



Exploring the effectiveness of creating regulatory fit in crisis communications: Can it change perceptions of media coverage during a crisis?

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Abstract This article examines an important issue in crisis management: how to influence public perceptions of the news media's reporting of a crisis. Previous research has found that congruency between the regulatory orientation of a consumer and a product recall message—also known as the *regulatory fit effect*—increases compliance with a product recall request. Could the creation of a regulatory fit effect prior to reading a news article about a crisis also be beneficial to a company? Two separate experiments conducted in the United States and India involving crises in different industries (airline and tires) examined this issue, and found that contrary to previous research, reactions toward the company were more negative in terms of expectations for a product recall and future purchase intentions. The findings revealed that these negative consumer reactions occurred because regulatory fit enhanced people's vulnerability to harm after reading the article. These results suggest that a company should consider creating regulatory non-fit in order to influence the public's perceptions of a crisis.

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1. Regulatory fit and crisis communications

During a crisis, a company typically encounters negative publicity from the news media, which can

adversely influence public perceptions of the company. This can occur even during the initial stages when uncertainty exists regarding company culpability for the crisis. At this critical stage, consumers quickly form their perceptions based upon media reports, and it is very difficult for companies to change these first impressions (Sjovall & Talk, 2004).

The public's reaction to media reports may also be swift and damaging to a company. Consider the 2010 Toyota sudden acceleration crisis, during which

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public opinion quickly turned against the automaker and sales of its cars were adversely impacted after news reports surfaced that Toyota models were accelerating uncontrollably and unable to brake (Liker & Ogden, 2011). It is worth noting that a negative reaction toward a company during a crisis can take place even if the company is not actually responsible for the crisis. In the case of Toyota, a 2011 government investigation in the United States vindicated the company, suggesting that the accidents were caused by driver error (Liker & Ogden, 2011).

Despite having limited influence over the news media's message, is there a way for companies to still affect how the public perceives news reports about the crisis? This article examines one way companies can try to manage public perceptions during a crisis: by creating regulatory fit. *Regulatory fit* occurs when the nature of a message is consistent with the regulatory orientation of an individual. Regulatory non-fit occurs when the nature of a message is inconsistent with the regulatory orientation of an individual.

Numerous studies have demonstrated that the experience of regulatory fit can affect the persuasive value of a message such that when framed to fit the viewer's regulatory orientation, messages are evaluated more positively as compared to when non-fit framing takes place (Cesario, Grant, & Higgins, 2004; Lee & Aaker, 2004). As Laufer and Jung (2010) point out, the regulatory orientations of target markets can be assessed based on the positioning strategies of companies. Laufer and Jung give examples from the automobile industry to illustrate this point (p. 148): "Volvo targets more prevention-oriented customers as reflected by their slogan 'Safe and Sound' (www.volvo.com), and BMW targets more promotion-oriented customers which can be seen through their slogan 'Driving Pleasure' (www.bmw.com)." Using the example of Volvo's positioning strategy, regulatory fit would occur when prevention-oriented customers are exposed to Volvo's ads, and regulatory non-fit would occur when promotion-oriented customers are exposed to the same ads.

Previous studies examining the effectiveness of creating regulatory fit have focused primarily on situations in which companies have control over the message. For example, in the context of crisis communications, Laufer and Jung (2010, p. 149) created regulatory fit by aligning the regulatory orientation of the target market (promotion) with the product recall message associated with defective laptop computers: "By replacing the battery, you will enhance the performance of your laptop. The benefits of replacing the battery include faster

processing times and a longer lifespan for your laptop." Laufer and Jung found that by creating regulatory fit with the message, consumers were more likely to comply with a product recall request.

Despite being much less common than creating regulatory fit with the message, it is worth noting that companies can also create regulatory fit independent of the message. For example, a company can create regulatory fit through the placement of advertisements that are congruent with the regulatory orientation of their target markets before consumers read articles in newspapers about a crisis associated with the company. The placement of advertisements prior to reading about a crisis in the media is increasingly possible in an online environment. For example, Google sells advertising space based on search terms (see www.google.com), and if a company successfully bids for the search terms, people could see the company's advertisement before other items related to the search term (e.g., newspaper articles). Toyota decided to pursue this strategy, and when people searched the term 'Toyota Crisis' with Google, the first item that appeared was a paid advertisement from Toyota.¹

An important issue for companies that are considering this type of strategy is determining whether creating regulatory fit independent of the message reduces the negative effects of media reports. For example, can regulatory fit reduce the pressure for a product recall, giving the company more time to investigate the cause of a crisis? An unnecessary recall can be very expensive and damaging to the company's image. Moreover, can regulatory fit prior to reading about the crisis in the news media increase consumers' purchase intentions toward the company's products or services? This article examines these questions, which could have important implications for companies' crisis communications strategy.

2. What is regulatory fit, and how can it be created?

Regulatory fit (non-fit) occurs when the manner in which a goal is being pursued is consistent (inconsistent) with the regulatory orientation of the individual (Higgins, 2000). Consumers can either be promotion focused (i.e., motivated by achievements) or prevention focused (i.e., motivated by avoiding threats).

Numerous studies have demonstrated that the experience of fit can affect the persuasive value

¹ We verified this by searching for 'Toyota Crisis' using the Google search engine.

of a message such that when framed to fit the viewer's regulatory orientation, messages are evaluated more positively as compared to when non-fit framing takes place (Cesario et al., 2004; Lee & Aaker, 2004). Consistent with these research findings, Laufer and Jung (2010) found that regulatory fit increases compliance with a product recall request by a company.

A number of researchers suggest that this positive effect on persuasion resulting from congruence of the message with the viewer's regulatory orientation occurs because of a 'feeling right' effect that arises from experiencing regulatory fit (Cesario et al., 2004). This feeling right effect increases individuals' feelings about the rightness of their reactions, which is then misattributed to the target object. In the case of a message, the feeling right effect generates a more positive response in terms of persuasion. In other words, people are more persuaded by a company's message as a result of experiencing regulatory fit.

Although regulatory fit can be created within the evaluation task itself—for example, by framing the message to fit the viewer's regulatory orientation—fit can also be created independent of the evaluation task. For instance, an individual can experience fit (or non-fit), and then be asked to evaluate a task. Could pursuing this strategy generate a positive response for a company during a crisis, similar to the findings from previous research which examined the benefits of framing a message to fit the viewer's regulatory orientation? Or does the creation of regulatory fit independent of the message generate a different type of response among the public? Unfortunately, the impact of creating regulatory fit independent of the message has not been examined previously in the context of crisis management. Therefore, it is not clear whether pursuing this communications strategy during the initial stages of a crisis is actually beneficial for a company.

3. Can regulatory fit be used in crisis communications to influence perceptions of media coverage during a global product harm crisis?

Over the past few years the global environment has become increasingly relevant for even smaller-sized companies due to a number of factors, including the emergence of global marketing channels, the Internet, and free trade agreements. As a result, it is becoming of critical importance for companies to understand how to effectively deal with product harm crises around the world. An issue of particular

concern to firms during global product harm crises is whether any given consumer feels that a product recall is necessary in his/her home country, even though the product harm crisis is occurring overseas. In the case of Toyota, the company came under increasing pressure from around the world for a product recall, even though the overwhelming majority of acceleration incidents were reported in the United States (Liker & Ogden, 2011). If creating regulatory fit prior to consumers' exposure to media reports about a product harm crisis overseas helps a company reduce the pressure to conduct a product recall in its other countries of operation, companies could have more time to conduct a thorough investigation assessing whether a global product recall is even necessary. As previously mentioned, the cause of a product harm crisis is not always company related, and the costs of an unnecessary product recall can be quite significant. This leads to our first research question (RQ):

RQ1: Does the creation of regulatory fit prior to consumers' reading a news article about an ambiguous product harm crisis occurring overseas reduce the pressure on a company to launch a product recall in their country?

4. Study examining the effectiveness of creating regulatory fit during a global product harm crisis

4.1. Participants, procedures, and methods

The participants were 119 people from an online subject pool in India. Their ages ranged from 18 to 66 ($M=29.90$, $S.D.=9.59$). The participants were 33% female ($n=39$) and 67% male ($n=80$).

The research was conducted online, and the material was in English. Participants received directions, were randomly assigned to a fit/non-fit condition, and then read a fictitious newspaper article (see Appendix) about an ambiguous product harm crisis involving accidents associated with a brand of tires in Europe. This type of stimulus has previously been used in studies both in the United States and overseas to depict a media report of an ambiguous product harm crisis (Laufer & Gillespie, 2004; Laufer, Gillespie, McBride, & Gonzalez, 2005). A fictitious brand was used in the article to control for the impact of prior reputation. After reading the article, participants answered questions related to the experiment. The participants completed the entire experiment in about 20 minutes.

Regulatory fit was operationalized independently from the article, using a method by Freitas and Higgins (2002). It is worth noting that this method of creating regulatory fit has previously been used in both marketing and psychology studies (Koenig, Cesario, Molden, Kosloff, & Higgins, 2009). The manipulation of regulatory fit was accomplished by asking participants to first list either a current hope or aspiration (promotion-focus induction) or a current duty or obligation (prevention-focus induction) and then asking them to list five means of achieving this goal. The participants were randomly assigned to one of two sets of instructions:

- “Please list 5 strategies you could use to make sure everything goes right” (promotion-related means); or
- “Please list 5 strategies you could use to avoid anything that could go wrong” (prevention-related means).

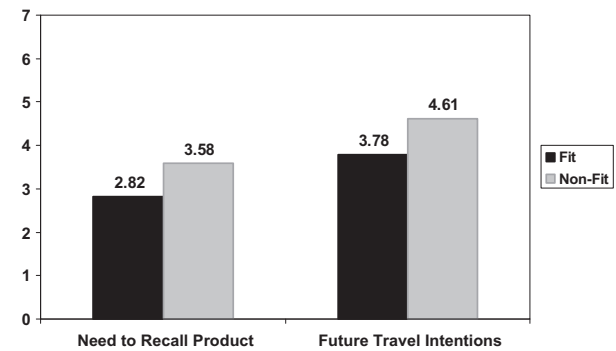
Matching goal type with strategies yields four possible conditions: two regulatory fit conditions (promotion-promotion and prevention-prevention) and two regulatory non-fit conditions (promotion-prevention and prevention-promotion). The regulatory fit conditions and non-fit conditions were combined for purposes of the analysis, so the combined regulatory fit condition (promotion-promotion and prevention-prevention) was compared with the combined non-fit conditions (promotion-prevention and prevention-promotion). This approach has previously been used in the literature to examine the regulatory fit effect (Vaughn et al., 2006).

The dependent variable of interest in the experiment was the degree to which people felt the company should recall the product. The measure was a one-item scale: “In my opinion, Star Tires should recall the product.” Responses were recorded on a seven-point Likert scale anchored by “strongly agree” (1) and “strongly disagree” (7).

4.2. Results

A one-way analysis of variance (ANOVA) was conducted to evaluate the effects of regulatory fit on the degree to which people felt the company should recall the product. The results revealed significant differences on the degree to which people felt the company should recall the product between the fit and non-fit conditions ($F(1, 118) = 5.62, p < .02$). Participants in the fit condition ($M=2.82, S.D.=1.66$) believed more strongly that the company should recall the product than did participants in the non-fit condition ($M=3.58, S.D.=1.83$) (see Figure 1).

Figure 1. Effect of regulatory fit on need to recall the product (Experiment 1) and future travel intentions (Experiment 2)²



4.3. Discussion

Experiment 1 found that when a company created regulatory fit prior to consumers reading an article about an overseas product harm crisis, consumers felt more strongly that the company should recall the product as a result of reading the article. This suggests that creating regulatory fit prior to reading a news article about a crisis is harmful to a company, and the creation of regulatory non-fit is a more effective strategy.

Due to these non-intuitive results, we wanted to investigate further. We decided to conduct another experiment examining whether the findings are generalizable to other types of crisis situations (media reports of travel delays associated with an airline) and to other countries (U.S.A.). In the new experiment, instead of expectations of a product recall, we consider another dependent variable of interest during a crisis: future purchase intentions. If we replicate the results of Experiment 1, it would strengthen the validity of our findings and provide further evidence that companies should not pursue a strategy of creating regulatory fit but rather the creation of regulatory non-fit. Consider the following hypothesis (H).

H1: Creating regulatory fit prior to reading a news article about a crisis reduces future purchase intentions when compared with a non-fit condition.

² Note that the need to recall product scale in Experiment 1 is a seven-point Likert scale anchored by “strongly agree” (1) and “strongly disagree” (7), so the lower the number, the stronger the expectation that the company should recall the product. In Experiment 2, future travel intentions was measured by asking the participants if they would consider flying with the airline on a seven-point scale anchored by “definitely no” (1) and “definitely yes” (7). Therefore, the greater the number, the higher the likelihood of future travel with the airline.

In addition to examining the effect of regulatory fit on future purchase intentions, we look into a possible explanation for these effects. Whereas previous research has primarily focused on feeling right as the underlying explanation for the regulatory fit effect on persuasion, more recent research suggests that in addition to feeling right, regulatory fit can cause people to become more engrossed or engaged in a task, thereby causing them to believe there is an increased event likelihood (Pham & Avnet, 2009). Based on these findings, we suggest that the reason people react more negatively to a news report about a crisis after experiencing regulatory fit is because they believe there is a higher likelihood they will experience harm to themselves as a result of the crisis. This could explain why people are less likely to purchase the product after experiencing regulatory fit. By not purchasing the product, they are protecting themselves from future harm.

RQ2: Will personal vulnerability to harm mediate the relationship between regulatory fit and future purchase intentions?

5. Study examining the effectiveness of creating regulatory fit during an airline crisis

5.1. Participants, procedures, and methods

The participants were 63 undergraduate students from a university in the United States. Their ages ranged from 18 to 23 ($M=20.54$, $S.D.=1.15$). The participants were 49% female ($n=31$) and 51% male ($n=32$).

Participants were seated at separate writing stations during the experiment. They received directions, were randomly assigned to a fit/non-fit condition, and then read a fictitious newspaper article (see Appendix) about flight delays. This type of article was chosen because of the relevance of this scenario to the participants, who had experience flying overseas due to a study abroad component in their academic program. A fictitious company was portrayed in order to control for the impact of prior reputation. After reading the article, participants answered questions related to the experiment. The participants completed the entire experiment in about 20 minutes.

Regulatory fit was operationalized independently from the article, using the same method as in Experiment 1. The dependent variable in the study, future

travel intentions with the company, was measured by asking participants if they would consider flying with the airline after reading the article. Responses were recorded on a seven-point scale anchored by “definitely no” (1) and “definitely yes” (7).

Finally, the measure employed for perceived vulnerability was based on a scale previously used in the literature (Laufer & Gillespie, 2004) and included the following three items:

- How likely do you think you would experience flight delays if you used the airline (0 = not likely to 10 = very likely);
- How concerned would you be that you would experience flight delays if you decided to use the airline (0 = not concerned to 10 = very concerned); and
- How worried would you be that you would experience flight delays if you decided to use the airline (0 = not worried to 10 = very worried).

These three items showed good internal reliability ($\alpha = .83$), and were averaged to form an index measuring perceived vulnerability.

5.2. Results

A one-way ANOVA was conducted to evaluate the effects of regulatory fit on future travel intentions with the airline. The results revealed significant differences on future travel intentions with the airline between the fit and non-fit conditions ($F(1, 62) = 4.93$, $p < .03$). Participants in the fit condition ($M=3.78$, $S.D.=1.36$) were less likely to travel with the airline in the future than were participants in the non-fit condition ($M=4.61$, $S.D.=1.61$) (see Figure 1). Therefore, H1 was supported.

To determine whether personal vulnerability mediates the relationship between regulatory fit and future travel intentions with the airline, a series of four univariate regressions were analyzed (Baron & Kenny, 1986). This method has been used extensively in the literature to test for mediation, including studies related to crisis management (Laufer & Gillespie, 2004). The regressions were:

1. Future travel intentions with the airline = $f(\text{regulatory fit/non-fit})$: $B=0.27$; $t=2.22$ ($p < .03$)
2. Future travel intentions with the airline = $f(\text{personal vulnerability})$: $B=-0.50$; $t=-4.47$ ($p < .001$)
3. Personal vulnerability = $f(\text{regulatory fit/non-fit})$: $B=-0.24$; $t=-1.94$ ($p < .06$)

4. Future travel plans with the airline = $f(\text{personal vulnerability, regulatory fit/non-fit})$: $B1=-0.46$; $t=-4.03$ ($p<.001$), $B2=0.16$; $t=1.44$ ($p<.16$)

Analysis of the four univariate regressions supports a mediating effect of personal vulnerability on future travel intentions with the airline. Mediation is indicated if inclusion of the mediator (personal vulnerability) in a regression model predicting the dependent variable (future travel intentions with the airline) results in attenuation of any significant relationships between the dependent variable (future travel intentions with the airline) and the independent variable (regulatory fit/non-fit). As a result of the inclusion of personal vulnerability in the regression predicting future travel intentions with the airline, the effect of regulatory fit/non-fit on future travel intentions with the airline becomes insignificant; however, the effect of personal vulnerability remains significant.

5.3. Discussion

Experiment 2 replicated the findings of Experiment 1 by further demonstrating that experiencing regulatory fit prior to reading a news article about a crisis is not beneficial to a company, and is actually more harmful than helpful. On the other hand, creating an experience of non-fit reduces the negative effects of the news article. In addition, this experiment found the reason for the negative effect of regulatory fit on future purchase intentions: an increased belief of personal vulnerability to harm resulting from the crisis.

6. Should regulatory fit be created by companies to influence perceptions of media coverage during a crisis?

This research suggests that companies should exercise caution when incorporating regulatory fit in crisis management. Whereas [Laufer and Jung \(2010\)](#) found that regulatory fit is an effective way of increasing product recall compliance intentions when regulatory fit is created through congruence between regulatory orientation of the consumer and the product recall message, this study found that it can be detrimental when regulatory fit is created before consumers read a news article about a crisis. Experiment 1 revealed that regulatory fit increased subjects' expectations for a product recall, while regulatory non-fit decreased it. Experiment 2 found that regulatory fit caused subjects' purchase intentions to decrease, while regulatory non-fit increased purchase intentions.

Furthermore, Experiment 2 found that the negative effect of regulatory fit was caused by enhanced levels of personal vulnerability to harm after experiencing regulatory fit. These two experiments, taken together, demonstrate that the negative effect of regulatory fit created prior to reading media reports about a crisis is generalizable to different crisis situations, as well as to different countries.

The findings from this research have important implications for companies dealing with a crisis. For example, a company like El Al Israel Airlines, whose target market consists primarily of consumers who are prevention-oriented (i.e., motivated to avoid danger, such as terrorist attacks), should think twice before running an advertisement highlighting the company's track record for safety (e.g., by showcasing advanced high-tech equipment that is effective in preventing terrorist attacks) before an article about a crisis. As previously mentioned, in an online environment, companies can place their advertisements before news articles by bidding for search terms through Google. The company may think that by creating regulatory fit through advertising before people read an article about a crisis, consumers will respond more favorably toward the company. However, our research findings show that the exact opposite effect is occurring: creating regulatory fit prior to reading the article causes people to react *more negatively* toward the company. Therefore, the negative consequences for a company like El Al are significant in two ways. In addition to increasing costs via additional advertising, the company is also decreasing its future revenue potential as a result of this type of advertising.

Despite our findings regarding the effectiveness of creating regulatory fit, a company should consider the creation of regulatory non-fit, which occurs when the manner in which a goal is being pursued is inconsistent with the regulatory orientation of the individual ([Higgins, 2000](#)). Based on our findings, this would be beneficial to a company by lowering consumer expectations for a product recall (Experiment 1) and increasing purchase intentions (Experiment 2). The reason regulatory non-fit is beneficial to a company is because it makes consumers feel less vulnerable to harm (Experiment 2). An example of creating regulatory non-fit with El Al would be for the company to advertise the comfiness of its planes such that business passengers might relax and be energized to conduct business upon arrival in Israel. This creates regulatory non-fit because El Al's target market is primarily prevention-oriented (concerned about terrorism), and the advertisement is promotion-oriented (increased likelihood of success in business by flying with the airline).

This research sheds additional light on the regulatory fit effect in a crisis management context. Coombs (2007) rightfully calls for more theory-driven research in the area of crisis management. However, when incorporating theories in crisis management, it is important to realize that in addition to a main effect, there can be moderating factors. In this research, we identified one moderating factor: how regulatory fit was formed (prior to message vs. integral with message). Future research should

explore moderating factors in other theories, too. Incorporating theories from other disciplines, such as psychology, can provide valuable insights to companies in order to improve the effectiveness of their responses to a crisis. However, it is also important to understand the conditions under which these theories operate. The extent to which companies understand the conditions will determine whether or not crisis management strategies based on these theories are successful.

Appendix

Experiment 1—Conducted in India

Accidents Associated with Tire Blowouts Under Investigation by the Consumer Protection Agency

The consumer protection agency has begun an investigation of Star Tires after reports of a number of accidents involving the tires. The accidents were associated with tire blowouts and occurred to drivers throughout Europe. A number of people sustained injuries as a result of these accidents.

No conclusive link has yet been found between Star Tires and the accidents. Star Tires issued a statement suggesting that the accidents could have resulted from adverse road conditions resulting from poorly maintained roads and bad weather such as hail and heavy rain.

The consumer protection agency will continue its investigation by interviewing more Star employees and drivers in the upcoming weeks.

Experiment 2—Conducted in U.S.A.

Flight Delays to Israel

The Federal Aviation Administration (FAA) has received a number of complaints from passengers about the airline Flysky*.

In their complaints, passengers criticized Flysky for frequent delays, suggesting that the delays were caused by a lack of proper maintenance of the planes. The airline, however, issued a statement claiming that the delays are typically caused by passengers not following luggage size guidelines while boarding the airplane. Flights cannot depart until all baggage is securely stored, and by violating the baggage guidelines Flysky claims that flight attendants need to spend extra time to find space for the luggage.

The FAA will begin an investigation into the matter over the next few weeks.

*(Flysky is a fictitious name. The airline's real name has been changed for legal reasons.)

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