

CLARITY

The Best of the Worst: 2017's PR Disasters - #1: Pepsi "Live for Now"

[Clarity](#) 21st November 2017



As 2017 draws to a close, it's time to look back at the year it has been, a year that just seemed to start low and then test the limits of how low low can go. And as we're currently inundated with a continuing stream of awful stories about the misdeeds and sometimes crimes of high profile men, I thought a bit of reflection on the PR disasters of a more innocent time might remind people that it's not that hard to stay out of trouble in the first place.

So, with that, here is the first in a series of posts that explore some of the most reputation-busting stories from 2017, looking at what exactly went wrong and how it could have been avoided in the first place.

Our first PR disaster happened back in early April, when Pepsi found itself in the midst of an uproar over the ["Live for Now"](#) short film/made-for-web commercial starring supermodel Kendall Jenner.

The spot featured the (white) model sashaying through a protest that, whether consciously-done or not, obviously evoked the then-recent Black Lives Matter

CLARITY

marches. In the video, Kendall ends up witness to a standoff with police. She hands a uniformed officer a Pepsi, and voila, problems solved.

The backlash was immediate, with vehement criticism on two fronts. First, for cultural appropriation, or the taking of something that is an important part of a minority culture by the dominant culture. Second, for its trivialization of Black Lives Matter, which looked a whole lot like Pepsi lacked respect for an important societal movement.

Once the uproar began, Pepsi did the right thing. In less than 24 hours, the video was removed from circulation and an apology was issued, one that acknowledged they'd "missed the mark" in their attempt to "project a global message of unity, peace and understanding."

In these types of situations, even the best intentions won't pull you out of the PR abyss. In this case, the message of peace looked to audiences like the commercialization of a pivotal cultural moment. This isn't a new tactic, but it is an increasingly tricky proposition. What may have been perceived as acceptable ten years ago might be considered offensive today. So, while brands may look at current events and see opportunities to be part of an important story, one with a ready-made and engaged audience, they have to tread very very carefully. Pepsi didn't, and they ended up looking opportunistic and insulting.

The lesson that businesses and communicators can learn from the disastrous Pepsi commercial is the importance of knowing your audience. This commercial incited a lot of speculation about how this ad ever saw the light of day. After all, productions like this one, with a big star and budget to match, don't get greenlit easily. How could the folks in charge not have known this would be a very expensive mistake?

Perhaps it's a matter of having the wrong people involved in the approvals process. Or not having the right people in on it. Maybe Pepsi could have saved their reputation (and ad budget) if they'd just had a more diverse set of decision makers.

Words Sherry Smith, Senior Account Director, Clarity PR

<http://clarity.pr/best-worst-2017s-pr-disasters-1-pepsi-live-now/>

CLARITY

The Best of the Worst: 2017's PR Disasters – #2: United Airlines and the "Re-Accommodation" Debacle



As 2017's terrible, no good, very bad headlines continue to unfurl, so too does my look back at some of year's worst PR disasters and the lessons that can be gleaned from the mishandlings of others. And speaking of mishandling, our case today is one that started with, quite literally, that, by United Airlines.

The whole catastrophe began in early April, coincidentally right as competing airline Delta coming out of its own crisis following a snowballing series of bungled operations that left many passengers and at least one corpse stranded on tarmacs. In an incident that perhaps had Delta's C-suite breathing a sigh of relief, a video shot with a mobile device on a still-boarding United flight revealed one unlucky, randomly-chosen ticket-holder getting violently dragged off of the aircraft by airport security. As the saying goes, if it bleeds it leads, and in little time, the clip was viewed millions of times all over the world.

CLARITY

That's bad enough. But United managed to make it worse, giving a woefully inadequate response and earning their reputation its own dragging, this one through the mud.

This PR disaster was the result of a perfect storm, and not the same kind that knocked out Delta's network. No, this was a corporate clusterf*, created through a combination of unclear policies, poor communication with customers and a painfully-bad, jargony response.

Compounding matters, it took the company a full day to come out with that response. Perhaps that delay would have eventually be forgotten, but not after what came next. An internal memo with a blame-the-victim tone was leaked. Unlike United responses, the impact to the brand was immediate. One analytics firm found that their social sentiment dropped 160% in just 48 hours.

Let's remember that the root of the problem was simply too many passengers for the available number of seats. This happens all the time. And people don't get beat up. United's first mistake was having unclear and inflexible policies regarding displacing ticketed passengers. Ideally, standard procedures should have been known by crew and customers alike, and United should have adequately incentivized volunteers willing to trade their reserved seat for cash or other consideration. Which is what generally happens. And it happens before anyone steps onto the boarding ramp.

Having already boarded the plane, United was in a very bad spot. Four people on that plane were suddenly required to leave, like it or not. Now, planes are uncomfortable by nature. . Add in the more uncomfortable situation, and who is really surprised things turned sour.

Once things were sour, United failed again. The right thing to do would be to admit wrongdoing, apologize to the injured passenger as well as all of the other witnesses to the incident and deliver a clear plan on how you will prevent this from ever happening again. But that's not what United did, and sour turned to rancid.

While the video when viral and was seen around the world by that evening, there was no statement at all until the next morning, and that statement was a completely-off-the-mark apology for the "overbook." No mention of the passenger who, by now, millions of people had seen with a bloody face being forcibly removed from the aircraft. So they tried again, and screwed up again. Another public statement was

CLARITY

issued, this one coming off as cold and corporate. Then, they issued an internal memo that was promptly leaked because of its he-was-asking-for-it tone. By this point,

United looked entirely insincere, and just one day later, the company lost \$800 million in market capitalization.

There's so much to learn about crisis management here, as it perfectly illustrates what not to do. Firstly, a good crisis response should happen very quickly. That's why it's important for businesses to plan ahead for a myriad of potential risks. Throughout the crisis, messaging should be consistent no matter who the intended audience is. It should be delivered in a way that shows empathy and reflects acceptance of responsibility, and there should be a clear course for corrective action to ensure the same thing won't happen again.

United clearly failed on all of these points, and if they'd been in any other industry, this may have been a business killer. But, with so small a competitive field and the commonality of airline PR disasters, United's business came through with little long-term damage besides its dented reputation. By May, we were back to sneering at Delta, caught on camera kicking a family off a flight after a seating mix up.

Words [Sherry Smith](#)

<http://clarity.pr/best-worst-2017s-pr-disasters-2-united-airlines-re-accomodation-debacle/>

CLARITY

The Best of the Worst: 2017's PR Disasters #3: The Ego-driven, Schadenfreude-inducing Fyre Festival Catastrophe



William N. Finley IV @WNFIV · 21h

This is how Fyre Fest handles luggage. Just drop it out of a shipping container. At night. With no lights. #fyrefestival



24 838 1.7K

With a too-small team of inexperienced, egotistical and greedy bros at the helm, not enough time and even less money, the Fyre festival is our third dis-honoree for PR Disaster of the Year. This event, promoted as a lavish, star-studded extravaganza on a private island in the Bahamas, was destined to be a failure from the very beginning.

Perhaps if their marketing had been as inept as their planning, they could have kept this misguided, overly-ambitious idea from becoming the utter clusterf* that it was.

But unlike our our previous installments, this case at least lets us revel in some schadenfreude. And as for learnings, well, while this doesn't solve the debate over whether or not "underpromise and overdeliver" is a good approach to customer service, this shows us why no one in their right mind would say the reverse is true.

CLARITY

But overpromise is exactly what the organizers of the Fyre Festival did. And, unfortunately, it's the only thing they did well. Beginning with an FTC-regulation-violating social influencer campaign, the expectations established for this first-time event were absurdly high. As were the ticket prices. But the marketing worked and people bought into promises that would go catastrophically unmet.

The base fact is that this event should never have happened. The organizers were in over their heads and the writing was on the wall – in neon, all caps – early on. They couldn't get partners or investors to come on board, the island site itself was far from the paradise presented and the closest things to luxury accommodations that could be delivered in time were tents. The organizers were repeatedly advised that moving ahead was a very bad idea, but they didn't listen. It's rumored one organizer even said, "Let's just do it and be legends, man." Somehow I don't think "legendary failure" was what he meant.

But legendary failure it is, and this could really depose the Challenger Explosion as a perfect business school case study. While the first lesson is don't make promises on which you can't deliver, the second lesson is, if you do, fess up and find a way to lessen the distance between what you said and what you did.

Fyre Festival organizers should have cancelled the event and didn't. They should have allowed – even encouraged – ticket holders to cancel for a full refund, but didn't. They should have offered partial refunds as soon as it became clear it wouldn't be the luxurious experience originally depicted, but didn't. So attendees were surprised, and rightfully ticked off, to arrive and find a comically different scenario than they'd imagined, and one they would never ever have paid for.

Another thing we can learn from this mistake is to pay attention warning signs as they come, because most PR disasters are a long time in the making, with missed cues and ignored warnings. Listen to the people who know more than you do. Perhaps these guys thought too highly of themselves to recognize they were in over their heads, but time and time again, they were given valuable advice by those with far more expertise, and time and time again, they ignored it.

And now they're faced with lawsuits and fraud charges, and we'll just see if they learned anything from this debacle that can help them dig out of the pit their reputations will still be in when they get out of jail.

Words [Sherry Smith](#)

<http://clarity.pr/best-worst-2017s-pr-disasters-1-pepsi-live-now/>