

# **Doomsday: Explosion of the Galaxy!**

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## **TEACHING NOTES**

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The authors prepared this case solely as a basis for class discussion and not as an endorsement, a source of primary data, or an illustration of effective or ineffective management. Although based on real events and despite occasional references to actual companies, this case is fictitious and any resemblance to actual persons or entities is coincidental.

## Case Synopsis

During August 2016, Samsung encountered their biggest nightmare to date when some of their newly launched flagship Galaxy Note7 devices were exploding. Samsung was quick to address the issue and voluntarily launched a Product Exchange Program, citing battery problems. They worked with the U.S. Consumer Product Safety Commission and recalled and replaced the devices with a new batch. To reduce uncertainty during the recall, the President of Samsung Electronics America Tim Baxter responded with a mortification approach and publicly apologized and assured that the new devices were safe. Within 15 days, the replacement devices were exhibiting similar problems, resulting in Samsung discontinuing the Note7 and recalling a staggering 3 million devices (96%) to date, causing a massive financial dent. Samsung conducted a thorough investigation (700 engineers examined 200,000 devices and 30,000 batteries) to uncover the genesis of the problem. While publicly sharing their findings, the company also reiterated their commitment towards quality, introducing an 8-point battery safety check, a multi-layer safety measure and a Battery Advisory Group. One of the key management decision was to restructure the entire process to ensure quality across all products in Samsung Electronics. But the question remains how can Samsung recuperate their reputation from a crisis that affects the essence of their brand and prevent it dripping into other products in its umbrella.

## Learning Objectives

The Samsung Galaxy Note7 crisis is a testament of how failure in corporate communication in crisis situation can affect corporate reputation and corporate identity. The incident and the management decision of the case can be set as an example for the managers in today's world on how to manage corporate communication to maintain reputation both internally and externally. In the following sub-sections, we explain the specific concepts and frameworks that students should grasp after analysis and deliberation of the case. After reading and analyzing the case, students should be able to understand application of Corporate Brand Identity, Corporate Brand Reputation, Corporate Communication and Crisis Management. The learning objectives of this case encompasses the most important elements in the 'nascent area of corporate marketing' (Balmer & Greyser, 2006; Urde, 2009).

## Corporate Brand Identity

The concepts of corporate brand, corporate identity and corporate brand identity are incessantly intertwined with each other. "Corporate identity is about how an organization wants to be perceived, how it presents itself to both internal and external stakeholders" (Roper & Fill, 2012). Corporate brand identity stems from corporate identity but exists in human minds (Balmer, 2010). While, "corporate brand identity refers to a distillation of corporate identity attribution into clearly defined perceived

attributes and associations that are linked to a corporate name and, secondary, to an institutional marque" (Balmer, 2010, p.186). It is "about the organization and its management's perceptions" (Urde & Greyser, 2016) and not unlike corporate identity, portray a strategic intent as to how the management want it to be perceived by stakeholders (Urde & Greyser, 2015).

The understand the corporate brand identity of Samsung and assess any impact the crisis might have on it, can be done accomplished with an integrated tool called the Corporate Brand Identity Matrix (CBIM), designed by Urde (2013). This tool would equip us to glean insights into any gaps that might exist between the current and ideal corporate brand identity (Urde, 2013). This would also provide an exposition regarding the rationale behind the crisis and Samsung's inability to handle it properly. We present our analysis, interpretation and perspectives on Samsung below articulating various identity elements from the CBIM:

- **Brand Core:** (Urde, 2016) delineates this entity of core values and promise as the brand core.
  - Brand Promise: Devote our human resources and technology to create superior products services, thereby contributing to a better global society.
  - Core Values: People, Excellence, Change, Integrity, Prosperity
- **Mission & Vision:**
  - Mission: To inspire the world with innovative technologies, products and designs that enrich People's lives and contribute to a socially responsible, sustainable future.
  - Vision: Inspire the World, Create the Future
- **Culture:** Samsung's culture can be described by the following statements.
  - "We comply with laws and ethical standards"
  - "We maintain a clean organizational culture"
  - "We respect customers, shareholders and employees"
  - "We care for the environment, health and safety"
  - "We are a socially responsible corporate citizen"
- **Competence:** New Technology, Innovative Products, Creative Solutions
- **Value Proposition:** Quality, Design and Price
- **Relationship:** Respect, Transparency, Trust, Value
- **Position:** Committed to being a creative leader in new markets and becoming a truly No. 1 business going forward. Becoming one of the world's top five brands by 2020.
- **Expression:** Logo, color, physical manifestation

- **Personality:** Innovative, Honest, Daring, Sincere and Kind

The CBIM depicts (see **Exhibit 1**) that Samsung's violation of several components in their corporate brand identity gave rise to the crisis and its poor management. Greyser (2009, p.592) asserts that when a crisis affects the "most distinctive characteristic associated with the brand's meaning - the essence of the brand", it becomes 'life-threatening' for the company. The incident directly affected Samsung's brand core and its promise. It also contradicts with their mission to enrich human lives and value proposition of providing quality. The crisis has exacerbated their relationship with their stakeholders, as stakeholders' trust were shaken and seriously questions their capability to reach their intended position.

## Corporate Brand Reputation

Corporate reputation can be delineated as "a collective representation of a firm's past behavior and outcomes that depicts" (Fombrun, Gardberg & Sever, 2000, p.243) "the firm's ability to deliver valued outcomes to multiple stakeholders. It gauges a firm's relative standing both internally with employees and externally with its stakeholders, in both its competitive and institutional environments" (Fombrun, 1996 cited in Roper & Fill, 2012, p.7). The correlation between a strong brand and good reputation is 'irrefutable' (Reputation Institute, 2016).

### *Assessing the Impact on Reputation*

Unlike brand identity, brand reputation is an external perception of a brand, from its stakeholder's perspective (Balmer, 2012; Roper & Fill, 2012; Urde & Greyser, 2016). Reputation is 'gestalt' (Roper & Fill, 2012) and multifarious (according to different stakeholders) and is an "accumulation of brand image over time" (Urde & Greyser, 2016). Because corporate brand identity and brand reputation are so inextricably entwined, the Corporate Brand Identity Matrix (CBIM), crafted by Urde (2013), was further augmented to incorporate the 'reputation' element into the Corporate Brand Identity and Reputation Matrix (CBIRM) by Urde and Greyser (2016).

The CBIRM can be used as a valuable tool to "assess key reputational and identity issues in a crisis situation" (Urde & Greyser, 2016, p.113). Applying the CBIRM in the case of Samsung, it is possible to pinpoint which reputational elements were hit the most and hence subsequently needs to be improved. Analyzing the CBIRM (see **Exhibit 1**) we can ascertain that trustworthiness (incorrect statement and wrong assurance by the President) and responsibility (lack of commitment and accountability initially) are the elements that were hurt the most. As a result, the credibility was also damaged. In addition, performance took a major blow as their product failed to meet the quality and basic functional performance. Willingness-to-support, differentiation and relevance were not affected, as the overall sales of the company only fell by 2% (through offsetting gains in Samsung Galaxy S7). Recognizability, perhaps unemotionally took an upturn due to increased communication. Although the genesis

of the reputational trouble was from inside the company, due to product failure, the impact was perhaps incapacitated due to the fault of third-party suppliers.

### *Measuring the Impact on Reputation*

Corporate brand covenant is the promise of a brand to its customers and non-customer stakeholders (Balmer, 2008, 2013; Balmer & Greyser, 2006; Greyser, 2009). This crisis directly hit Samsung's promise of "best in class safety and quality", as they failed to meet both. Greyser (2009) accentuated that the most serious reputational damage transpires during those crisis that affects the core essence of a brand.

In times like this, Samsung has the capability to draw on what Greyser (2009, p.600) terms as 'reputational reservoir', "a strong foundation for the corporate reputation". The company's reputation took a major setback, as evident in its plummeting ranking in major reputation measurement indices. Roper and Fill (2012) advocates that Reputation Quotient and RepTrak are two leading measures of corporate brand reputation.

Since, 1999, "the Harris Poll Reputation Quotient (RQ®) measures the reputations of the 100 most visible companies in the U.S., as perceived by the general public" (harris poll, 2017). In Harris Poll's annual US Reputation Quotient (RQ®) Rating, Samsung was blasted down from 7<sup>th</sup> (with RQ of 80.44) in 2016 to 49<sup>th</sup> (with RQ of 75.17) in 2017. According to the guide their guide, Samsung's RQ ratings nosedived from 'excellent' to 'very good', indicating both their fall and strength of their reputational reservoir.

Since 2006, "Reputation Institute's RepTrak® model is the gold standard for reputation measurement that provides a one-of-a-kind measurement" (Reputation Institute, n.d.) of "reputation of the world's 100 most highly-regarded and familiar global companies" (Reputation Institute, 2017; Roper & Fill, 2012) from a stakeholder perspective (Fombrun, Ponzi & Newburry, 2015). The 2017 Global RepTrak® 100, released on February 28 ranked Samsung at 70 (with RepTrak® Pulse of 70.98), which was a massive decline compared to their ranking of 17 in the previous year (with a with RepTrak® Pulse of 75). Although this was a major setback, Samsung's strong RepTrak® Pulse is what is still keeping them in the race.

## **Corporate Communication**

Corporate communication is a crucial management function in an organization as it creates the perception of both internal and external stakeholders. Cornelissen (2011) defined corporate communication as follows:

Corporate communication as a management function that offers a framework for the effective co-ordination of all internal and external communication with the overall purpose of establishing and maintaining favorable reputations with stakeholder groups upon which the organization is dependent.

Therefore, corporate communication plays a crucial role in influencing stakeholder perception, shaping the esteem of the organization, inform, influence and guide the corporate strategy (Roper & Fill, 2012). In times of crisis such as the case of the Samsung Galaxy Note7 effective corporate communication is a make or break for the organization as it can reduce uncertainty and minimize damage to the equity. How the brand interacted with their stakeholder during a strategic event like crisis or disaster (Roper & Fill, 2012) where their reputation was at stake, determines the future survival of the brand. Samsung's biggest challenge was to communicate to their stakeholders, both internal and external, as not to lose their credibility and trustworthiness and maintain the perception of expert in the industry. Their actions are reflected through their management, marketing and organizational communication during the Galaxy Note 7 fiasco as they didn't lose their credibility and trustworthiness in the market. The sale of their other products was still strong which minimized their losses due to the discontinuation and recall of Note 7. Consistent communication, accountability and transparency were the key elements in their corporate communication during this crisis even after the second failure. Based on the six mixed communication modality suggested by van Woerkum & Aarts (2008) Samsung used the informing-relating modality where they informed the stakeholders on the update of the issue and also attempt to strengthen the stakeholders' trust.

The crisis management of Samsung was grounded in their corporate objectives and they used that as a basis to communicate with their stakeholders and determine the crisis management strategy. It is not about what the organization communicates but the form, style, timing and tone is crucial too. The Samsung Galaxy Note 7 is a testament that the timing of providing information is crucial as Samsung tried mitigating the crisis hastily during the first recall and without knowing complete knowledge which threatened their reputation and credibility in the market. In a crisis situation, communication of right corporate message is crucial. The dimensions to communicating corporate responsibility are that communications must be accurate, timely, transparent and credible. During the first phase of the crisis, Samsung voluntarily adopted strategies to resolve the crisis and communicate it to their consumers but failed to provide accurate information which led to the second crisis risking their credibility (Roper & Fill, 2012). They were responsive during the first crisis but in the second crisis they took time to assess the crisis and undertook more robust approaches to solve the problem therefore maintained a gap in communication from October to January. During the first crisis phase Samsung took an outside-in approach trying to save their reputation however, when that failed Samsung took an inside-out approach during the second crisis. They took their time to really understand the product issue and then communicate with the stakeholders focusing on accuracy, transparency and credibility while apologizing to their consumers. As Greyser (2009) notes that trust is a key dimension of corporate communication especially in reputation intensive situations. Greyser (2009) concludes that communication only cannot save organizations from reputational trouble if there is no "platform of evidence based substantive support" (such as credibility based on corporate behavior and product performance) as they jointly build the trust of the organization.

## Crisis Management

An important aspect to consider when facing a corporate crisis is to detect the damage it has already inflicted on the brand. According to Roper and Fill (2012), crises move through three main stages: pre-impact, impact and readjustment. The pre-impact phase is the period in which the company 'scans the periphery' and design a plan in order to identify potential undesirable consequences for the brand. In the case of the Galaxy Note7, Samsung appears to have failed on assessing the pre-impact phase of its crisis since there were still reported explosions of the replaced Note7 devices, even after the President of Samsung Electronics America previously announced that the problem was been solved and the devices were safe to use. In this regard, it can be seen that the brand launched an official communication without thoroughly investigating the root causes of the explosion, which reflects a lack of scanning the periphery and planning. Moreover, during the crisis impact phase Samsung did not show to be very open with media and most of their official communications was managed via their internal communication channels.

Based on the context of Samsung Galaxy Note 7 explosions, this can be categorized as an accident crisis (Coombs, 2007). Indeed, non-intentional technical errors in the battery of the cell phone caused a failure in the product and a subsequent recall. On the other hand, in order to defuse the impact on the brand reputation and as a way to restore their brand image, the company followed a corrective action approach (Benoit, 1997). Therefore, the company recalled 3 million Galaxy Note7 devices till date and halted production and sale the product. In addition, the company formulated an advocacy response strategy which is the most applicable strategy when a company is facing a significant threat to its core business (Cornelissen, 2011). Hence, Samsung's main focus was to change the adverse image that the crisis caused and its impact on the brand's stakeholders.

Moreover, according to Taylor and Kent (2007) uploading up-to-date information about the progress of the crisis on the company website and communicating with different stakeholders are relevant best practices that can be integrated into the company communication strategy in order to ameliorate the damaged caused by the crisis. In this way, the company held a press conference to officially clarify the causes of the problem and explained how they have undertaken different measures to prevent any similar future issues.

Drawing on the concepts of brand crisis management by Greyser (2009), a company's response to a crisis should focus on building up trust again by talking, being and staying authentic to the brand's core values. Indeed, the substance of a company credibility in regards of its past and present corporate behavior is a major attribute that should undergird the brand corporate communication. While initially Samsung did not manage the crisis effectively, after some time the company could revert this situation by implementing an appropriate corporate communication strategy.

## Overview of Key Learnings

The analysis and discussion of the Samsung Galaxy Note 7 crisis should enable the case readers to achieve several learning objectives which are discussed in details below using Bloom’s taxonomy of learning domain:

Key Learning Objectives		
<i>Remembering</i>	...the halo effect of corporate brands during a crisis	Here Samsung Electronics (corporate brand) and Samsung Mobile (product brand)
<i>Understanding</i>	...the importance of corporate brand identity, corporate communication, corporate reputation and crisis management	Discuss the key concepts related to understanding the case.
<i>Applying</i>	...use the key concepts to frame the case	Demonstrate the ability to apply the concepts of corporate brand identity, corporate communication, corporate reputation and crisis management to identify the key issues
<i>Analyzing</i>	...the incident and applying the key concepts	Examine the Samsung Galaxy Note 7 crisis from the lens of the key concepts to identify the alternatives and recommendation
<i>Evaluating</i>	...the management decision to restore the corporate reputation and consumer trust	Critically evaluate the management decision against the theoretical backdrop
<i>Creating</i>	...an action plan for the future	Construct a crisis management plan to manage the future crisis.

## Discussion Questions

An engaging and captivating case discussion is the key to unlock the full potential of the students’ cognitive abilities and accomplish the learning objectives of this case.



The opening approach to initiate the case discussion would be ask the primary discussion question:

*How can Samsung manage the crisis and save the reputation and the future of the Galaxy Note series along with a range of related products in its portfolio?*

To help facilitate the class discussion, the instructor is provided with a set of guiding questions below that would lead to answering the underlying topics:

- What should you do to deal with the situation after the second failure to mitigate the crisis?
- How can you gain back consumer trust and build confidence?
- How can you curtail the impact of the Galaxy Note7 crisis on other products in Samsung's portfolio?
- How can you better equip yourselves to evade crisis in the future?
- How can you ensure the suppliers abide by the compliance code?

The instructor is free to choose his/her own sequence for organizing the questions for the class discussion, but proper transitions should be preset.

## Teaching Suggestions

In order to provide meaningful learning experiences and to enhance the process of teaching, instructors should be open to integrate novel techniques in the class environment. Therefore, the main purpose of the section below is to propose an overview of interactive teaching approaches and recommendations that can help instructors in their class planning process. In addition, a recommended teaching structure can be found in the annexed visual presentation. Thus, each slide of the presentation contains detailed speaker notes and a specific description.

### *Opening and initial stage*

The use of visual aids during a class is highly recommended since they are considered to be important tools that can add power to spoken words. For instance, the use of Power Point slides as visual aids and the use of a white board to visually outline the main discussion highlights helps the instructor to point out the sequence of ideas and the focus of the presentation.

Furthermore, the use of videos is an effective tool to stimulate an interactive learning environment. For example, the presentation of Samsung corporate videos related to the topic in discussion will be very useful to encourage student participation. Moreover, the analysis of the Corporate Brand Identity and Reputation Matrix (Urde & Greyser, 2016) should be elaborated during the class in order to further assess the key reputational and identity attributes related to the crisis faced by the *Samsung Galaxy*

*Note 7.* Another important aspect to consider by the instructor is to be academically prepared with the theoretical and practical approaches that will be discussed by the students.

### *Student discussion stage*

Turning now to the case discussion phase, it is suggested that the instructor asks the students to write their names on paper tags in order to have a more personalized interaction. In particular, during this presentation the instructor should ask students to assume the role of a Samsung taskforce team called the *“Guardians of the Galaxy”* with the purpose of promoting a participative atmosphere in the class. During the open discussion, the instructor should act as a facilitator and should maintain a neutral position with the purpose of not trying to influence the students’ perspectives and opinions about the topic. As a way to maintain an interactive flow, the instructor could write on the board the main question in discussion and should continuously remind to the students the role assumed by them in this particular case. In addition, it is important that the instructor pays attention on keeping a balance between students who participate actively and the students who have a more passive attitude. Furthermore, an important recommendation to follow is to divide the student opinions into three different categories - Challenges, Alternatives and Actions - because this will allow to have a clear structure of the ongoing discussion. For instance, the instructor could divide the white board into these three categories and start allocating the students opinion under each section.

Finally, in order to sum up the case discussion and to determine the management decisions it is suggested that a vote system is implemented. For this purpose, it could be useful to use colorful ballot cards. However, it is important that the instructor previously tests with students how the system works. As an example, the instructor could launch a random question and ask students to vote. This will allow to clarify any question about the voting system as a way to promote an appropriate and fair environment. In addition, the instructor could ask to the audience if there is any student who voluntarily would like to summarize the main outlines of the case and the management decision taken.

### **Board Plan**

A central aspect to consider when planning a class is to have a clear vision of the objectives that need to be achieved. For this purpose, the instructor should previously develop a board plan structure that can provide a guidance toward the accomplishment of the objectives established. Moreover, Harvard Business School (2015) describes that there are various approaches to board use when instructors are following the case method teaching process. Indeed, board use nowadays can vary from a minimalist basic way of writing down major discussion outlines to “the use of boards to acknowledge student comments and to highlight, summarize and connect contributions by underlining, circling or drawing arrows between words or phrases” (Harvard Business School, 2015). For the purpose of this case study, a moderate

problem solving approach will be followed which means that the board will be used to highlight and summarize the main outlines provided by students.

The proposal for this case is to divide the board in sections such as “challenges, alternatives and actions”. The challenges section will contain the student’s opinions related to the main problems faced by the Company due to their crisis management. The alternatives section will comprise the evaluation of potential solutions. The actions section will illustrate the managerial decisions agreed by the students. In addition, it is highly recommended that the instructor previously fill a Board structure template to be able to provide an accurate interactive flow to the class in case that students are not very participative in the beginning. Finally, the table B attached lines below has been elaborated with the aim to provide the instructor with a Board plan structure that can be used as an alternative during the case discussion.

**Table A** Board Plan

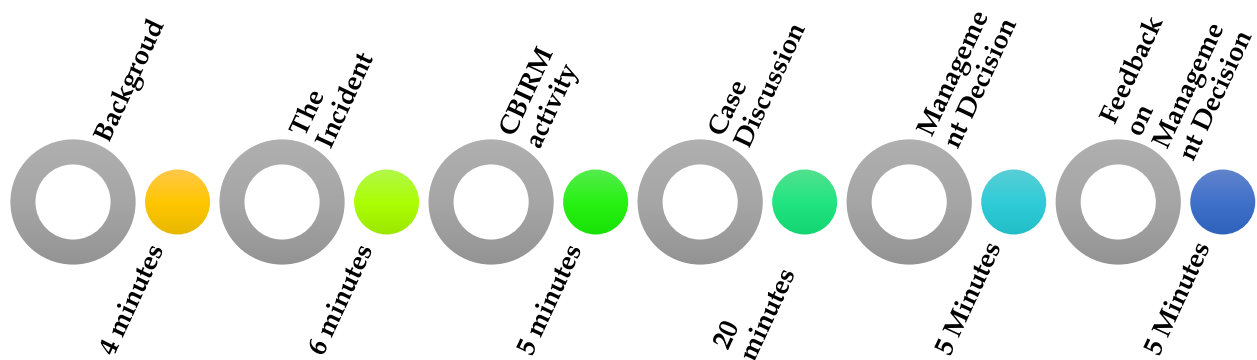
Issues	Alternatives	Actions
<ul style="list-style-type: none"> <li>➤ 3 million smartphones recalled</li> <li>➤ People injured</li> <li>➤ Negative impact for Brand promise and Reputation</li> <li>➤ Double crisis</li> <li>➤ Competition take advantage of the crisis</li> <li>➤ Corporate culture</li> <li>➤ Corporate Identity</li> <li>➤ Communication</li> </ul>	<p><u>Internal process reorganization</u> <u>Crisis Communication best-practices:</u></p> <ul style="list-style-type: none"> <li>➤ Up to date crisis progress on the company website</li> <li>➤ Communicating with stakeholders</li> </ul> <p><u>Pre-impact crisis plan</u></p> <ul style="list-style-type: none"> <li>➤ Scanning and Planning</li> </ul>	<p><u>Authenticity</u></p> <ul style="list-style-type: none"> <li>➤ Talk, be, stay and defend</li> </ul> <p><u>Substance</u></p> <ul style="list-style-type: none"> <li>➤ Base of Corporate Communication</li> </ul> <p><u>Crisis strategy response</u></p> <ul style="list-style-type: none"> <li>➤ Advocacy position</li> </ul>

## Time Plan

In addition to how we will moderate the class discussion, it is imperative we maintain the time as well. A time plan would help us allocate time to different point of discussion by prioritizing the most important discussion and al. Effective time management would help us moderate the discussion efficiently while respecting the allocated time slots provided to us for the presentation. Moreover, prioritizing the topics of discussion will help us maneuver the discussion within the most relevant topics. The diagram below shows an estimated time plan for an hour or less than an hour presentation timeline. We would start by introducing the organization Samsung with a short background for around 3-4 minutes and then move on to explain the

incident and the crisis for around 6 minutes. After the incident, we would spend around 5 minutes to do an exercise to identify the affected areas through the Corporate Brand Identity and Reputation Matrix model and then pose the management question to initiate the case discussion where we would spend around 18 – 20 minutes. The next section would be to explain the actual management decisions taken by Samsung to deal with the crisis for around 5 minutes. We would conclude the presentation by discussing the thoughts on the management decision any other action Samsung could have taken for around 5 minutes. Our goal would be to finish in time but if the time exceeds we would try not to exceed it by more than 5 minutes.

**Figure A** Time Plan



## Teaching Plan

A successful case discussion is the result of substantial systematic planning by the instructor to guide the students toward learning. For an effective teaching plan, it is imperative to keep the core learning objective in mind and the relevance of the case in relation to the course module. According to the Christensen Center for Teaching and Learning a teaching plan should be designed in such a way that “allows the forest to emerge from the tress of the class discussion”. In the previous sections, we have discussed the learning objectives, proposed the teaching modality and in the following section we would propose how would we lead the discussion in the classroom as per the Harvard Case Teaching Method from Christensen Center for Teaching and Learning.

Class Flow	
Pre-class arrival	Check that all the presentation aids like the computer, projector and sound are working and supports our file.

	Moreover, any additional materials like flipcharts, exercise are prepared early.
Openings	We would establish the management question in the opening by talking about the background of Samsung and the incident. Moreover, we would set the flow of the discussion and some ground rules for discussion like putting name tags, raising hand for a comment and being respectful towards each other.
Questioning, Listening & Responding	Our questioning strategy would include the four major categories defined in the Harvard Case Teaching Method - starting a discussion segment, following up during a discussion in progress, transitioning from one segment of the class to another and handling challenging moments like if the discussion is off-topic. Listening and responding will go hand-in-hand. Our goal would be active listening of each topic within time limit and respond to ensure that we are maintaining the flow to reach our learning objectives.
Transitions	Transitions are important to keep the discussion flowing and also to maintain the timeline. Before each transition, we would like reflect briefly to set up the course for the next section and also start the next section.
Closing	In the closing, we would evaluate the management decision and also recap the learning objectives to assess how much we achieved it.
<b>Discussion Management</b>	
Timing	A time plan has been discussed in details in the previous section.
Participation	One of the major challenges would be ensure equal participation in class. We would try to ensure that the participation

	is not skewed towards a group of students only. Our strategy would be to monitor the hands in the class or cold calling names to know their thoughts.
Engagement	To ensure that we have maximum engagement we would do an exercise to identify the core issues and also reflect at the end of each section before transitioning to the next one.
Board Use	The Board Plan has been discussed in the previous section.

## Reflection

As part of the course requirement, all the students were required to write and present a management decision case. During the beginning of the course, the Professor asked us to form groups of three to embark on a challenging but empowering journey of writing a management decision case.

In the primary stage, Professor Urde arranged a supervision with the groups to select the topic for the case. Our group went with 3 different topics but we failed to finalize a topic as we ourselves weren't convinced with what we have proposed. We realized we weren't asking ourselves the right questions to select the topic. Thanks to the support of Professor Urde, we understood the topic has to be relevant for the whole class, reflect the learnings from our course and also be evergreen like the Tylenol case. After much contemplation and deliberation, we selected the recent Samsung Galaxy Note 7 case as the impact was global and the case truly reflected the course learning of Corporate Brand Management and Reputation. Selecting the topic was only the beginning of the exciting process of writing a case.

We met multiple times to plan and execute the Samsung Galaxy Note 7 management decision case. Before this, we could never fathom the workload that goes behind writing a case. The live case presentations in our class seemed so smooth and effortless that we couldn't interpret the criticality of analysis required to write a case. As a student, we tend to overlook the preparation and planning an instructor does to ensure that we achieve the learning objectives of the course. As students when we are asked to write an assignment it is about fulfilling a course requirement and achieving the course objectives but with the case writing we felt the tables have turned. We had to think about the relevance of the topic to the whole class, what should they take away from our case and how would we enable a deeper analysis of the theories in the course by relating it to the case topic.

Accumulating information to write the case was only a minor portion of the assignment. We found formulating the managerial question as the most challenging part of the case writing journey as asking the wrong question risks the learning objectives not being met. In class, we looked into the cases from an outside in perspective but while writing the case we had to look from an inside out perspective trying to place ourselves in the shoes of management of Samsung and analyze the rationale behind their decisions. We had to always remind ourselves that this was not about finding a solution but understand the challenges faced in the real business world and the decisions taken. This enabled us to critically evaluate the issue from an outsider perspective but also how an insider would think so that we can prepare a case that would reflect the learning applicable to general business issues in the real world. This process changed our perspective from a student to a case writer.

The Samsung Galaxy Note 7 was an interesting case to write as we learned that theory doesn't always provide all the right answers. Samsung followed the crisis management and communication process by the book yet they couldn't save their reputation simply because they weren't true to their values. Analyzing a giant like Samsung showed us how small issues in big companies can have such huge impact. For example, Samsung internal PR team was proactive in communicating the update of the crisis in their newsroom but they didn't communicate with their consumers, media and regulators directly as their company has a closed culture therefore they felt they have fulfilled their role. However, globally transparency is perceived differently that just posting news hence it was perceived to have been secretive and failed to follow through their promise. We learned the importance and power of constant and accurate communication that Samsung could have done better. Between the first crisis, second crisis and the press conference Samsung maintained silence and carried on as if nothing happened moving ahead with advertisements of their other products. This exacerbated the trust on consumers on Samsung. Only after the press conference did Samsung elaborate the steps they took to find out the problem. We believe our most important learning from the case was the necessity of a face of an organization during times of crisis. Upon digging deep into the issue and management decision, we found that Samsung is a "faceless company" as during this crisis there was no point of reference and no integrative strategy to communicate the crisis globally. Samsung's global CEO should have stepped up and given a statement on the crisis instead different people in different ranks and different regions were giving a statement. Therefore, even if at first glance it might seem that Samsung followed the crisis management process to the book there were so many other factors that affected their crisis which is not covered in the theoretical scape of the course. This was challenging as it was difficult to frame these issues into theory and analyze the management decisions.

In conclusion, we can all agree that this was a challenging yet empowering journey as we not only learned the theory but also learned how to apply it. We believe we went a bit further by not only applying it but also be critical about what is taught to us. Moreover, the overall course design broadened our horizon and increased our intellectual capacity to critically analyze management problems. We would like to

thank Professor Urde for giving us a taste of what management decisions look like and how it is made through interactive discussion in the class and the management decision case assignment.

## Epilogue

Having a crisis management corporate communication strategy is fundamental for any company that aims to build a well established reputation and maintains its Brand Equity. Through this case it has been possible to illustrate the importance that corporate communication has when defending the company reputation during a corporate crisis.

Even though during the initial crisis phase Samsung did not show an accurate crisis management approach, the company could overcome this situation by quickly reshaping its corporate communication strategy with the purpose to defuse as much as possible the negative impact of the crisis. In this way, a subsequent product recall and a whole restructure of their internal control processes were implemented. An important aspect is that Samsung communicated the new actions and changes that were taken place to the stakeholders affected.



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**Exhibit 1** The Corporate Brand Identity & Reputation Matrix (CBIRM)

