Notes on a Crisis

What Domino's and other brands under stress can do to revive and thrive, post catastrophe

May 10, 2009

-By Denise Lee Yohn

News of the incident spreads like wildfire. Public opinion plummets over night. Executives are reeling from their worst nightmare come true. Employees are demoralized. Sound like the Domino’s disgusting video crisis that erupted last month?

Actually, I’m referring to the food poisoning incident that felled another QSR chain, Jack in the Box, back in the early 1990s. As someone who lived through the Jack in the Box crisis as an employee in their corporate support center, I found last month’s events eerily familiar.

Now I don’t mean to suggest that the implications of the Domino’s situation come even close to the severity of Jack in the Box’s, but I can imagine the folks at Domino’s are struggling with the same questions we did: How do we recover from such a devastating incident? How do we regain people’s trust? How do we re-establish our brand?

Fortunately, Jack in the Box figured it out. Today the chain is thriving, enjoying average user visits second only to McDonald’s and recently running 18 consecutive quarters of same-store sales growth (until the effects of the recession set in). The company is recognized as a leader in food safety and the brand enjoys widespread positive perceptions.

It was a long, hard road back, but the lessons learned were valuable and offer some guidance to Domino’s as it tries to get back on its feet.

First, restore consumer trust by reassuring people that “someone is minding the store.” The YouTube response by Domino’s president Patrick Doyle to the offending video was a key crisis-management move. In the coming days and weeks, Domino’s public relations will need to reiterate the steps Doyle outlined, such as reviewing employee screening and food safety and quality procedures. Domino’s should also use its advertising and marketing to further reassure customers. The Jack in the Box campaign, which appropriately is attributed with reviving the brand after its crisis, adopted this approach. The campaign’s Jack CEO character communicated to consumers that someone’s had their back.

In the same way, people need to know that there’s someone looking out for their best interests at Domino’s—everyday, at every location. A marketing communications strategy that provides this reassurance in an engaging, entertaining way will generate an emotional resonance that complements the rational corporate media relations efforts to restore public trust. However, advertising is not enough. People need to experience real change at Domino’s in order to be convinced that the company has taken the situation seriously and is responding in
meaningful ways.

Jack In the Box revamped its menu and retrained its crew so that their customers’ dining experience would reinforce its commitment to food safety and quality. Furthermore the company adopted a more transparent, accessible working style with its employees and franchises which enabled the chain to act quickly and nimbly to incorporate new food safety measures and other changes.

Similarly Domino’s should identify highly visible and impactful changes to implement. It may be tempting to simply run deep discounts and aggressive promos to “bribe” customers back to the chain, but these tactics don’t address the core concerns people have, nor are they really all that different from what Domino’s has been known for doing all along.

Instead, perhaps this is Domino’s moment to improve product quality. The brand has always been more about deals and price than about good food and quality—maybe this crisis presents the perfect opportunity for the chain to upgrade the quality of its ingredients and/or cooking procedures. This would give customers a tangible reason to trust the chain and it would shift their perceptions of the brand to a more positive position than before.

This leads me to my last point: Domino’s should use this opportunity to assert leadership in the category. This incident has created the perfect storm of heightened consumer awareness and desperate internal stakeholders. The company is ripe for bold, broad changes. In the case of Jack in the Box, the chain picked up the food safety mantle and led the charge. While Domino’s infraction may be less serious, the opportunity to lead meaningful change is no less present. After all, the video may have been disgusting, but I doubt many found it surprising; most consumers are skeptical about fast-food workers and the way they handle food.

Perhaps Domino’s cause might be employee recruitment and training. Or, perhaps the chain should work to change public perception of the often maligned fast-food employee and improve the work experience and culture.

If Jack in the Box’s experience is typical, it will take awhile for Domino’s to fully recover. But if the company applies the lessons learned, they’ll not only get back to how things were—they’ll be even better.

Denise Lee Yohn is a consulting partner at brand as business. She is based in San Diego.

Links referenced within this article

- By Denise Lee Yohn
  http://www.mediaweek.com/mw/content_display/esearch/mailto:mail@deniseleeyohn.com

Find this article at:
http://www.mediaweek.com/mw/content_display/esearch/e3i5b8b0ca04d790c48a42a6cc45f6fd5f?pn=2

![Click to Print](http://www.mediaweek.com/mw/content_display/esearch/e3i5b8b0ca04d790c48a42a6cc45f6fd5f?pn=2)

Uncheck the box to remove the list of links referenced in the article.

© 2008 Nielsen Business Media, Inc. All rights reserved.