced its commitment to Pride and its themed product line but later revived readership by removing some products from stores to keep employees safe from in-person confrontations.

Readership Over Time: Post-Bud Light Culture Wars





# The Price of Fame

Celebrity commentary has a massive impact on the severity of a crisis. Not only can celebs missteps reflect poorly on the brands they partner with, famous names can attract readers, amplifying awareness of an issue. Three ways fame can impact crises:

## Crisis by Association

Both Nike and Adidas fell into a crisis when footwear partners Kyrie Irving and Ye made antisemitic remarks and refused to apologize for them.

## Igniting a Crisis

Bud Light's partnership with trans influencer Dylan Mulvaney wasn't attracting readers until Kid Rock and Travis Tritt called for a boycott in response.

## Reviving a Crisis

Kim Kardashian commented on Balenciaga's controversial ad campaign, rekindling coverage and doubling readership of the issue.

## How Responses Impact Readership

In Fall 2022, the world's two largest sportswear manufacturers were both dealing with the fallout of antisemitic remarks from celebrity footwear partners Kyrie Irving (Nike) and Ye, formerly Kanye West (Adidas).

Although both brands ultimately terminated relationships, Nike announced its decision within days while Adidas released an ambiguous statement saying it was reviewing its partnership and then severed ties weeks later.

Putting aside any business or contractual complexities impacting response timing, we examined readership across both brands to see what we could learn from a comms perspective. [If you want to dive deeper into the data, keep reading.](#)

## TL;DR

Adidas's drawn-out response resulted in more reputational harm than Nike's swift and decisive action.

### Readership Over Time: Nike vs Adidas

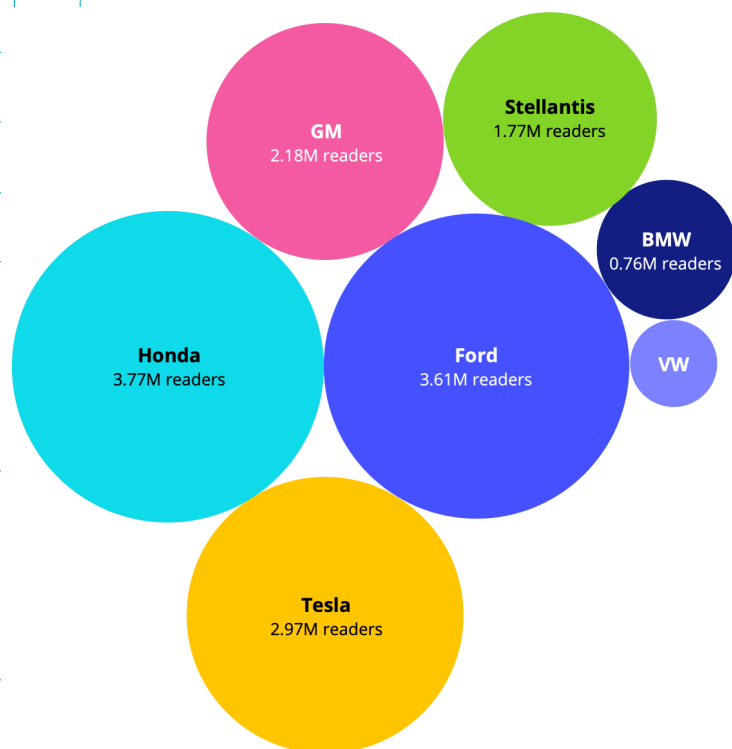


# Automotive Recalls

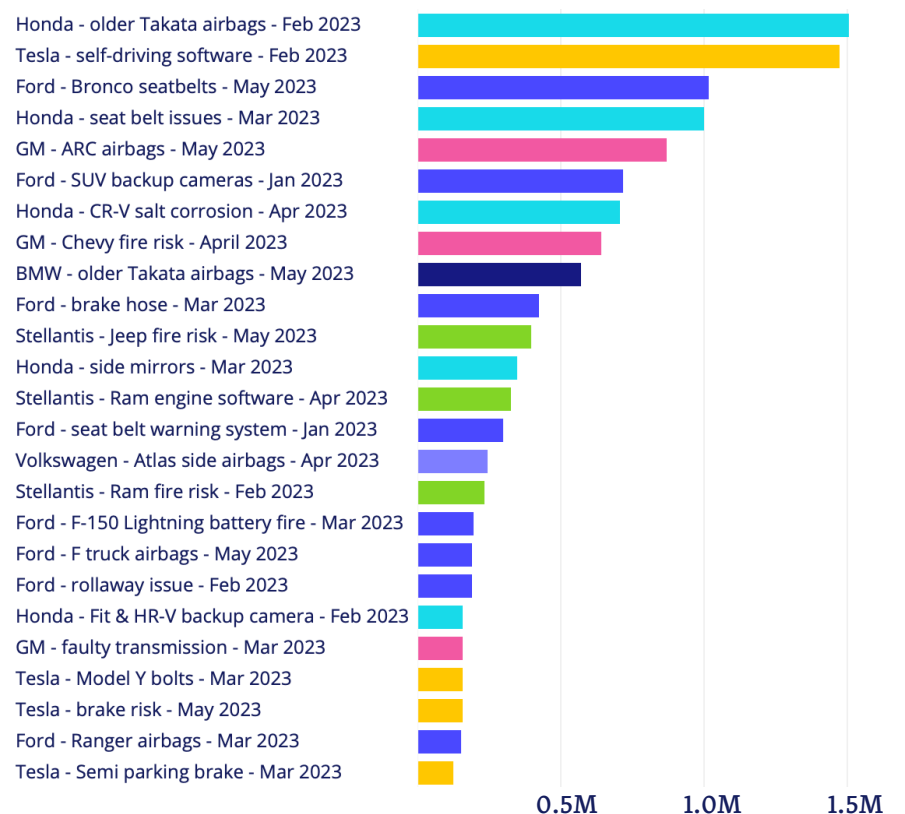
Cars and car parts get recalled all the time. Frequently, it's minor and people ignore the recall until the next time they get the car serviced. Last year was a big one for recalls coming out of the pandemic. Halfway through 2023, how are automakers fairing?

We analyzed vehicle recall coverage from January to early June 2023 across BMW, General Motors, Ford, Honda, Stellantis, Tesla, and Volkswagen. Think Tesla was the most read? Think again.

**Recall Readership by Auto Manufacturer**  
(Jan-June 2023)



**Recall Readership Index**  
(Jan-June 2023)



## Key Learnings

- 1 Lack of Social Chatter Doesn't Indicate Lack of Interest.** Recalls generally don't generate a lot of social chatter, but they *do* attract readers. In fact, about 20 million people read about vehicle recalls for our sample.
- 2 Ford** is the second-most read brand around recalls so far this year. Similarly, the brand also came in second in U.S. sales for 2022.
- 3 Honda** received high readership for recalling older models using Takata airbags. Honda also finished 2022 within the top 5 in terms of U.S. sales, even though the brand experienced a 33% decline in sales from the previous year.
- 4** We hypothesized that recalls involving a greater number of vehicles being recalled would get higher readership, but were wrong. Correlation is low.

Perhaps it's the fact that people never truly stop shopping for cars or the idea that people read most about what could potentially impact their daily lives. Either way, people love reading about vehicle recalls, and we'll never stop tracking it.



## Action Items

Phew! You made it to the end. Here are your five action items:

- ☐ **Respond swiftly.** When you see readership picking up speed, addressing the issue quickly can help minimize the news cycle.
- ☐ **Celebrities drive readership. Plan accordingly.** Celebrities can prompt a crisis, fuel its flames, and revive it, all before breakfast. Once a celebrity weighs in, anticipate high-readership.
- ☐ **Stay consistent.** Brands that back up their decisions fair better than those that don't (i.e. Target and Bud Light).
- ☐ **One reduction in force is better than multiple rounds.** If you must, do whatever you can to limit layoffs to a single round. It minimizes the impact on employee morale *and* wear and tear on the brand.
- ☐ **Social media silence doesn't mean a crisis isn't brewing.** Not all crises create social chatter, which might make them harder to spot. Readership gives you a more accurate indicator of what people are reading about your brand.

# Methodology & Data Pulls

For this report, Memo analyzed article readership (i.e. the unique visitors to an article within the first 7 days of publication) from hundreds of national, local, business, lifestyle, and trade outlets. Details about the specific data sets are below.

## Silicon Valley Bank vs. Credit Suisse

5,460 articles published March 6 – April 5, 2023 that either mentioned SVB and/or Credit Suisse in the headline, or that had headlines about the banking crisis with prominent mentions of SVB and Credit Suisse in the articles.

## Meta Layoffs

8,260 articles about Meta published Nov 1, 2022 – May 31, 2023. Articles were tagged as being about Meta layoffs when included in the headline.

## Unionization Efforts: Apple, Trader Joe’s, Starbucks

3,226 articles about unionization published July 1, 2022 – May 31, 2023 that mentioned Starbucks, Apple, and/or Trader Joe’s.

## Writers Guild of America Strike

3,615 articles published April 10 – June 14, 2023 that mentioned the WGA, strike, or related news (celebrity support, production delays, etc) in the headline. Netflix’s account sharing readership was pulled from 312 articles published over this same timeframe that mentioned Netflix and the new policy in the headline.

## Bud Light

2,000 articles focused on the Bud Light boycott published April 2 – May 23, 2023.

## Bud Light Halo Effect: Target and Other Brands

1,258 articles published May 11 – June 14, 2023 that mentioned Adidas, Chick-fil-A, Kohl’s, Lego, North Face, Starbucks, and/or Target in the headline with regards to Pride campaigns and inclusion initiatives.

## Nike vs. Adidas

468 articles that mentioned Nike and Kyrie Irving and 4,061 articles that mentioned Adidas and Ye published October 1 – December 15, 2022.

## Balenciaga

100 articles published November 21 – 28, 2022 covering [Balenciaga's ad controversy](#).

## Automotive Recalls

1,422 articles about vehicle recalls from January 1 – June 5, 2023. Auto manufacturers include BMW, General Motors, Ford, Honda, Stellantis, Tesla, and Volkswagen.

# Accurate data leads to better decisions.

Only Memo reports readership direct from publications.



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Show the ROI on PR with a  
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